

CEL identifies transformational drill targets at Colorado V Gold Project

Highlights

- Assay results have been received from drill holes located on the margins of a series of gold-copper soil anomalies, 1 kilometre long, believed to represent porphyry Au-Cu targets
- All drill holes which penetrated the edges of these anomalies returned ore grade intersections which significantly upgrade these large targets.
- Interpretation suggests the mineralisation has similar geology, grades, and surface footprint as the Tier1 Cangrejos Gold Project¹ located five kms to the northeast.
- To assist shareholders, appreciate the scale of the opportunity CEL presents an Exploration Target reporting according to the JORC Code (2012). Highlights include (refer Table 2):

Anomaly A

- Drill hole ZK0-5, drilled across the extreme south-eastern margin of the anomaly returned **51 m at 0.7 g/t gold, 1.4 g/t silver** within a broader zone of 84 metres at 0.5 g/t gold
- This anomaly is one kilometre long and only tested by ZK0-5, ZK10-1 (pending) and panel sampling in the main adit, which averaged **1.5 g/t gold and 0.15% copper**.

Anomaly B:

- SAZK2-1 returned **63m at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** to the edge of the anomaly and SAK0-2 (located so the bottom 50 metres of the hole penetrated Anomaly B) returned **55m at 0.7 g/t gold, 1.5 g/t silver, 0.1% copper** with grade increasing at depth
- The anomaly is almost one kilometre in length and tested by only three drill holes, all located near its edge, all of which encountered significant mineralisation

Commenting on the results, CEL Managing Director, Mr Kris Knauer, said

“These results have turned our exploration program on its head. We did not expect holes, which only tagged the edges of the anomalies, to return ore grade intercepts.

These results outline two transformational drill targets we are compelled to evaluate. They appear to have the same geology, grades, and footprint as the neighbouring Tier 1 Cangrejos Project only 5 kilometres along strike to the northeast.

We have moved to quickly start an airborne magnetic survey, which will help to better define the porphyries. Infill and extensions of the soil survey will tighten the known Au-Cu anomalies. This will culminate in the planning of a high impact drill program to properly test these targets.

¹ Source Lumina Gold NI 43-101 Technical Report Cangrejos Project July 2020

Challenger Exploration (ASX: CEL) (“CEL” or the “Company”) is pleased to announce the results received for a further 8 re-assayed drill holes from the Colorado V concession in Ecuador. These drill holes are located away from the main discovery zone and adjacent to, but off-target from, a series of regionally significant gold and copper soil anomalies (see Figure 1).

None of these holes were valid tests of the anomalies with most being drilled off the anomalies, or at best, into the edge of the anomalies (see Figure 1). However, those holes which did intersect the edges of Soil Anomaly A and B returned significant results including (see Table 2 for details):

- **106 metres at 0.5 g/t gold, 1.3 g/t silver, 0.1% copper** including a higher-grade section of **55 metres at 0.7 g/t gold, 1.5 g/t silver 0.1% copper** at the end of the hole (SAK0-2) with grades increasing at depth
- **63 metres at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** from 67 metres. Note core from surface to 67 metres is missing (SAZK2-1)
- **84 metres at 0.5 g/t gold, 1.2 g/t silver incl 51 metres at 0.7 g/t gold, 1.4 g/t silver** (ZK0-5)

The results demonstrate that these anomalies are compelling targets of significant scale. The grades in the few holes which did penetrate the margins of the anomalies are in line with those in the Tier 1 Cangrejos Project ⁽²⁾ located approximately 5 kilometres along strike. The Company's panel samples in the main adit, nearer the centre of Anomaly A, averaged 1.5 g/t gold. Finally, the geology and surface extent of the anomalies is similar to Cangrejos and of sufficient size to host a major gold discovery.

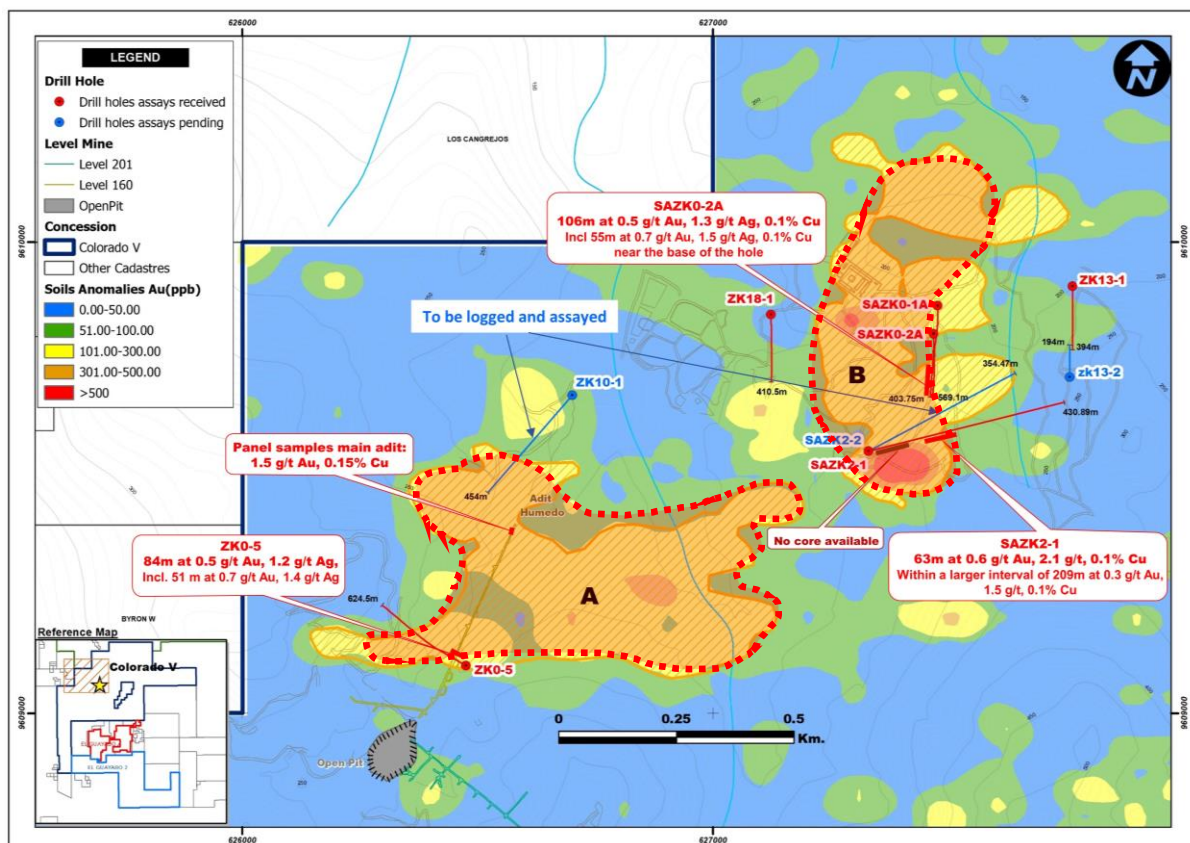


Figure 1 : Showing location of drilling and Anomaly A and B (>100ppb gold in soil)

Potential Size of the Exploration Targets

Anomaly A and Anomaly B, combined, define an Exploration Target ranging between 442 to 468 million tonnes grading from 0.5 to 1.0 g/t gold, 1.5 to 2.5 g/t silver, plus copper credits.

It should be noted that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources.

A detailed explanation of the basis for the statement, including specific description of the level of exploration activity already completed is available below.

- Surface area defined by a 100 ppb gold soil anomaly which coincides with a 0.1 g/t gold cut-off in drill hole assays and the panel sampling in the adit
- Depth extent of 400 metres assumed based on a reasonable depth extent for surface mining operation of a large steeply plunging low grade Au-Ag-Cu deposit. Current intersections in holes assayed by the Company which demonstrate mineralisation persist with depth, and is open below 400 metres sub-surface
- Density estimates of 2,600 – 2,750 kg/m³ are based on typical expected values for diorite, schist and diorite-schist breccia intersected in the drilling, in the adit, and observed on surface. The assumed density is not supported by sample density measurements.
- Gold, Silver and Copper grade estimates are based on drill intersections that coincide with the volume defined by the gold in soil anomaly to a depth of 400m below surface. A grade range of 0.5 to 1.0 g/t gold and 1.5 to 2.5 g/t silver has been used in the Exploration Target estimate.
- The proportion above cut-off (0.2 g/t gold) is an estimate based on the variability of grade from drilling and adit panel sampling. A range of 70-90% has been used.

Exploration Target Anomaly A	High estimate	Low estimate
Tonnage (Mt)	275	260
Gold Grade (g/t)	1.0	0.5
Silver Grade (g/t)	2.5	1.5
% tonnage above cut-off	90%	70%
Exploration Target Anomaly B	High estimate	Low estimate
Tonnage (Mt)	193	182
Gold Grade (g/t)	1.0	0.5
Silver Grade (g/t)	2.5	1.5
% tonnage above cut-off	90%	70%
Totals	High estimate	Low estimate
Tonnage (Mt)	468	442
Gold Grade (g/t)	1.0	0.5
Silver Grade (g/t)	2.5	1.5

Table 1: Exploration Target

Discussion

The drill holes are from a series of 60 historical holes drilled by CEL's farm-in partner targeting extensions to narrow high-grade vein hosted gold mineralisation they are currently exploiting. These historical drill holes were not systematically logged or assayed for bulk tonnage gold or base metal mineralisation. As the focus of the current owner of Colorado V was supplying high grade feed to their existing processing plant these soil anomalies were not a priority and consequently poorly explored.

The drill holes reported were drilled adjacent to a series of regionally significant gold-copper-molybdenum soil anomalies. These anomalies have significant scale with the plus 100 ppb gold footprint of both Anomaly A and B being almost 1 kilometre long and 350-500 metres wide (Figure 1).

The anomalies had been interpreted to be targets for porphyry mineralisation prior to the assaying of the historical drill holes. As can be seen from Figure 1, 5, and 6 none of the historical drill holes collared to be a valid test of the anomalies with the majority of these holes being drilled off the anomalies. Those holes which did penetrate the anomalies only drilled into their outer margins.

Complete assay results are given in Table 2. Management believes the results of the assays are highly significant and demonstrate that Anomaly A and Anomaly B are compelling drill targets.

Results of drilling adjacent to Anomaly A

Drill hole ZK0-5 is one of two holes which penetrated Anomaly A with the other hole ZK10-1 still to be logged and assayed. ZK0-5 was drilled on the extreme south-eastern flank of this anomaly and drilled through the sub-surface projection of Anomaly A. The intersection of **84 metres at 0.5 g/t gold, 1.2 g/t silver** including **51 metres at 0.7 g/t gold, 1.4 g/t silver** coincides with the projection of the plus 100ppb gold in soil anomaly at depth.

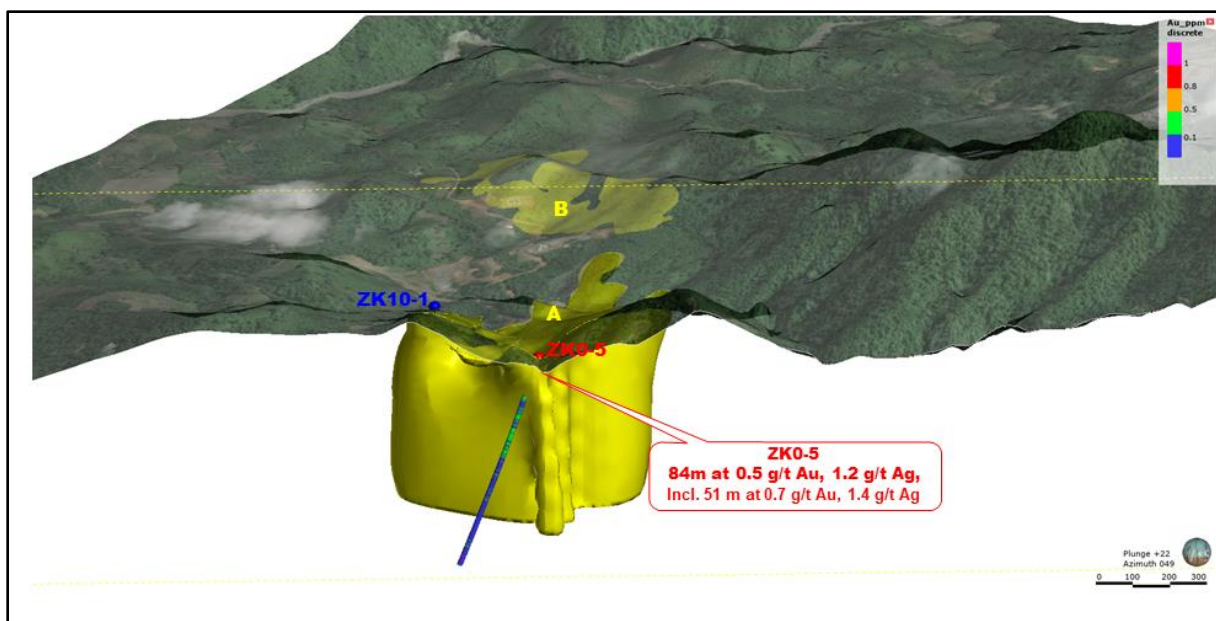


Figure 2 - 3D Image showing Anomaly A (sub-surface projection) and drilling

The only other assay data within this Anomaly is the limited panel sampling in the main Humedos Mine Adit completed by the Company. This panel sampling covered 40 metres of the adit with the panel samples averaging **1.5 g/t gold, 3.5 g/t silver and 0.15% copper**. These higher grades are now interpreted as being consistent with the location of these samples nearer to the centre of Anomaly A. The company has mapped 300 metres of porphyry style mineralisation in this adit and intends to rock saw channel sample this entire adit.

Anomaly A represents a significant target with the surface area defined by the 100ppb gold contour covering 250,000 square metres. Projecting this shape down to 400 metres sub surface defines a shape containing 260-275 million tonnes. Drilling and underground panel sampling has demonstrated this target has grades above 1 g/t gold near its centre and 0.5 g/t gold near its margins and has not been validly drill tested.

Results of drilling adjacent to Anomaly B

Drill hole SAZK2-1 was drilled from within the southern end of Anomaly B outward crossing out of Anomaly B. The top 67 metres of core is missing. The hole has been assayed and returned **63 metres at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** within a broader zone of 209 metres at 0.3 g/t gold, 1.5 g/t silver, 0.1% copper starting at 67 metres. As can be seen in Figures 3 and 4 drill hole SAZK2-1 was drilled at an extremely low angle ending only 100 metres sub surface and failing to test the southern end of this anomaly at significant depth.

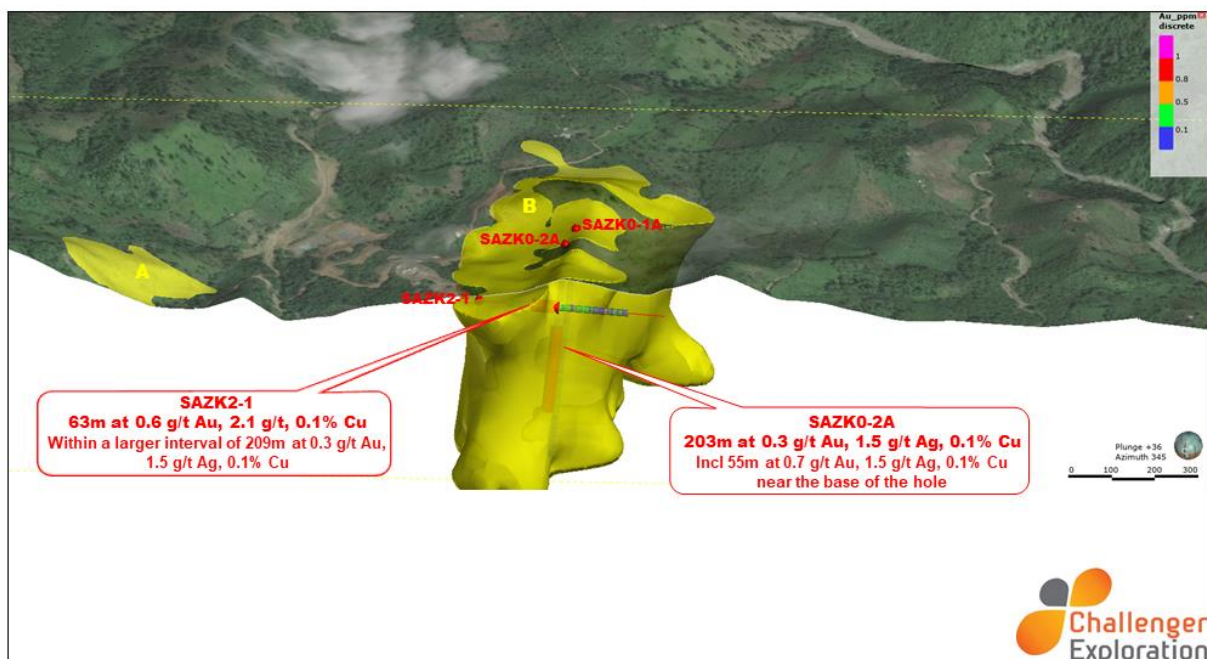


Figure 3 - 3D Image showing Anomaly B (sub-surface projection) and drilling

Drill holes SAK0-1 and SAK0-2 were both drilled from outside the main portion of the anomaly across a lower grade portion of the anomaly back into the outer edge of the anomaly toward the base of the holes. Both holes ended in mineralisation and show a consistent trend of the combined gold and copper mineralisation increasing with depth as the bottom of hole locations cross back into the sub-

surface projection of plus 100 ppb Anomaly B. Drill hole SAK-02 was drilled underneath hole SAK0-1 and as such ended further inside the 100-ppb envelope of Anomaly B. This hole returned **106 metres at 0.5 g/t gold, 1.3 g/t silver, 0.1% Cu** including a higher-grade section of **55 metres at 0.7 g/t gold, 1.5 g/t silver 0.1% copper** right near the end of the hole. Drill hole ZK18-1 which was drilled to the west of Anomaly B is interpreted to have intersected a later post mineral intrusive at depth.

Anomaly B represents a significant target with the surface area defined by the 100ppb gold contour covering 175,000 square metres. Projecting this shape down to 400 metres sub surface defines a shape containing 182-193 million tonnes. This target has been tested by only three drill holes, all located near its edge, all of which encountered significant widths of better than 0.5 g/t gold mineralisation with significant silver and copper credits.

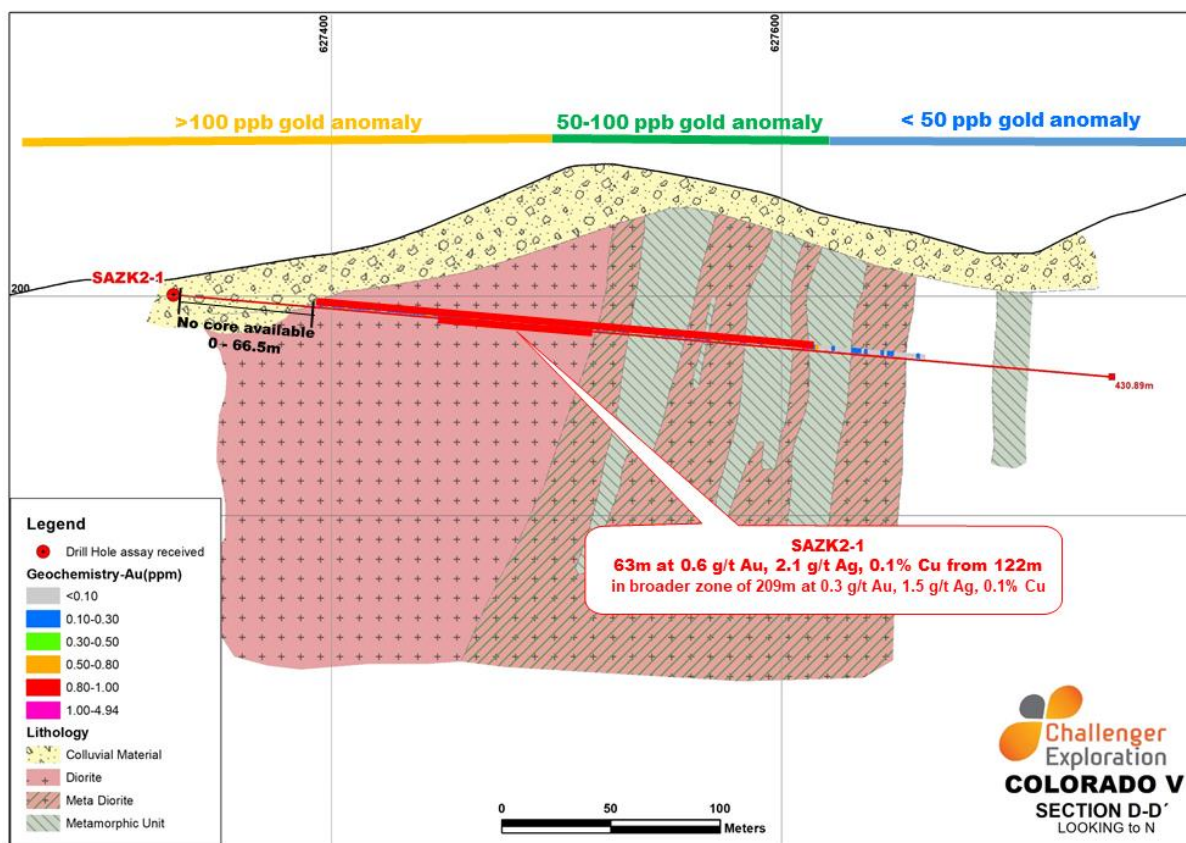


Figure 4 - Cross Section showing drill hole SAZK2-1

Anomaly C

Drill holes ZK3-1 and ZK3-4 were drilled on the flanks of Anomaly C. Both holes encountered grades of 0.1 g/t gold and 0.1% copper throughout almost the entire hole. The mineralisation encountered in these two drill holes corresponds with a polymictic clast supported intrusive breccia and the sulphide assemblage contains more pyrite than the mineralisation encountered in Anomaly A and B. This breccia is interpreted as being either a marginal halo around a more strongly mineralised system or potentially related to a late shallow brecciation event in which no deep-seated hydrothermal fluids were involved.

Forward Exploration Program to test the Exploration Targets

The Company has contracted MPX geophysics to undertake a 50 square kilometre helicopter magnetic survey in August-September 2020. The survey will be flown on east-west lines with a line spacing of 50-metres. The results of this survey will be used to better define structural controls and map the intrusions and alterations in 3D to better define the potential porphyry targets. It is anticipated this data will be receive and processed in Q4

The Company has commenced an infill and extension soil sampling program to verify the historical Colorado V soil data, integrate the data with the Company's soil data over the El Guayabo concession, and tighten up the Colorado V soil anomalies. The Company will continue with its program of assaying all of the historical drill holes including the remaining holes drilled in the vicinity of soil Anomalies A, B and C.

These activities are expected to be completed in Q4. Once this data has been integrated with the existing geological model the Company will make a decision on exploration drilling in Ecuador to test these new Exploration Targets and drill infill/twin holes on the ZK0-2 discovery trend. The Company notes drilling contract rates in Ecuador are at historical lows due to a marked downturn in exploration as a result of COVID-19.

This announcement was approved by the board.

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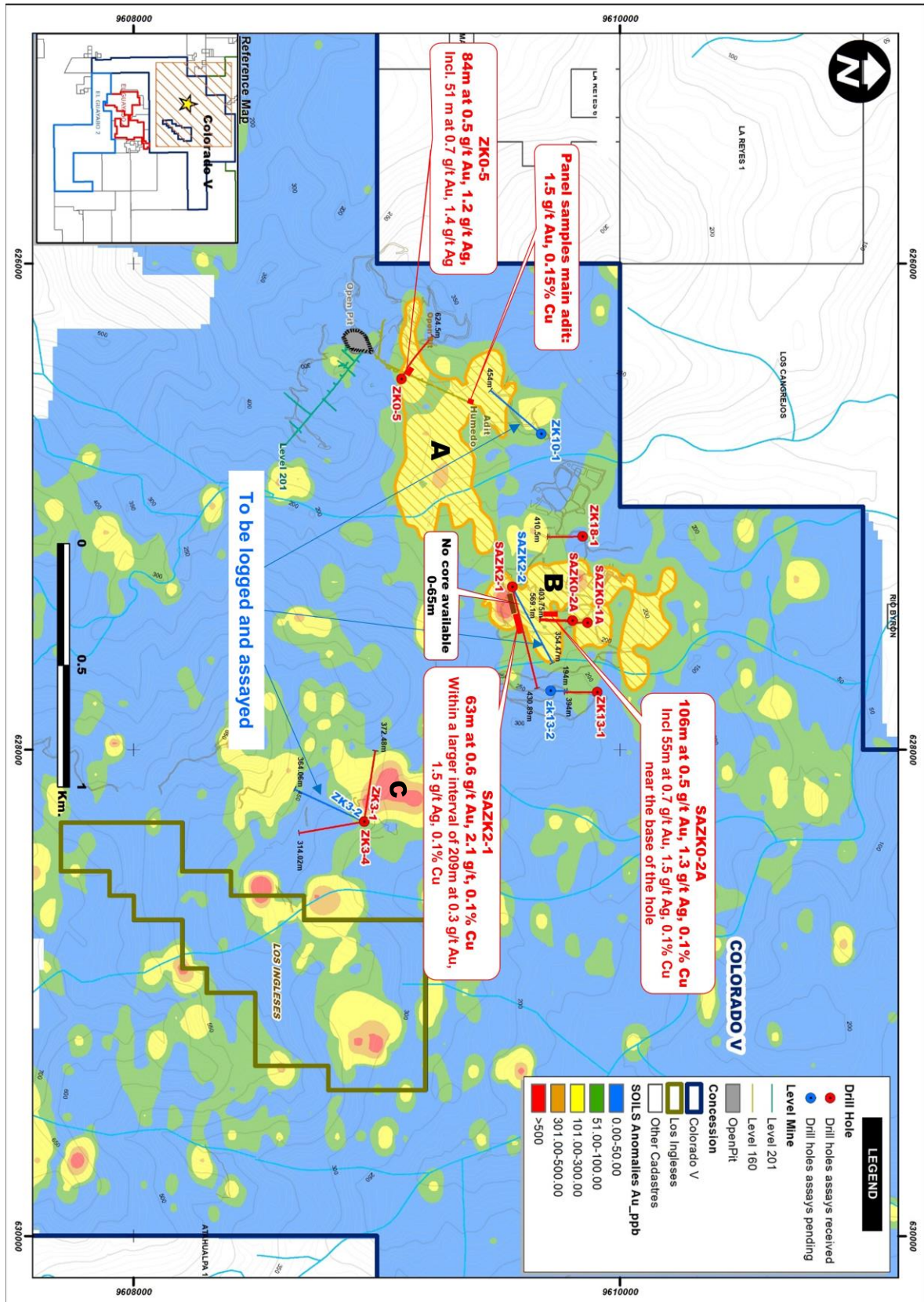
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Previous announcements referred to in this release include:

Drill hole (#)		From (m)	Total (m)		Au (g/t)	Ag (g/t)	Cu ppm	Mo ppm	Comment
ZK3-4	from	26.0	12.0	@	0.3	1.5	513	5	0.1 g/t Au cut off
	from	50.0	64.0	@	0.2	1.5	549	5	0.1 g/t Au cut off
	inc	86.0	2.0	@	1.5	1.4	458	3	1 g/t Au cut off
	from	180.0	70.0	@	0.2	1.6	777	3	0.1 g/t Au cut off
ZK3-1	from	49.5	63.0	@	0.1	1.7	654	5	0.1 g/t Au cut off
	inc	94.5	1.5	@	1.5	1.4	3126	7	1 g/t Au cut off
	from	94.5	79.5	@	0.1	2.0	662	4	0.1 g/t Au cut off
	inc	171.0	1.5	@	1.4	2.6	771	7	1 g/t Au cut off
SAZK0-1	from	31.2	59.6	@	0.2	1.4	392	3	0.1 g/t Au cut off
	from	131.5	48.0	@	0.1	4.3	824	6	0.1 g/t Au cut off
	from	229.8	63.0	@	0.2	1.0	325	8	0.1 g/t Au cut off
	from	319.0	171.8	@	0.2	1.5	616	12	0.1 g/t Au cut off
	inc	352.0	94.5	@	0.3	2.4	996	15	1 g/t AuEq cut off
SAK2-1	from	66.5	208.5	@	0.3	1.5	626	5	0.1 g/t Au cut off
	inc	122.0	63.0	@	0.6	2.1	825	3	1 g/t AuEq cut off
	and	225.5	1.5	@	1.6	1.4	638	2	1 g/t AuEq cut off
	from	288.5	42.0	@	0.2	2.0	454	1	0.1 g/t Au cut off
	inc	288.5	3.0	@	1.3	5.6	1136	1	1 g/t AuEq cut off
SAZK0-2	from	0.0	80.7	@	0.4	1.9	478	3	0.1 g/t Au cut off
	inc	30.7	20.5	@	1.0	2.5	460	5	1 g/t AuEq cut off
	from	136.0	12.0	@	0.6	0.4	61	14	0.1 g/t Au cut off
	inc	137.5	3.0	@	1.4	0.3	10	4	1 g/t AuEq cut off
	from	200.5	203.3	@	0.3	1.3	588	15	<i>ends in mineralisation</i>
	inc	293.5	105.8	@	0.5	1.3	635	16	0.5 g/t Au cut off
	inc	214.0	1.5	@	1.8	2.1	681	12	1 g/t AuEq cut off
	inc	344.5	54.8	@	0.7	1.5	767	12	0.5 g/t Au cut off
	inc	361.8	4.5	@	5.5	0.8	502	61	1 g/t AuEq cut off
	and	397.8	1.5	@	1.3	2.3	770	2	1 g/t AuEq cut off
ZK1-13	from	46.2	27.0	@	0.1	0.8	306	1	0.1 g/t Au cut off
	and	140.0	1.5	@	1.9	0.7	236	1	1 g/t AuEq cut off
	and	161.0	35.0	@	0.1	1.4	391	2	0.1 g/t Au cut off
ZK0-5	from	6.1	13.7	@	0.2	1.3	313	10	0.1 g/t Au cut off
	from	46.3	83.8	@	0.5	1.2	356	7	0.1 g/t Au cut off
	inc	67.0	51.0	@	0.7	1.4	409	5	0.5 g/t Au cut off
	inc	75.7	1.1	@	1.2	1.4	483	2	1 g/t AuEq cut off
	and	80.7	1.0	@	1.8	2.2	549	4	1 g/t AuEq cut off
	and	93.7	1.0	@	13.9	3.4	354	7	1 g/t AuEq cut off
	from	146.5	150.0	@	0.2	1.0	310	3	0.1 g/t Au cut off
	from	370.0	1.5	@	0.9	5.2	1812	3	0.1 g/t Au cut off
	from	414.3	1.5	@	1.2	0.3	127	1	0.1 g/t Au cut off
		560.5	1.5	@	2.3	0.6	189	2	0.1 g/t Au cut off
	596.0	2.2	@	1.7	2.1	391	4	0.1 g/t Au cut off	
	607.0	1.5	@	2.0	0.8	190	2	0.1 g/t Au cut off	
ZK18-1	nsi								

Table 2: Assay results from Colorado V assaying program

- (1) Drill collar locations, hole dip and direction are available in this ASX Release see- JORC Table 1 Section 1
- (2) Results are reported using a cut-off of 0.1 g/t Au with up to 10 metres of internal dilution.
Inclusive (incl) Intercepts use a cut-off of 0.5 g/t Au with up to 5 metres of internal dilution and 1 g/t Au



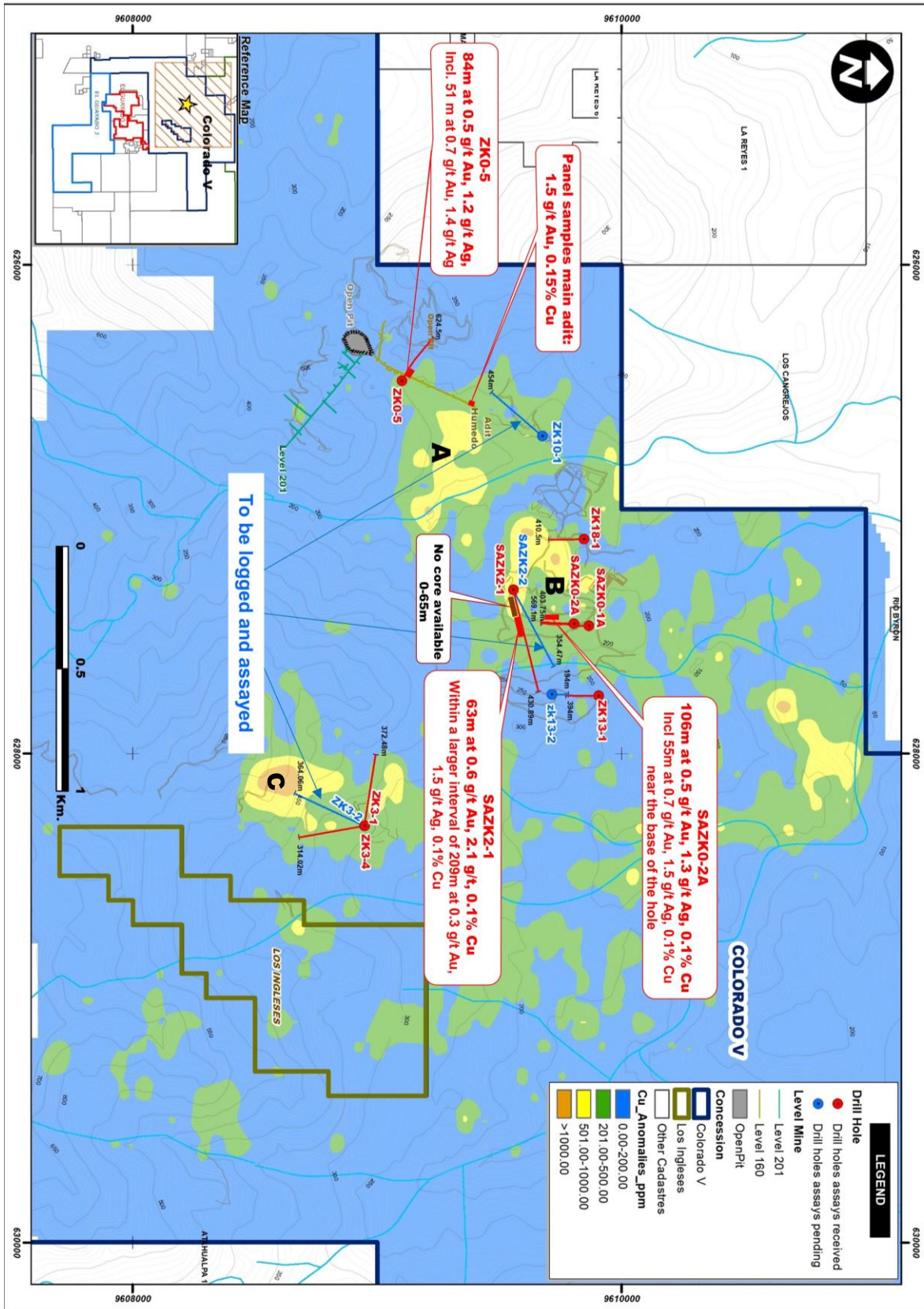


Figure 6 : Showing location of drilling and Anomaly A, B, and C (>500 ppm copper in soil)

About Challenger Exploration

Challenger Exploration Limited's (ASX: CEL) aspiration is to become a globally significant gold producer. The Company is developing two complimentary gold/copper projects in South America. The strategy for the Hualilan Gold project is for it to provide a high-grade low capex operation in the near term. This underpins CEL with a low risk, high margin source of cashflow while it prepares for a much larger bulk gold operation in Ecuador.

1. **Hualilan Gold Project**, located in San Juan Province Argentina, is a near term development opportunity. It has extensive historical drilling with over 150 drill-holes and a non-JORC historical resource ⁽²⁾ of 627,000 Oz @ 13.7 g/t gold which remains open in most directions. The project was locked up in a dispute for the past 15 years and as a consequence had seen no modern exploration until CEL acquired the project in 2019. Results from CEL's first drilling program included ^(A) 6.1m @ 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn, 6.7m @ 14.3 g/t Au, 140 g/t Ag, 7.3% Zn and 10.3m @ 10.4 g/t Au, 28 g/t Ag, 4.6% Zn. This drilling intersected high-grade gold over almost 2 kilometres of strike and extended the known mineralisation along strike and at depth in multiple locations. CEL's 2020 program will include 7,500 metres of drilling, metallurgical test work of key ore types, and an initial JORC Compliant Resource which will allow an economic review.
2. **El Guayabo Gold/Copper Project** covers 35 sqkms in southern Ecuador and was last drilled by Newmont Mining in 1995 and 1997 targeting gold in hydrothermal breccias. Historical drilling has demonstrated potential to host significant gold and associated copper and silver mineralisation. Historical drilling has returned a number of intersections of plus 100m of intrusion related breccia and vein hosted mineralisation. The Project has multiple targets including breccia hosted mineralization, an extensive flat lying late stage vein system and an underlying porphyry system target neither of which has been drill tested. CEL's first results confirm the discovery of large-scale gold system with over 250 metres of bulk gold mineralisation encountered in drill hole ZK-02 which contains a significant high-grade core of 134 metres at 1.0 g/t gold and 4.1 g/t silver including 63 metres at 1.6 g/t gold and 5.1 g/t silver

Foreign Resource Estimate Hualilan Project

La Mancha Resources 2003 foreign resource estimate for the Hualilan Project [^]			
Category	Tonnes (kt)	Gold Grade (g/t)	Contained Gold (koz)
Measured	218	14.2	100
Indicated	226	14.6	106
Total of Measured & Indicated	445	14.4	206
Inferred	977	13.4	421
Total of Measured, Indicated & Inferred	1,421	13.7	627

[^] Source: La Mancha Resources Toronto Stock Exchange Release dated 14 May 2003 -Independent Report on Gold Resource Estimate. Rounding errors may be present. Troy ounces (oz) tabled here

#1 For details of the foreign non-JORC compliant resource and to ensure compliance with LR 5.12 please refer to the Company's ASX Release dated 25 February 2019. These estimates are foreign estimates and not reported in accordance with the JORC Code. A competent person has not done sufficient work to clarify the foreign estimates as a mineral resource in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as a mineral resource. The company is not in possession of any new information or data relating to the foreign estimates that materially impact on the reliability of the estimates that materially impacts on the reliability of the estimates or CEL's ability to verify the foreign estimates estimate as minimal resources in accordance with Appendix 5A (JORC Code). The company confirms that the supporting information provided in the initial market announcement on February 25, 2019 continues to apply and is not materially changed

Competent Person Statement – Exploration Results and Exploration Target

The information that relates to sampling techniques and data, exploration results and geological interpretation and Exploration Targets has been compiled Dr Stuart Munroe , BSc (Hons), PhD (Structural Geology), GDip (AppFin&Inv) who is a full-time employee of the Company. Dr Munroe is a Member of the AusIMM. Dr Munroe has over 20 years' experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Dr Munroe has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Dr Munroe consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Competent Person Statement – Foreign Resource Estimate

The information in this release provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The information that relates to Mineral Resources has been compiled by Dr Stuart Munroe , BSc (Hons), PhD (Structural Geology), GDip (AppFin&Inv) who is a full-time employee of the Company. Dr Munroe is a Member of the AusIMM. Dr Munroe has over 20 years' experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Dr Munroe and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration to qualify as Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of, Mineral Resources and Ore Reserves. Dr Munroe consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data -Colorado V/El Guayabo Project

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> - 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. 	<p>El Guayabo:</p> <ul style="list-style-type: none"> • Newmont Mining Corp (NYSE: NEM) (“Newmont”) and Odin Mining and Exploration Ltd (TSX: ODN) (“Odin”) core drilled the property between February 1995 and November 1996 across two drilling campaigns. • The sampling techniques were reviewed as part of a 43-101 Technical report on Cangrejos Property which also included the early results of the El Joven joint venture between Odin and Newmont, under which the work on the El Guayabo project was undertaken. This report is dated 27 May 2004 and found the sampling techniques and intervals to be appropriate with adequate QA/QC and custody procedures, core recoveries generally 100%, and appropriate duplicates and blanks use for determining assay precision and accuracy. • Duplicates were prepared by the Laboratory (Bonder Cleg) which used internal standards. Newmont also inserted its own standards at 25 sample intervals as a control on analytical quality • Diamond drilling produced core that was sawed in half with one half sent to the laboratory for assaying per industry standards and the remaining core retained on site. • Cu assays above 2% were not re-assayed using a technique calibrated to higher value Cu results hence the maximum reported assay for copper is 2%. • All core samples were analysed using a standard fire assay with atomic absorption finish on a 30 g charge (30 g FAA). Because of concerns about possible reproducibility problems in the gold values resulting from the presence of coarse gold, the coarse crusher rejects for all samples with results greater than 0.5 g/t were re-assayed using the “blaster” technique - a screen type fire analysis based on a pulverized sample with a mass of about 5 kg. Samples from most of these intersections were also analysed for Cu, Mo, Pb, Zn and Ag. • CEL has re-sampled sections of the Newmont and Odin drill core. ¼ drill core was cutover intervals that replicated the earlier sampling. Sample intervals ranged from 0.7 – 4.5m with an average of 2.0m. 533 samples totaling 1,094.29m were collected. Sampling was done for Au analysis by fire assay of a 30g charge and 43 element 4-acid digest with ICP_AES determination. <p>Colorado V:</p> <ul style="list-style-type: none"> • Soil sampling: A database of 4,495 soil analyses has been provided by Goldking Mining Company S.A. (GK) which has yet to be fully evaluated. No information has been provided on the method of sample collection or assay technique. The soil analyses include replicate samples and second split analyses. Pulps have been securely retained by Goldking Mining Company and have been

Criteria	JORC Code explanation	Commentary
		<p>made available to CEL for check assaying. Check assaying is planned, including collection of field duplicates.</p> <ul style="list-style-type: none"> Selected intervals of drill core have been cut longitudinally and half core has been submitted for gold determination at GK's on-site laboratory. Re-sampling of the core involves taking ¼ core (where the core has previously been sampled) or ½ core (where the core has not previously been sampled). The core is cut longitudinally and sample intervals of 1 – 3 meters have been collected for analysis of gold by fire assay (30g) and other elements by 4 acid digest with ICP-AES finish at SGS del Peru S.A.C..
Drilling techniques	<ul style="list-style-type: none"> 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). 	<p>El Guayabo:</p> <ul style="list-style-type: none"> Diamond core drilling HQ size from surface and reducing to NQ size as necessary. The historical records do not indicate if the core was oriented <p>Colorado V:</p> <ul style="list-style-type: none"> Diamond drilling was done using a rig owned by GK. Core size collected includes HQ, NQ2 and NQ3. There is no indication that oriented core was recovered.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> In a majority of cases core recovery was 100%. In the historical drill logs where core recoveries were less than 100% the percentage core recovery was noted. No documentation on the methods to maximise sample recovery was reported in historical reports however inspection of the available core and historical drilling logs indicate that core recoveries were generally 100% with the exception of the top few metres of each drill hole. No material bias has presently been recognised in core. Observation of the core from various drill holes indicate that the rock is generally fairly solid even where it has been subjected to intense, pervasive hydrothermal alteration and core recoveries are generally 100%. Consequently, it is expected that the samples obtained were not unduly biased by significant core losses either during the drilling or cutting processes <p>Colorado V:</p> <ul style="list-style-type: none"> Core from GoldKing has been re-boxed prior to sampling where boxes have deteriorated, otherwise the original boxes have been retained. Core lengths have been measured and compared to the depth tags that are kept in the boxes from the drilling and recovered lengths have been recorded with the logging. Where re-boxing of the core is required, core has ben placed in the new boxes, row-by row with care taken to ensure all of the core has been transferred. No relationship has been observed between core recovery and sample assay values.

Criteria	JORC Code explanation	Commentary																																																																																																																		
Logging	<ul style="list-style-type: none"> - 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. 	<p>El Guayabo:</p> <ul style="list-style-type: none"> • Geological logging was completed at 1-3 m intervals which is appropriate given the exploration was reconnaissance in nature. • All core was logged qualitatively at 1 to 3 m intervals depending on geology intercepted and core was photographed. • Inspections of core and logging have concluded that the logging was representative. • 100% of all core including all relevant intersections were logged <p>Colorado V:</p> <ul style="list-style-type: none"> • Sorting, re-boxing and re-logging of available drill core is in progress. Core is being logged for lithology, alteration, mineralisation and structure. Where possible, logging is quantitative. • Progress of Colorado V logging and sampling is summarized below: <table border="1"> <thead> <tr> <th>Hole_ID</th> <th>Depth (m)</th> <th>Logging Status</th> <th>Core Photograph</th> <th>Sampling Status</th> <th>Total Samples</th> </tr> </thead> <tbody> <tr> <td>ZK0-1</td> <td>413.6</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>281</td> </tr> <tr> <td>ZK0-2</td> <td>581.6</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>388</td> </tr> <tr> <td>ZK0-4</td> <td>458</td> <td>Complete</td> <td>Complete</td> <td>Not Re-Sampled</td> <td></td> </tr> <tr> <td>ZK0-5</td> <td>624</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>482</td> </tr> <tr> <td>ZK1-1</td> <td>514.6</td> <td>Complete</td> <td>Pending</td> <td>Not Re-Sampled</td> <td></td> </tr> <tr> <td>ZK1-2</td> <td>403.1</td> <td>Complete</td> <td>Complete</td> <td>Not Re-Sampled</td> <td></td> </tr> <tr> <td>ZK1-3</td> <td>425</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>279</td> </tr> <tr> <td>ZK1-4</td> <td>379.5</td> <td>Complete</td> <td>Complete</td> <td>Not Re-Sampled</td> <td></td> </tr> <tr> <td>ZK1-5</td> <td>419.5</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>266</td> </tr> <tr> <td>ZK1-6</td> <td>607.5</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>406</td> </tr> <tr> <td>ZK1-7</td> <td>456.49</td> <td>Complete</td> <td>Pending</td> <td>Not Re-Sampled</td> <td></td> </tr> <tr> <td>ZK1-9</td> <td>218.3</td> <td>Pending</td> <td>Pending</td> <td>Pending</td> <td></td> </tr> <tr> <td>ZK2-1</td> <td>395.5</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>320</td> </tr> <tr> <td>ZK3-1A</td> <td>372.48</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>250</td> </tr> <tr> <td>ZK3-2</td> <td>364.05</td> <td>Complete</td> <td>Complete</td> <td>Pending</td> <td></td> </tr> <tr> <td>ZK3-4</td> <td>322.96</td> <td>Complete</td> <td>Complete</td> <td>Samples Submitted</td> <td>155</td> </tr> <tr> <td>ZK5-1</td> <td>321.9</td> <td>Complete</td> <td>Complete</td> <td>Pending</td> <td></td> </tr> <tr> <td>ZK5-5</td> <td>532</td> <td>Complete</td> <td>Complete</td> <td>Not Re-Sampled</td> <td></td> </tr> </tbody> </table>	Hole_ID	Depth (m)	Logging Status	Core Photograph	Sampling Status	Total Samples	ZK0-1	413.6	Complete	Complete	Samples Submitted	281	ZK0-2	581.6	Complete	Complete	Samples Submitted	388	ZK0-4	458	Complete	Complete	Not Re-Sampled		ZK0-5	624	Complete	Complete	Samples Submitted	482	ZK1-1	514.6	Complete	Pending	Not Re-Sampled		ZK1-2	403.1	Complete	Complete	Not Re-Sampled		ZK1-3	425	Complete	Complete	Samples Submitted	279	ZK1-4	379.5	Complete	Complete	Not Re-Sampled		ZK1-5	419.5	Complete	Complete	Samples Submitted	266	ZK1-6	607.5	Complete	Complete	Samples Submitted	406	ZK1-7	456.49	Complete	Pending	Not Re-Sampled		ZK1-9	218.3	Pending	Pending	Pending		ZK2-1	395.5	Complete	Complete	Samples Submitted	320	ZK3-1A	372.48	Complete	Complete	Samples Submitted	250	ZK3-2	364.05	Complete	Complete	Pending		ZK3-4	322.96	Complete	Complete	Samples Submitted	155	ZK5-1	321.9	Complete	Complete	Pending		ZK5-5	532	Complete	Complete	Not Re-Sampled	
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		ZK6-1	552.6	Pending	Pending	Pending	
		ZK10-1	454	Complete	Complete	Pending	
		ZK12-1	531.5	Pending	Pending	Pending	
		ZK12-2	510.6	Pending	Pending	Pending	
		ZK13-1	394	Complete	Complete	Pending	
		ZK13-2	194	Complete	Complete	Pending	
		ZK18-1	410.5	Complete	Complete	Samples Submitted	286
		ZK105-1	404.57	Pending	Pending	Pending	
		ZK205-1	347	Complete	Pending	Pending	
		SAZK0-1A	569.1	Complete	Complete	Samples Submitted	396
		SAZK0-2A	407.5	Complete	Complete	Samples Submitted	260
		SAZK2-1	430.89	Complete	Complete	Samples Submitted	195
		SAZK2-2	354.47	Complete	Complete	Not Re-Sampled	
		CK21-1	143.47	Complete	Complete	Not Re-Sampled	
		Logged (m)	11,296.71	Logged		Samples Submitted	3,964
		Total (m)	13,514.28	Core Shack			
		Total (m)	22,293.38	Drilled			
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> - 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. - 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. 	El Guayabo: <ul style="list-style-type: none"> • Core was cut with diamond saw and half core was taken • All drilling was core drilling as such this is not relevant • Sample preparation was appropriate and of good quality. Each 1-3 m sample of half core was dried, crushed to a nominal – 10 mesh (ca 2mm), then 250 g of chips were split out and pulverized. A sub-sample of the pulp was then sent for analysis for gold by standard fire assay on a 30 g charge with an atomic absorption finish with a nominal 5 ppb Au detection limit. • Measures taken to ensure that the sampling is representative of the in situ material collected is not outlined in the historical documentation however a program of re-assaying was undertaken by Odin which demonstrated the repeatability of original assay results • The use of a 1-3 m sample length is appropriate for deposits of finely disseminated mineralisation where long mineralised intersections are to be expected. • CEL ¼ core sampling was done by cutting the core with a diamond saw. Standards (CRM) and 					

Criteria	JORC Code explanation	Commentary
		<p>blanks were inserted into the batched sent for preparation and analysis. No duplicate samples were taken and ¼ core was retained for future reference. The sample size is appropriate for the style of mineralisation observed.</p> <p>Colorado V:</p> <ul style="list-style-type: none"> No information is available on the method/s that have been used to collect the soil samples. Selected intervals of drill core have been cut longitudinally using a diamond saw and ½ core has been sampled. Sample intervals range from 0.1m to 4.5m with an average length of 1.35m. The size of the samples is appropriate for the mineralisation observed in the core. Re-sampling of the core involves cutting of ¼ core (where previously sampled) or ½ core where not previously sampled. ¼ or ½ core over intervals of 1-3 metres provides an adequate sample size for the material being sampled.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>El Guayabo:</p> <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used by Newmont and Odin are still in line with industry best practice with appropriate QA/QC and chain of custody and are considered appropriate. Available historical data does not mention details of geophysical tools as such it is believed a geophysical campaign was not completed in parallel with the drilling campaign. Duplicates were prepared by the Laboratory (Bonder Cleg) which used internal standards. Newmont also inserted its own standards at 25 sample intervals as a control on analytical quality. Later Odin undertook a re-assaying program of the majority of the higher grade sections which confirmed the repeatability. Given the above, it is considered acceptable levels of accuracy and precision have been established CEL ¼ core samples were prepared for assay at SGS Del Ecuador S.A.in Quito, Ecuador and analysis was completed by in Lima at SGS del in Peru S.A.C. Samples were crushed and a 500g sub-sample was pulverized to 85% passing 75 µm. A 30g charge was analysed for Au by fire assay. 4-acid digest with ICP_AES determination was done for Ag, As, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Se, Sn, Sr, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr. Standards (CRM) and blanks inserted into the batches showed an acceptable level of analytical accuracy to within 2SD of the mean CRV and limited contamination of the samples during preparation. <p>Colorado V:</p> <ul style="list-style-type: none"> No information is available on the methods used to analyse the soil or drill core samples. Assay results are not provided in this report. <p>Soil samples have been analysed by GK for Au, Cu, Ag, Zn, Pb, As, Mn, Ni, Cr, Mo, Sn, V, Ti, Co, B, Ba, Sb, Bi and Hg. Pulps have been securely retained and check assaying is planned.</p>

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		<ul style="list-style-type: none"> Drill core was partially assayed for gold only with assays undertaken by Goldking's on site laboratory Core re-sampled by CEL has been analysed for gold by fire assay (30g) and 49 additional elements by 4-acid digest with ICP-AES finish (Al, Ag, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Hf, In, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Ni, P, Pb Rb, S, Sb, Sc, Se, Sn, Sr, Ta, Tb, Ti, Te, Th, Tl, U, V, W, Y, Yb, Zn, Zr). The samples have had blanks and CRM added to the batched to check sample preparation and analysis.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>El Guayabo:</p> <ul style="list-style-type: none"> All intersections with results greater than 0.5 g/t were re-assayed using the "blaster" technique - a screen type fire analysis based on a pulverised sample with a mass of about 5 kg. Additionally Odin re-assayed the many of the higher grade sections with re-assay results demonstrating repeatability of the original results. Neither Newmont nor Odin attempted to verify intercepts with twinned holes Data was sourced from scanned copies of original drill logs and in some cases original paper copies of assay sheets are available. This data is currently stored in a drop box data base with the originals held on site. No adjustments to assay data were made. CEL assay data has not been independently verified or audited. Data is stored electronically in MS Excel and PDF format from the Laboratory and entered into a Project database for analysis. There has been no adjustment of the data. <p>Colorado V:</p> <ul style="list-style-type: none"> There is no information available on the verification of sample and assay results. No assay data is provided in this report. Soil replicate samples and second split assay results have been provided but not fully analysed at this stage. Of the 4,495 soil samples in the GK database, 166 are replicate samples and 140 are second split re-analyses. 37 samples have no co-ordinates in the database. The remaining 4,152 have analyses for all 19 elements indicated above. Significant intersections have been internally checked against the assay data received. The data received from SGS (Peru) has been archived electronically and a database of all drill information is being developed. There is no adjustment of the assay data. For ZK0-2, assays for Au received by CEL have been checked against assays report to CEL by Goldking from their original sampling. There is a poor correlation between the two data sets (R^2 of 0.1) with an average sample interval of 1.4 metres. Not enough information is available at this stage to determine a cause for the differences.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used 	<p>El Guayabo:</p> <ul style="list-style-type: none"> Newmont undertook survey to located drill holes in accordance with best practice at the time.

Criteria	JORC Code explanation	Commentary
	<p><i>in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> - <i>Specification of the grid system used.</i> - <i>Quality and adequacy of topographic control.</i> 	<p>No formal check surveying has been undertaken to verify drill collar locations at this stage</p> <ul style="list-style-type: none"> • Coordinate System: PSAD 1956 UTM Zone 17S Projection: Transverse Mercator Datum: Provisional S American 1956 • Quality of topographic control appears to be + - 1 meter which is sufficient for the exploration activities undertaken. <p>Colorado V:</p> <ul style="list-style-type: none"> • Coordinate System: PSAD 1956 UTM Zone 17S Projection: Transverse Mercator Datum: Provisional S American 1956 • No information is available on the collar and down-hole survey techniques used on the Colorado V concession.
Data spacing and distribution	<ul style="list-style-type: none"> - <i>Data spacing for reporting of Exploration Results.</i> - <i>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.</i> - <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Drilling on both concessions is exploration based and a grid was not considered appropriate at that time. • A JORC compliant Mineral Resource has not been estimated • Sample compositing was not used
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> - <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> - <i>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.</i> 	<ul style="list-style-type: none"> • A sampling bias is not evident.
Sample security	<ul style="list-style-type: none"> - <i>The measures taken to ensure sample security.</i> 	<p>El Guayabo:</p> <ul style="list-style-type: none"> • Newmont sent all its field samples to the Bondar Clegg sample preparation facility in Quito for preparation. From there, approximately 100 grams of pulp for each sample was air freighted to the Bondar Clegg laboratory (now absorbed by ALS-Chemex) in Vancouver, for analysis. There is no record of any special steps to monitor the security of the samples during transport either between the field and Quito, or between Quito and Vancouver. However, Newmont did insert its own standards at 25 sample intervals as a control on analytical quality. • CEL samples are kept in a secure location and prepared samples are transported with appropriate paperwork, securely by registered couriers. Details of the sample security and chain of custody are kept at the Project office for future audits. <p>Colorado V:</p> <ul style="list-style-type: none"> • GK analysed samples in an on-site laboratory. It is understood that the samples have remained on site at all times. • CEL have collected samples at the core shed at El Guayabo and secured the samples in polyweave sacks for transport by courier to SGS Laboratories in Quito for preparation. SGS in

Criteria	JORC Code explanation	Commentary
		Quito courier the prepared sample pulps to SGS in Peru for analysis. Photographs and documentation are retained to demonstrate the chain of custody of the samples at all stages.
Audits or reviews	- <i>The results of any audits or reviews of sampling techniques and data.</i>	<p>El Guayabo:</p> <ul style="list-style-type: none"> The sampling techniques were reviewed as part of a 43-101 Technical report on Cangrejos Property which also included the early results of the El Joven joint venture between Odin and Newmont, under which the work on the El Guayabo project was undertaken. This report is dated 27 May 2004 and found the sampling techniques and intervals to be appropriate with adequate QA/QC and custody procedures, core recoveries generally 100%, and appropriate duplicates and blanks use for determining assay precision and accuracy. There have been no audits or reviews of CEL data for the El Guayabo. <p>Colorado V:</p> <ul style="list-style-type: none"> No audits or reviews of sampling techniques and data is known. Goldking did twin two earlier holes with results still being compiled.

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	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The El Guayabo (Code. 225) mining concession is located within El Oro Province. The concession is held by Torata Mining Resources S.A (TMR S.A) and was granted in compliance with the Mining Act (“MA”) in on April 27, 2010. There are no overriding royalties on the project other than normal Ecuadorian government royalties. The property has no historical sites, wilderness or national park issues. The mining title grants the owner an exclusive right to perform mining activities, including, exploration, exploitation and processing of minerals over the area covered by the prior title for a period of 25 years, renewable for a further 25 years. Under its option agreement, the owner has been granted a negative pledge (which is broadly equivalent to a fixed and floating charge) over the concession. In addition a duly notarized Irrevocable Promise to Transfer executed by TMR S.A in favor of AEP has been lodged with the Ecuador Mines Department. The Colorado V mining concession (Code No. 3363.1) located in Bellamaria, Santa Rosa, El Oro, Ecuador was granted in compliance with the Mining Act (“MA”) in on July 17, 2001. It is adjacent to El Guayabo concession to the north. The concession is held by Goldking Mining Company S.A. There are no overriding royalties on the project other than normal Ecuadorian government royalties. The concession has no historical sites, wilderness or national park issues. The El Guayabo 2 Guayabo (Code. 300964) mining concession is located Torata parish, Santa Rosa canton, El Oro province, Ecuador. The concession is held by T Mr. Segundo Ángel Marín Gómez and Mrs. Hermida Adelina Freire Jaramillo and was granted in compliance with the Mining Act (“MA”) on 29 April 29, 2010. There are no overriding

Criteria	JORC Code explanation	Commentary
		<p>royalties on the project other than normal Ecuadorian government royalties.</p> <ul style="list-style-type: none"> - The property has no historical sites, wilderness or national park issues.
Exploration done by other parties	<ul style="list-style-type: none"> - <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<p>El Guayabo:</p> <ul style="list-style-type: none"> - Previous exploration on the project has been undertaken by Newmont and Odin from 1994 to 1997. This included surface pit and rock chip geochemistry, followed by the drilling of 33 drill holes for a total of 7605.52 meters) to evaluate the larger geochemical anomalies. - The collection of all exploration data by Newmont and Odin was of a high standard and had appropriate sampling techniques and intervals, adequate QA/QC and custody procedures, and appropriate duplicates and blanks used for determining assay precision and accuracy. - The geological interpretation of this data, including core logging and follow up geology was designed and directed by in-country inexperienced geologists. It appears to have been focused almost exclusively for gold targeting surface gold anomalies or the depth extensions of higher-grade gold zones being exploited by the artisanal miners. The geologic logs for all drill holes did not record details that would have been typical, industry standards for porphyry copper exploration at that time. A number of holes which ended in economic mineralisation have never been followed up. - In short, important details which would have allowed the type of target to be better explored were missed which in turn presents an opportunity to the current owner. <p>Colorado V:</p> <ul style="list-style-type: none"> - All exploration known has been completed by GK. Drilling has been done from 2016 to 2019. 56 drill holes, totaling 21,471.83m have been completed by GK. <p>El Guaybo 2:</p> <ul style="list-style-type: none"> - Exploration work undertaken by the previous owner was limited to field mapping and sampling including assaying of a small number of samples for gold, silver, copper, lead and zinc. The report is only available in Spanish and assays were conducted in a local laboratory in Ecuador with the majority of this work undertaken in 2017.
Geology	<ul style="list-style-type: none"> - <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> - It is believed that the El Guayabo, El Guayabo 2, and Colorado V concessions contain a “Low Sulfide” porphyry gold copper system and intrusive-related gold. The host rocks for the intrusive complex is metamorphic basement and Oligocene – Mid-Miocene volcanic rocks. This suggests the intrusions are of a similar age to the host volcanic sequence, which also suggests an evolving basement magmatic system. Intrusions are described in the core logs as quartz diorite and dacite. Mineralisation has been recognized in: <ul style="list-style-type: none"> – Steeply plunging breccia bodies and in the metamorphic host rock adjacent to the breccia (up to 200 m in diameter) – Quartz veins and veinlets – Disseminated pyrite and pyrrhotite in the intrusions and in the metamorphic host rock near the intrusions.
Drill hole Information	<ul style="list-style-type: none"> - <i>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:</i> 	<p>El Guayabo drill hole information is provided below.</p>

Criteria	JORC Code explanation	Commentary																																																																																																																																																																
	<ul style="list-style-type: none"> ○ 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. 	<table border="1"> <thead> <tr> <th>DRILLHOLE CODE</th> <th>EAST (X)</th> <th>NORTH (N)</th> <th>ELEVATION (m.a.s.l)</th> <th>AZIMUTH (°)</th> <th>DIP (°)</th> <th>FINAL DEPTH</th> <th>DRILLED BY</th> </tr> </thead> <tbody> <tr><td>DDHGY 01</td><td>628928.09</td><td>9605517.20</td><td>839.01</td><td>360</td><td>-90.0</td><td>249.20</td><td>Odin</td></tr> <tr><td>DDHGY 02</td><td>629171.15</td><td>9606025.55</td><td>983.16</td><td>360.0</td><td>-90.0</td><td>272.90</td><td>Odin</td></tr> <tr><td>DDHGY 03</td><td>629041.84</td><td>9606312.81</td><td>1063.37</td><td>305.0</td><td>-60.0</td><td>295.94</td><td>Odin</td></tr> <tr><td>DDHGY 04</td><td>629171.68</td><td>9606025.18</td><td>983.2</td><td>125.0</td><td>-60.0</td><td>172.21</td><td>Odin</td></tr> <tr><td>DDHGY 05</td><td>628509.21</td><td>9606405.29</td><td>989.87</td><td>145.0</td><td>-60.0</td><td>258.27</td><td>Odin</td></tr> <tr><td>DDHGY 06</td><td>629170.56</td><td>9606025.97</td><td>983.11</td><td>305.0</td><td>-60.0</td><td>101.94</td><td>Odin</td></tr> <tr><td>DDHGY 07</td><td>629170.81</td><td>9606025.80</td><td>983.16</td><td>305.0</td><td>-75.0</td><td>127.00</td><td>Odin</td></tr> <tr><td>DDHGY 08</td><td>628508.95</td><td>9606405.74</td><td>989.86</td><td>145.0</td><td>-75.0</td><td>312.32</td><td>Odin</td></tr> <tr><td>DDHGY 09</td><td>629171.22</td><td>9606025.88</td><td>983.22</td><td>45.0</td><td>-75.0</td><td>166.25</td><td>Odin</td></tr> <tr><td>DDHGY 10</td><td>629170.77</td><td>9606025.24</td><td>983.12</td><td>225.0</td><td>-75.0</td><td>194.47</td><td>Odin</td></tr> <tr><td>DDHGY 11</td><td>628507.97</td><td>9606405.33</td><td>989.83</td><td>160.0</td><td>-60.0</td><td>241.57</td><td>Odin</td></tr> <tr><td>DDHGY 12</td><td>629087.18</td><td>9606035.53</td><td>996.98</td><td>125.0</td><td>-60.0</td><td>255.7</td><td>Odin</td></tr> <tr><td>DDHGY 13</td><td>629242.46</td><td>9605975.42</td><td>997.292</td><td>320.0</td><td>-65.0</td><td>340.86</td><td>Odin</td></tr> <tr><td>DDHGY 14</td><td>629242.27</td><td>9605975.64</td><td>997.285</td><td>320.0</td><td>-75.0</td><td>309.14</td><td>Odin</td></tr> <tr><td>DDHGY 15</td><td>629194.67</td><td>9605912.35</td><td>977.001</td><td>320.0</td><td>-60.0</td><td>251.07</td><td>Odin</td></tr> <tr><td>DDHGY 16</td><td>629285.92</td><td>9606044.44</td><td>1036.920</td><td>320.0</td><td>-60.0</td><td>195.73</td><td>Odin</td></tr> <tr><td>DDHGY 17</td><td>629122.31</td><td>9606058.64</td><td>1021.053</td><td>125.0</td><td>-82.0</td><td>280.04</td><td>Odin</td></tr> <tr><td>DDHGY 18</td><td>628993.10</td><td>9606035.45</td><td>977.215</td><td>140.0</td><td>-60.0</td><td>160.35</td><td>Odin</td></tr> <tr><td>DDHGY 19</td><td>629087.23</td><td>9606034.98</td><td>997.332</td><td>45.0</td><td>-53.0</td><td>175.41</td><td>Odin</td></tr> </tbody> </table>	DRILLHOLE CODE	EAST (X)	NORTH (N)	ELEVATION (m.a.s.l)	AZIMUTH (°)	DIP (°)	FINAL DEPTH	DRILLED BY	DDHGY 01	628928.09	9605517.20	839.01	360	-90.0	249.20	Odin	DDHGY 02	629171.15	9606025.55	983.16	360.0	-90.0	272.90	Odin	DDHGY 03	629041.84	9606312.81	1063.37	305.0	-60.0	295.94	Odin	DDHGY 04	629171.68	9606025.18	983.2	125.0	-60.0	172.21	Odin	DDHGY 05	628509.21	9606405.29	989.87	145.0	-60.0	258.27	Odin	DDHGY 06	629170.56	9606025.97	983.11	305.0	-60.0	101.94	Odin	DDHGY 07	629170.81	9606025.80	983.16	305.0	-75.0	127.00	Odin	DDHGY 08	628508.95	9606405.74	989.86	145.0	-75.0	312.32	Odin	DDHGY 09	629171.22	9606025.88	983.22	45.0	-75.0	166.25	Odin	DDHGY 10	629170.77	9606025.24	983.12	225.0	-75.0	194.47	Odin	DDHGY 11	628507.97	9606405.33	989.83	160.0	-60.0	241.57	Odin	DDHGY 12	629087.18	9606035.53	996.98	125.0	-60.0	255.7	Odin	DDHGY 13	629242.46	9605975.42	997.292	320.0	-65.0	340.86	Odin	DDHGY 14	629242.27	9605975.64	997.285	320.0	-75.0	309.14	Odin	DDHGY 15	629194.67	9605912.35	977.001	320.0	-60.0	251.07	Odin	DDHGY 16	629285.92	9606044.44	1036.920	320.0	-60.0	195.73	Odin	DDHGY 17	629122.31	9606058.64	1021.053	125.0	-82.0	280.04	Odin	DDHGY 18	628993.10	9606035.45	977.215	140.0	-60.0	160.35	Odin	DDHGY 19	629087.23	9606034.98	997.332	45.0	-53.0	175.41	Odin
DRILLHOLE CODE	EAST (X)	NORTH (N)	ELEVATION (m.a.s.l)	AZIMUTH (°)	DIP (°)	FINAL DEPTH	DRILLED BY																																																																																																																																																											
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	<ul style="list-style-type: none"> - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 																																																																																																																																																																	

Criteria	JORC Code explanation	Commentary
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DRILLHOLE CODE	EAST (X)	NORTH (N)	ELEVATION (m.a.s.l)	AZIMUTH (°)	DIP (°)	FINAL DEPTH	DRILLED BY
JDH01	627185.78	9606463.27	933.47	280.0	-60.0	236.89	Newmont
JDH02	627260.37	9606353.12	921.56	280.0	-45.0	257.62	Newmont
JDH03	627191.61	9606200.35	952.82	280.0	-45.0	260.97	Newmont
JDH04	627429.81	9606324.00	933.80	280.0	-45.0	219.00	Newmont
JDH05	627755.97	9606248.70	1066.24	280.0	-45.0	210.37	Newmont
JDH06	628356.37	9606416.13	911.58	150.0	-45.0	302.74	Newmont
JDH07	628356.37	9606416.13	911.58	150.0	-75.0	105.79	Newmont
JDH08	628356.37	9606416.13	911.58	150.0	-60.0	352.74	Newmont
JDH09	628507.01	9606408.43	990.18	150.0	-45.0	256.70	Newmont
JDH10	628897.96	9606813.62	985.60	270.0	-45.0	221.64	Newmont
JDH11	628878.64	9606674.39	1081.96	270.0	-45.0	217.99	Newmont
JDH12	629684.61	9606765.31	993.45	150.0	-60.0	124.08	Newmont
JDH13	629122.61	9606058.49	1020.98	125.0	-60.0	239.33	Newmont
JDH14	628897.15	9605562.77	852.59	90.0	-45.0	239.32	Newmont

Colorado V drill hole information:

hole ID	East (m)	North (m)	Elevation	Azimuth (°)	Dip (°)	final depth	Driller
ZK0-1	626378.705	9608992.99	204.452	221	-60	413.6	Shandong Zhaojin Geological Exploration Co Ltd
ZK0-2	626378.705	9608992.99	204.452	221	-82	581.6	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-1	626377.846	9608790.388	273.43	221	-78	321.9	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-2	626377.539	9608793.769	273.542	041	-78	319	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-3	626383.556	9608800.999	273.622	330	-70	446.5	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-4	626383.556	9608800.999	273.622	330	-78	508	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-5	626432.795	9608847.735	242.572	061	-70	532	Shandong Zhaojin Geological Exploration Co Ltd
ZK11-1	626446.263	9608705.238	290.028	221	-78	237.5	Shandong Zhaojin Geological Exploration Co Ltd

Criteria	JORC Code explanation	Commentary							
		ZK205-1	626257.123	9608795.904	243.297	160	-70	346	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-1	626310.629	9608865.923	226.385	061	-70	514.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-2	626313.901	9608867.727	226.494	150	-70	403.1	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-3	626382.401	9608894.404	229.272	061	-70	424.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK6-1	626230.28	9609020.202	260.652	221	-70	552.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK6-2	626165.623	9608991.594	271.928	221	-70	531	Shandong Zhaojin Geological Exploration Co Ltd
		ZK12-1	626088.326	9609034.197	314.552	221	-70	531.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK12-2	626019.538	9608961.409	294.649	221	-70	510.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-4	626502.206	9608982.539	227.333	061	-70	379.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-5	626497.992	9608979.449	227.241	241	-70	415	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-6	626500.813	9608979.367	227.315	180	-70	607	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-1	626328.573	9609000.856	216.798	221	-45	121.64	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-2	626328.573	9609000.856	216.798	251	-45	171.85	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-3	626328.573	9609000.856	216.798	191	-45	116.4	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-4	626328.573	9609000.856	216.798	221	-70	146.12	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-7	626498.548	9608979.541	227.28	241	-82	456.49	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-8	626501.094	9608980.929	227.208	061	-85	556	Shandong Zhaojin Geological Exploration Co Ltd
		CK3-1	626359.641	9608859.373	205.96	020	-15	185.09	Shandong Zhaojin Geological Exploration Co Ltd
		CK3-2	626359.641	9608859.373	205.96	163	-00	21.75	Shandong Zhaojin Geological Exploration Co Ltd

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	CK3-3	626359.641	9608859.373	205.96	050	-15	138.02	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK19-1	626753.271	9608802.634	386.627	221	-70	548.6	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK0-3	626475.236	9609095.444	197.421	221	-75	463	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK0-4	626476.119	9609098.075	197.225	221	-90	458	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK0-5	626475.372	9609100.909	197.17	300	-70	624.5	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK2-1	626329.859	9609005.863	213.226	221	-90	395.5	Shandong Zhaojin Geological Exploration Co Ltd	
	SAZK0-1A	627477.062	9609865.618	217.992	180	-70	569.1	Shandong Zhaojin Geological Exploration Co Ltd	
	SAZK0-2A	627468.807	9609805.054	213.63	180	-70	403.75	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK13-1	627763.877	9609906.484	197.899	180	-70	394	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK18-1	627123.327	9609846.268	142.465	180	-70	410.5	Shandong Zhaojin Geological Exploration Co Ltd	
	zk13-2	627757.925	9609713.788	234.34	000	-70	194.8	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK4-1	626281.066	9609038.75	224.176	221	-90	434	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK4-2	626281.066	9609038.75	224.176	221	-70	390.5	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK4-3	626386.498	9609186.951	225.517	221	-70	650.66	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK100-1	626170.882	9608923.778	251.177	131	-70	415	Shandong Zhaojin Geological Exploration Co Ltd	
	ZK3-1	626416.4	9609040.6	202.416	179	-29	295.52	Lee Mining	
	ZK1-9	626416.4	9609040.6	202.416	203	-23	218.3	Lee Mining	
	SAZK2-1	627330.0126	9609556.466	201.145	076	-05	430.89	Lee Mining	
	SAZK2-2	627330.0126	9609556.466	201.145	062	-05	354.47	Lee Mining	
	CK5-2	626457.0999	96089.8.4999	202.126	251	-69	273.11	Lee Mining	
	CK5-1	626460.1233	9608906.592	202.124	194	-74	273.56	Lee Mining	
	ZK10-1	626700.8538	9609675.002	126.617	221	-53	450.99	Lee Mining	
	ZK103-1	628203.1453	9607944.85	535.324	215	-53	524.21	Lee Mining	

Challenger Exploration Limited
ACN 123 591 382
ASX: **CEL**
Website: www.challengerex.com

Issued Capital
648.7m shares
86.6m options
120m perf shares
16m perf rights

Australian Registered Office
Level 1
1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman

Contact
T: +61 8 6380 9235
E: admin@challengerex.com

www.challengerex.com

Criteria	JORC Code explanation	Commentary																																																
		<table border="1"> <tr> <td>CK13-1</td> <td>626610.0642</td> <td>9608838.445</td> <td>202.556</td> <td>41</td> <td>-05</td> <td>227.1</td> <td>Lee Mining</td> </tr> <tr> <td>CK2-5</td> <td>626254.4315</td> <td>9608931.693</td> <td>190.593</td> <td>342</td> <td>-05</td> <td>357.56</td> <td>Lee Mining</td> </tr> <tr> <td>CK13-2</td> <td>626610.0642</td> <td>9608838.445</td> <td>202.556</td> <td>041</td> <td>-40</td> <td>231.16</td> <td>Lee Mining</td> </tr> <tr> <td>CK13-3</td> <td>626605.2307</td> <td>9608833.471</td> <td>202.556</td> <td>221</td> <td>-59</td> <td>197.06</td> <td>Lee Mining</td> </tr> <tr> <td>CK2-6</td> <td>626298.1066</td> <td>9608961.819</td> <td>203.231</td> <td>332</td> <td>-18</td> <td>392.56</td> <td>Lee Mining</td> </tr> <tr> <td>ZK105-1</td> <td>628172.5923</td> <td>9607826.055</td> <td>541.244</td> <td>183</td> <td>-54</td> <td>404.57</td> <td>Lee Mining</td> </tr> </table>	CK13-1	626610.0642	9608838.445	202.556	41	-05	227.1	Lee Mining	CK2-5	626254.4315	9608931.693	190.593	342	-05	357.56	Lee Mining	CK13-2	626610.0642	9608838.445	202.556	041	-40	231.16	Lee Mining	CK13-3	626605.2307	9608833.471	202.556	221	-59	197.06	Lee Mining	CK2-6	626298.1066	9608961.819	203.231	332	-18	392.56	Lee Mining	ZK105-1	628172.5923	9607826.055	541.244	183	-54	404.57	Lee Mining
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CK2-6	626298.1066	9608961.819	203.231	332	-18	392.56	Lee Mining																																											
ZK105-1	628172.5923	9607826.055	541.244	183	-54	404.57	Lee Mining																																											
Data aggregation methods	<ul style="list-style-type: none"> - 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. 	<p>No grade cutting has been used to derive the weighted average grades reported.</p> <ul style="list-style-type: none"> • Minimum cut of grade of 0.2 g/t Au Equivalent (AuEq) was used for determining intercepts. - Aggregate intercepts have been reported with higher grade inclusions to demonstrate the impact of aggregation. A bottom cut of 0.5 g/t Au Equivalent has been used to determine the higher-grade inclusions. Given the generally consistent nature of the mineralisation the impact of the aggregation of high-grade results and longer lengths of low-grade results does not have a large impact. For example, in the intercept of 156m @ 2.6 g.t Au in hole GGY-02: <ul style="list-style-type: none"> – over half of the intercept comprises gold grades in excess of 1 g/t Au – only 20% of the intercept includes grades between 0.2 and 0.5 g/t Au – over one third includes gold grades in excess of 2 g/t Au. • Au Eq assumes a gold price of USD 1,275/oz, a silver price of USD 16.43 /oz and a copper price of USD 6,766 /t. • Metallurgical recovery factors for gold, silver and copper are assumed to be equal. No metallurgical factors have been applied in calculating the Au Eq, hence the formula for calculating the Au Eq is $Au (g/t) + (Ag (g/t) \times 16.43/1275) + (1.650373 \times Cu (\%))$. • 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. 																																																

Drillhole (#)		Mineralised Inte		Total (m)	Gold (g/t)	Ag (g/t)	Cu (%)	Au Equiv (g/t)	Azimuth (deg)	Incl (deg)	TD (m)
		From	To								
JDH-001	from	183	190.6	7.6	m @ 0.3 g/t Au +	not assayed		n/a	280	-60	236.9
JDH-002	from	7.6	152.9	145.3	m @ 0.4 g/t Au +	not assayed		n/a	280	-45	257.5
	and	199	243	44.0	m @ 0.4 g/t Au +	not assayed		n/a			
JDH-003	from	35.95	71.6	35.7	m @ 0.5 g/t Au +	not assayed		n/a	280	-45	261
	and	120.4	254.6	134.2	m @ 0.4 g/t Au +	not assayed		n/a			
	inc	146.81	224.08	77.3	m @ 0.5 g/t Au +	not assayed		n/a			
JDH-004	from	3.96	21.95	18.0	m @ 0.4 g/t Au +	not assayed		n/a	280	-45	219
	and	79.74	120.42	40.7	m @ 0.4 g/t Au +	not assayed		n/a			
	and	150.9	203.7	52.8	m @ 0.7 g/t Au +	not assayed		n/a			
JDH-005	from	5.2	81.4	76.2	m @ 0.4 g/t Au +	not assayed		n/a	280	-45	210.4
	and	169.7	208.5	38.8	m @ 0.2 g/t Au +	not assayed		n/a			
JDH-006	from	17.99	89.6	71.6	m @ 0.2 g/t Au + 2.0 g/t Ag + 0.10 % Cu	0.42	150	-45	302.7		
	and	164.8	281	116.2	m @ 0.6 g/t Au + 8.9 g/t Ag + 0.40 % Cu	1.37					
	inc	227.8	281.09	53.3	m @ 1.2 g/t Au + 13.2 g/t Ag + 0.62 % Cu	2.39					
JDH-007	from	39.7	84.45	44.8	m @ 0.3 g/t Au + 1.4 g/t Ag + 0.04 % Cu	0.38	150	-75	105.8		
JDH-008	from	104.7	136.7	32.0	m @ 0.1 g/t Au + 3.6 g/t Ag + 0.13 % Cu	0.41	150	-60	352.7		
	and	249.08	316.15	67.1	m @ 0.2 g/t Au + 5.7 g/t Ag + 0.21 % Cu	0.62					
	and	291.76	316.15	24.4	m @ 0.5 g/t Au + 9.2 g/t Ag + 0.34 % Cu	1.13					
JDH-009	from	10.3	122.03	111.7	m @ 0.7 g/t Au + 14.6 g/t Ag + 0.58 % Cu	1.85	150	-45	256.7		
	inc	34.6	91.54	56.9	m @ 0.2 g/t Au + 19.1 g/t Ag + 0.82 % Cu	1.80					
	and	201.4	205.4	4.0	m @ 11.4 g/t Au + 9.7 g/t Ag + 0.01 % Cu	11.54					
	and	255.1	eoh	1.5	m @ 0.7 g/t Au + 1.5 g/t Ag + 0.02 % Cu	0.75					
JDH-10	from	1.5	50.9	49.4	m @ 0.5 g/t Au + 2.5 g/t Ag + 0.09 % Cu	0.68	270	-45	221.6		
	and	90.54	119	28.5	m @ 0.2 g/t Au + 3.0 g/t Ag + 0.10 % Cu	0.40					
	and	140	203	81.6	m @ 0.4 g/t Au + 1.3 g/t Ag + 0.07 % Cu	0.53					
JDH-011	from	100.7	218	117.3	m @ 0.4 g/t Au + 4.6 g/t Ag + 0.10 % Cu	0.62	270	-45	218.0		
JDH-012	from	12.2	53.96	41.8	m @ 0.6 g/t Au + 6.5 g/t Ag + 0.02 % Cu	0.67	150	-60	124.1		
JDH-013	from	53.35	69.6	16.3	m @ 0.5 g/t Au + 1.2 g/t Ag + 0.01 % Cu	0.48	150	-60	239.3		
	and	89.9	154.9	65.0	m @ 1.4 g/t Au + 2.8 g/t Ag + 0.06 % Cu	1.53					
	inc	114.32	142.76	28.4	m @ 2.8 g/t Au + 4.9 g/t Ag + 0.10 % Cu	3.03					
JDH-014	from	26.96	75.69	48.7	m @ 0.4 g/t Au + 5.2 g/t Ag + 0.10 % Cu	0.63	90	-60	239.4		
	and	85.84	116.32	30.5	m @ 0.2 g/t Au + 4.2 g/t Ag + 0.1 % Cu	0.42					
	and	128.52	175.3	46.8	m @ 0.5 g/t Au + 3.3 g/t Ag + 0.08 % Cu	0.63					
	and	179.35	217.98	38.6	m @ 0.1 g/t Au + 2.5 g/t Ag + 0.08 % Cu	0.26					

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Issued Capital
648.7m shares
86.6m options
120m perf shares
16m perf rights

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Mr Fletcher Quinn, Chairman

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Drillhole (#)	Mineralised Inte From	Total To (m)	Gold (g/t)	Ag (g/t)	Cu (%)	Au Equiv (g/t)	Azimuth (deg)	Incl (deg)	TD (m)
GGY-001	from	10 69	59.0 m @ 0.2 g/t Au + 2.8 g/t Ag + 0.07 % Cu			0.35	360	-90	249.2
	and	139 249.2	110.2 m @ 0.4 g/t Au + 1.1 g/t Ag + 0.06 % Cu			0.51			
	inc	141 174	33.0 m @ 0.6 g/t Au + 2.0 g/t Ag + 0.08 % Cu			0.76			
GGY-002	from	9.7 166	156.3 m @ 2.6 g/t Au + 9.7 g/t Ag + 0.16 % Cu			2.99	360	-90	272.9
	inc	27 102	75.0 m @ 4.6 g/t Au + 19.1 g/t Ag + 0.22 % Cu			5.21			
	and	114 166	52.0 m @ 1.3 g/t Au + 3.3 g/t Ag + 0.18 % Cu			1.64			
	plus	244 272.9	28.9 m @ 0.3 g/t Au + 2.4 g/t Ag + 0.04 % Cu			0.37			
GGY-003	from	40 260.75	220.8 m @ 0.2 g/t Au + 2.9 g/t Ag + 0.06 % Cu			0.36	305	-60	295.9
GGY-004	from	1 42	41.0 m @ 0.5 g/t Au + 2.3 g/t Ag + 0.03 % Cu			0.56	125	-60	172.2
GGY-005	from	12 162	150.0 m @ 0.4 g/t Au + 11.0 g/t Ag + 0.30 % Cu			0.99	145	-60	258.3
	inc	14 54	40.0 m @ 0.6 g/t Au + 25.5 g/t Ag + 0.60 % Cu			1.95			
	and	180 194	14.0 m @ 0.2 g/t Au + 6.1 g/t Ag + 0.22 % Cu			0.64			
GGY-006	from	72 101.9	49.0 m @ 0.4 g/t Au + 2.3 g/t Ag + 0.03 % Cu			0.45	305	-60	101.9
GGY-007	from	0.9 41	40.1 m @ 1.1 g/t Au + 2.6 g/t Ag + 0.04 % Cu			1.20	305	-75	127
	inc	110 127	17.0 m @ 0.9 g/t Au + 1.2 g/t Ag + 0.04 % Cu			0.98			
GGY-008	from	16 271	255.0 m @ 0.1 g/t Au + 6.5 g/t Ag + 0.24 % Cu			0.62	145	-75	312.3
	inc	235 271	36.0 m @ 0.4 g/t Au + 11.5 g/t Ag + 0.50 % Cu			1.32			
GGY-009	from	1.65 45	43.4 m @ 1.7 g/t Au + 3.0 g/t Ag + 0.06 % Cu			1.80	45	-75	166.2
GGY-010	from	0 69	69.0 m @ 1.6 g/t Au + 2.3 g/t Ag + 0.03 % Cu			1.67	225	-75	194.5
	inc	21 50	29.0 m @ 2.9 g/t Au + 2.7 g/t Ag + 0.03 % Cu			2.98			
	and	75 95	20.0 m @ 0.3 g/t Au + 0.8 g/t Ag + 0.01 % Cu			0.33			
GGY-011	from	14 229	215.0 m @ 0.2 g/t Au + 9.6 g/t Ag + 0.36 % Cu			0.89	160	-60	241.6
	inc	14 97	83.0 m @ 0.2 g/t Au + 14.9 g/t Ag + 0.50 % Cu			1.24			
	inc	202 229	27.0 m @ 0.4 g/t Au + 15.2 g/t Ag + 0.80 % Cu			1.90			
GGY-012	from	57 192	135.0 m @ 0.3 g/t Au + 2.0 g/t Ag + 0.06 % Cu			0.39	125	-60	256
	and	156 192	36.0 m @ 0.2 g/t Au + 3.3 g/t Ag + 0.13 % Cu			0.44			
GGY-013	from	229.7 280	50.3 m @ 0.2 g/t Au + 2.2 g/t Ag + 0.05 % Cu			0.31	320	-65	340.9
GGY-014			nsi			0.00	320	-75	309.1
GGY-015	from	110 132.4	22.4 m @ 0.4 g/t Au + 0.5 g/t Ag + 0.03 % Cu			0.41	320	-60	251.1
	and	157 225.5	68.5 m @ 0.3 g/t Au + 1.5 g/t Ag + 0.10 % Cu			0.45			
GGY-016	from	8 30	22.0 m @ 0.2 g/t Au + 0.7 g/t Ag + 0.01 % Cu			0.26	320	-60	195.7
	and	42 57	15.0 m @ 0.3 g/t Au + 0.5 g/t Ag + 0.02 % Cu			0.34			
	and	105 118	13.0 m @ 0.2 g/t Au + 0.7 g/t Ag + 0.01 % Cu			0.26			
	and	185 188	3.0 m @ 1.0 g/t Au + 0.8 g/t Ag + 0.02 % Cu			1.04			
GGY-017	from	0 24	24.0 m @ 0.5 g/t Au + 1.3 g/t Ag + 0.01 % Cu			0.49	125	-82	280.4
	and	69 184	115.0 m @ 0.5 g/t Au + 2.1 g/t Ag + 0.03 % Cu			0.53			
	inc	125 147	22.0 m @ 0.2 g/t Au + 2.0 g/t Ag + 0.05 % Cu			0.29			
	and	206 241	35.0 m @ 0.3 g/t Au + 1.7 g/t Ag + 0.05 % Cu			0.41			
	and	254 277	23.0 m @ 0.6 g/t Au + 1.2 g/t Ag + 0.04 % Cu			0.63			
GGY-018	from	81 136	55.0 m @ 0.2 g/t Au + 3.5 g/t Ag + 0.06 % Cu			0.34	140	-60	160.4
GGY-019	from	89 155	66.0 m @ 0.3 g/t Au + 2.0 g/t Ag + 0.03 % Cu			0.36	45	-53	175.4

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Mr Fletcher Quinn, Chairman

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Criteria	JORC Code explanation	Commentary
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Comparison showing historic and re-assayed intercepts for El Guayabo drill holes are shown below:

Drill hole (#)		From	To	Total (m)	Au (g/t)	Ag (g/t)	Cu (%)	Au Eq (g/t)
GGY-001	historical intercept	139	249.2	110.2m	0.4	1.1	0.06	0.5
	(re-assayed section)	141	177	36.0m	0.54	2.30	0.08	0.7
	(original assays)	'	'	36.0m	0.56	1.51	0.08	0.7
	(re-assayed section)	205	236	31.0m	0.19	0.89	0.03	0.3
	(original assays)	'	'	31.0m	0.21	0.13	0.03	0.3
GGY-002	historical intercept	9.7	166	156.3m	2.6	9.7	0.16	3.0
	(re-assayed section)	40	102	62.0m	5.22	21.33	0.25	5.9
	(original assays)	'	'	62.0m	4.83	19.96	0.23	5.5
	historical intercept	114	166	52.0m	1.3	3.3	0.18	1.6
	(re-assayed section)	114	171	57.0m	1.20	3.44	0.18	1.5
	(original assays)	'	'	57.0m	1.24	3.53	0.17	1.6
GGY-005	historical intercept	12	162	150.0m	0.4	11.0	0.30	1.0
	(re-assayed section)	10	60	50.0m	0.45	19.23	0.33	1.2
	(original assays)	'	'	50.0m	0.51	21.74	0.44	1.5
	(re-assayed section)	64	98	34.0m	0.10	5.25	0.16	0.4
	(original assays)	'	'	34.0m	0.84	6.22	0.16	1.2
GGY-011	historical intercept	14	229	215.0m	0.2	9.6	0.36	0.9
	(re-assayed section)	14	126	112.0m	0.17	10.89	0.30	0.8
	(original assays)	'	'	112.0m	0.18	11.73	0.36	0.9
	(re-assayed section)	166	206	40.0m	0.09	5.08	0.22	0.5
	(original assays)	'	'	40.0m	0.09	4.90	0.22	0.5
GGY-017	historical intercept	69	184	115.0m	0.5	2.1	0.03	0.5
	(re-assayed section)	94	129	35.0m	0.45	2.76	0.04	0.6
	(original assays)	'	'	35.0m	0.30	4.01	0.03	0.4
	(re-assayed section)	206	258	52.0m	0.37	2.00	0.06	0.5
	(original assays)	'	'	52.0m	0.26	1.42	0.06	0.4
JDH-006	historical intercept	17.99	89.6	71.6m	0.2	2.0	0.10	0.4
	(re-assayed section)	10.3	81.3	71.0m	0.18	1.38	0.03	0.2
	(original assays)	'	'	71.0m	0.20	1.59	0.07	0.3

Criteria	JORC Code explanation	Commentary							
	historical intercept	164.8	281	116.2m	0.6	8.9	0.40	1.4	
	(re-assayed section)	150.6	281.1	130.5m	0.26	7.21	0.26	0.8	
	(original assays)	'	'	130.5m	0.42	8.02	0.36	1.1	
JDH-009	historical intercept	10.3	122	111.7m	0.7	14.6	0.58	1.8	
	(re-assayed section)	6.7	107.8	101.1m	0.21	13.80	0.36	1.0	
	(original assays)	'	'	101.1m	0.22	15.08	0.59	1.4	
JDH-10	historical intercept	1.5	50.9	49.4m	0.5	2.5	0.09	0.7	
	(re-assayed section)	15.2	50.9	35.7m	0.44	2.88	0.10	0.6	
	(original assays)	'	'	35.7m	0.41	2.96	0.10	0.6	
	historical intercept	140	203	81.6m	0.4	1.3	0.07	0.5	
	(re-assayed section)	150.5	203.4	52.9m	0.36	1.34	0.07	0.5	
	(original assays)	'	'	52.9m	0.39	1.24	0.06	0.5	
JDH-012	historical intercept	12.2	53.96	41.8m	0.6	6.5	0.02	0.7	
	(re-assayed section)	18.3	54	35.7m	0.68	7.62	0.02	0.8	
	(original assays)	'	'	35.7m	0.69	7.36	0.02	0.8	
JDH-013	historical intercept	89.9	154.9	65.0m	1.4	2.8	0.06	1.5	
	(re-assayed section)	112.3	155	42.7m	2.11	2.84	0.05	2.2	
	(original assays)	'	'	42.7m	2.00	3.70	0.08	2.2	
JDH-014	historical intercept	26.96	75.69	48.7m	0.4	5.2	0.10	0.6	
	(re-assayed section)	27	61.5	34.5m	0.64	5.99	0.13	0.9	
	(original assays)	'	'	34.5m	0.52	6.25	0.13	0.8	
	historical intercept	128.52	175.3	46.8m	0.46	3.3	0.08	0.6	
	(re-assayed section)	140.7	167.2	26.5m	0.26	2.24	0.07	0.4	
	(original assays)	'	'	26.5m	0.65	2.91	0.08	0.8	

Colorado V:

A cut-off grade of 0.1 g/t Au was used to report the assays of re-samples core with up to 10 metres of internal dilution below cut-off allowable for the reporting of significant intercepts, consistent with a large low-grade mineralized system. Intersections that use a different cut-off are indicated.

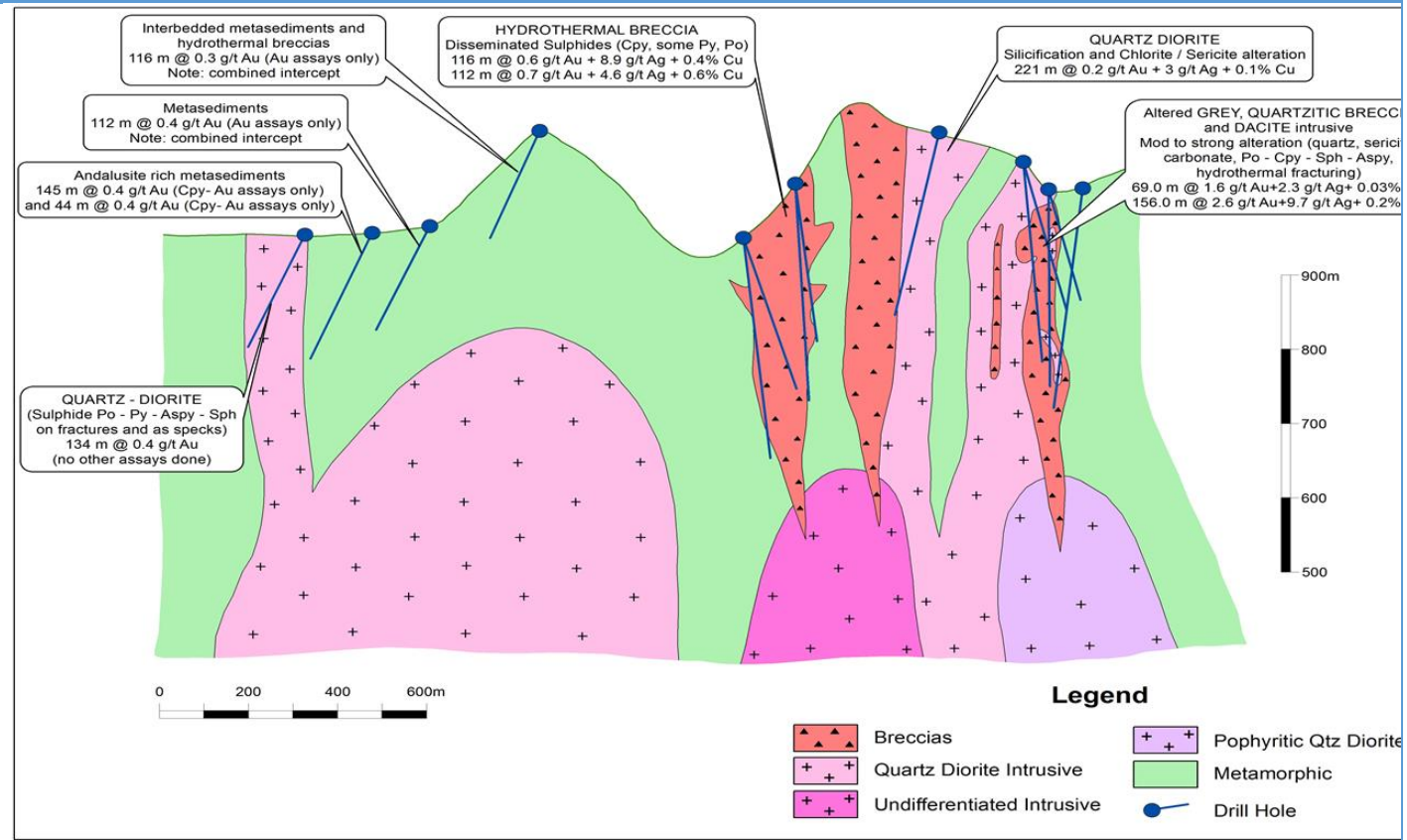
Colorado V drill hole results from re-sampling of available core:

Hole_id	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (ppm)	Mo (ppm)	Note
ZK0-1	9.4	37.5	28.1	0.4	1.0			
and	66.5	89.5	23.0	0.9	4.7			
and	105.7	129.7	24.0	0.3	1.0			
and	167.5	214.0	46.5	0.4	7.1			

Criteria	JORC Code explanation	Commentary						
	ZK1-3	46.0	103.7	57.7	0.5	1.9		
	inc	56.0	85.7	29.7	0.8	3.1		
	from	127.0	163.0	36.0	0.5	3.5		
	and	290.5	421.0	130.5	0.5	3.1		
	inc	302.5	380.5	78.0	0.7	3.5		
	ZK1-5	211.4	355.0	145.6	1.5	1.7		
	inc	253.0	340.0	87.0	2.1	1.9		
	KZ0-2	13.3	108.2	94.9	0.3	1.7		
	inc	75.7	108.2	32.5	0.4	2.6		
	and	172.7	193.1	20.4	0.3	2.1		
	and	225.0	376.4	151.4	0.9	3.8		
	inc	227.0	361.0	134.0	1.0	4.1		
	inc	227.0	290.0	63.0	1.6	5.1		
	ZK3-4	26	38	12	0.3	1.5	513	5
	and	50	114	64	0.2	1.5	549	5
	inc	86	88	2	1.5	1.4	458	3
	and	180	250	70	0.2	1.6	777	3
	ZK3-1	49.5	112.5	63	0.1	1.7	654	5
	inc	94.5	96	1.5	1.5	1.4	3126	7
	and	94.5	174	79.5	0.1	2	662	4
	inc	171	172.5	1.5	1.4	2.6	771	7
	SAZK0-1	31.2	90.8	59.6	0.2	1.4	392	3
	and	131.5	179.5	48	0.1	4.3	824	6
	and	229.8	292.8	63	0.2	1	325	8
	and	319	490.8	171.8	0.2	1.5	616	12
	inc	352	446.5	94.5	0.3	2.4	996	15
	SAK2-1	66.5	275	208.5	0.3	1.5	626	5
	inc	122	185	63	0.6	2.1	825	3
	and	225.5	227	1.5	1.6	1.4	638	2
	and	288.5	330.5	42	0.2	2	454	1
	inc	288.5	291.5	3	1.3	5.6	1136	1
	SAZK0-2	0	80.7	80.7	0.4	1.9	478	3
	inc	30.7	51.2	20.5	1	2.5	460	5
	and	136	148	12	0.6	0.4	61	14
	inc	137.5	140.5	3	1.4	0.3	10	4
	and	200.5	403.8	203.3	0.3	1.3	588	15
								Hole ends in mineralisation

Criteria	JORC Code explanation	Commentary
		inc 293.5 399.3 105.8 0.5 1.3 635 16
		inc 214 215.5 1.5 1.8 2.1 681 12 1 g/t Au cut off
		inc 344.5 399.3 54.8 0.7 1.5 767 12
		inc 361.8 366.3 4.5 5.5 0.8 502 61 1 g/t Au cut off
		and 397.8 399.3 1.5 1.3 2.3 770 2 1 g/t Au cut off
		ZK1-13 46.2 73.2 27 0.1 0.8 306 1
		and 140 141.5 1.5 1.9 0.7 236 1 1 g/t Au cut off
		and 161 196 35 0.1 1.4 391 2
		ZK0-5 6.1 19.8 13.7 0.2 1.3 313 10
		46.3 130.1 83.8 0.5 1.2 356 7
		inc 67 118 51 0.7 1.4 409 5 0.5 g/t Au cut off
		inc 75.7 76.8 1.1 1.2 1.4 483 2 1 g/t Au cut off
		and 80.7 81.7 1 1.8 2.2 549 4 1 g/t Au cut off
		and 93.7 94.7 1 13.9 3.4 354 7 1 g/t Au cut off
		and 146.5 296.5 150 0.2 1 310 3
		and 370 371.5 1.5 0.9 5.2 1812 3
		and 414.3 415.8 1.5 1.2 0.3 127 1
		and 560.5 562 1.5 2.3 0.6 189 2
		and 596 598.2 2.2 1.7 2.1 391 4
		and 607 608.5 1.5 2 0.8 190 2
		ZK18-1 NSI
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> - <i>These relationships are particularly important in the reporting of Exploration Results.</i> - <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> - <i>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').</i> 	<ul style="list-style-type: none"> - The geometry of the breccia hosted mineralisation appears to be predominantly vertical pipes while the geometry of the intrusive hosted mineralisation is not yet clear. The owner cautions that only and only the down hole lengths are reported and the true width of mineralisation is not known. - The preliminary interpretation is that the breccia hosted mineralisation occurs in near vertical breccia pipes. Thus, intersections in steeply inclined holes may not be representative of the true width of this breccia hosted mineralisation. The relationship between the drilling orientation and some of the key mineralised structures and possible reporting bias in terms of true width is illustrated in the figure below.

Criteria	JORC Code explanation	Commentary
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Diagrams	- Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	See section above
Balanced reporting	- Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and	- The reporting is fair and representative of what is currently understood of the geology of the project.

Criteria	JORC Code explanation	Commentary
	<i>high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	
Other substantive exploration data	<p>- <i>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.</i></p>	<p>El Guayabo:</p> <p>Quantec Geophysical services conducted a SPARTAN Broadband Magnetotelluric and TITAN IP/EMAP surveys completed February 3rd to April 1st, 2019 over the El Guayabo property by Quantec Geoscience Ltd. on behalf of AAR Resources. The survey covered 16 square kilometers with data collected on 300m 3D spacing on a grid oriented at 10 degrees and 100 degrees. The grid was moved 10 degrees so the survey could be oriented perpendicular to the main geological structures. The survey involved a total of 205 Magnetotelluric (MT) sites and 2 test TITAN IP/EMAP profiles were surveyed. The final survey results to which will be delivered will consist of :</p> <ul style="list-style-type: none"> • Inversion 2D products <ul style="list-style-type: none"> • 2D model sections (for each line) of the: • DC resistivity model; • IP chargeability model using the DC resistivity model as a reference; • IP chargeability model using a half-space resistivity model as a reference; • MT(EMAP) resistivity model; • Joint MT+DC resistivity model; IP chargeability model using the MT+DC resistivity model; • Inversion 3D products <ul style="list-style-type: none"> • 3D MT model; <ul style="list-style-type: none"> • Cross-sections and Elevation Plan maps of the 3D MT models; <p>Figures showing Survey Locations and Results are included in the body of this release</p> <p>DCIP INVERSION PROCEDURES</p> <p>DCIP is an electrical method that uses the injection of current and the measurement of voltage difference along with its rate of decay to determine subsurface resistivity and chargeability respectively. Depth of investigation is mainly controlled by the array geometry but may also be limited by the received signal (dependent on transmitted current) and ground resistivity. Chargeability is particularly susceptible to data with a low signal-to-noise ratio. The differences in penetration depth between DC resistivity and chargeability are a function of relative property contrasts and relative signal-to-noise levels between the two measurements. A detailed introduction to DCIP is given in Telford, et al. (1976). The primary tool for evaluating data is through the inversion of the data in two or three dimensions. An inversion model depends not only on the data collected, but also on the associated data errors in the reading and the “model norm”. Inversion models are not unique and may contain “artefacts” from the inversion process. The inversion model may not accurately reflect all the information apparent in the actual data. Inversion models must be reviewed in context with the observed data, model fit, and with an understanding of the model norm used.</p> <p>The DC and IP inversions use the same mesh. The horizontal mesh is set as 2 cells between electrodes. The vertical mesh is designed with a cell thickness starting from 20 m for the first hundred metres to accommodate the topographic variation along the profiles, and then increases logarithmically with depth. The inversions were generally run for a maximum of 50 iterations. The DC data is inverted using an unconstrained 2D inversion with a homogenous half-space of average input data</p>

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		<p>as starting model. For IP inversions, the apparent chargeability ρ is computed by carrying out two DC resistivity forward models with conductivity distributions $\sigma(x_i, z_j)$ and $(1-\eta)\sigma(x_i, z_j)$ (Oldenburg and Li, 1994), where (x_i, z_j) specifies the location in a 2D mesh. The conductivity distributions used in IP inversions can be the inverted DC model or a half space of uniform conductivity. Two IP inversions are then calculated from the same data set and parameters using different reference models. The first inversion of the IP data uses the previously calculated DC model as the reference model and is labelled the IP dcref model. The second IP inversion uses a homogeneous half-space resistivity model as the reference model and is labelled IP hsref model. This model is included to test the validity of chargeability anomalies, and to limit the possibility of inversion artefacts in the IP model due to the use of the DC model as a reference. The results of this second IP inversion are presented on the digital archived attached to this report.</p> <p>MAGNETOTELLURIC INVERSIONS</p> <p>The Magnetotelluric (MT) method is a natural source EM method that measures the variation of both the electric (E) and magnetic (H) field on the surface of the earth to determine the distribution at depth of the resistivity of the underlying rocks. A complete review of the method is presented in Vozoff (1972) and Orange (1989).</p> <p>The measured MT impedance Z, defined by the ratio between the E and H fields, is a tensor of complex numbers. This tensor is generally represented by an apparent resistivity (a parameter proportional to the modulus of Z) and a phase (argument of Z). The variation of those parameters with frequency relates the variations of the resistivity with depth, the high frequencies sampling the sub-surface and the low frequencies the deeper part of the earth. However, the apparent resistivity and the phase have an opposite behaviour. An increase of the phase indicates a more conductive zone than the host rocks and is associated with a decrease in apparent resistivity. The objective of the inversion of MT data is to compute a distribution of the resistivity of the surface that explains the variations of the MT parameters, i.e. the response of the model that fits the observed data. The solution however is not unique and different inversions must be performed (different programs, different conditions) to test and compare solutions for artefacts versus a target anomaly.</p> <p>An additional parameter acquired during MT survey is the Tipper. Tipper parameters Tzx and Tzy (complex numbers) represent the transfer function between the vertical magnetic field and the horizontal X (Tzx), and Y (Tzy) magnetic fields respectively (as the impedance Z represent the transfer function between the electric and magnetic fields). This tipper is a 'local' effect, mainly defined by the lateral contrast of the resistivity. Consequently, the tipper can be used to estimate the geological strike direction. Another important use of the tipper is to display its components as vectors, named induction vectors. The induction vectors (defined by the real components of Tzx and Tzy) plotted following the Parkinson-Real-Reverse-Angle convention will point to conductive zones. The tipper is then a good mapping tool to delineate more conductive zones. The depth of investigation is determined primarily by the frequency content of the measurement. Depth estimates from any individual sounding may easily exceed 20 km. However, the data can only be confidently interpreted when the aperture of the array is comparable to the depth of investigation.</p> <p>The inversion model is dependent on the data, but also on the associated data errors and the model norm. The inversion models are not unique, may contain artefacts of the inversion process and may not therefore accurately reflect all the information apparent in the actual data. Inversion models need to be reviewed in context with the observed data, model fit. The user must understand the model norm used and evaluate whether the model is geologically plausible.</p>

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		<p>For this project, 2D inversions were performed on the TITAN/EMAP profiles data. For each profile, we assume the strike direction is perpendicular to the profile for all sites: the TM mode is then defined by the inline E-field (and cross line H-field); no TE mode (crossline E-field) were used in the 2D inversions.</p> <p>The 2D inversions were performed using the TM-mode resistivity and phase data interpolated at 6 frequencies per decade, assuming 10% and 5% error for the resistivity and phase respectively, which is equivalent to 5% error on the impedance component Z. No static shift of the data has been applied on the data.</p> <p>The 3D inversion was carried out using the CGG RLM-3D inversion code. The 3D inversions of the MT data were completed over an area of approximately 5km x 3.5km. All MT sites from this current survey were used for the 3D inversion.</p> <p>The 3D inversion was completed using a sub sample of the MT data with a maximum of 24 frequencies at each site covering the measured data from 10 kHz to 0.01 Hz with a nominal 4 frequencies per decade. At each site, the complete MT complex impedance tensors (Zxx, Zxy, Zyx, and Zyy) were used as input data with an associated error set to 5% on each parameter. The measured tipper data (Tzx, Tzy) were also used as input data with an associated error set to 0.02 on each parameter. A homogenous half space with resistivity of 100 Ohm-m was used as the starting model for this 3D MT inversion. A uniform mesh with 75 m x 75 m cell size was used in horizontal directions in the resistivity model. The vertical mesh was defined to cover the first 4 km. Padding cells were added in each direction to accommodate the inversion for boundary conditions. The 3D inversion was run for a maximum of 50 iterations.</p> <p>In addition a total of 129 samples distributed along 12 holes were analysed to measure the resistivity (Rho (Ohm*m) and chargeability properties (Chargeability M and Susceptibility (SCPT 0.001 SI) . The equipment used for the analyses was the Sample Core IP Tester, manufactured by Instrumentation GDD Inc. It should be noted that these measures should be taken only as first order estimate, and not as “absolute” (true) value as readings by the field crew were not repeated and potentially subject to some errors (i.e. wrong size of the core entered in the equipment).</p> <p>Colorado V: Exploration Target: An Exploration Target for two mineralized zones on the Colorado V mining concession has been made using surface gold in soil anomalies, drill hole geological and assay information and panel sampling from an adit at one of the targets.</p> <table border="1"> <thead> <tr> <th>Exploration Target Anomaly A</th> <th>Unit</th> <th>Low estimate</th> <th>High Estimate</th> </tr> </thead> <tbody> <tr> <td>Tonnage</td> <td>Mt</td> <td>260</td> <td>275</td> </tr> <tr> <td>Grade Au</td> <td>g/t</td> <td>0.4</td> <td>0.7</td> </tr> <tr> <td>Grade Ag</td> <td>g/t</td> <td>1.5</td> <td>2.5</td> </tr> <tr> <td>tonnage above cut-off</td> <td>%</td> <td>70%</td> <td>90%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Exploration Target Anomaly B</th> <th>Unit</th> <th>Low estimate</th> <th>High Estimate</th> </tr> </thead> <tbody> <tr> <td>Tonnage</td> <td>Mt</td> <td>182</td> <td>193</td> </tr> </tbody> </table>	Exploration Target Anomaly A	Unit	Low estimate	High Estimate	Tonnage	Mt	260	275	Grade Au	g/t	0.4	0.7	Grade Ag	g/t	1.5	2.5	tonnage above cut-off	%	70%	90%	Exploration Target Anomaly B	Unit	Low estimate	High Estimate	Tonnage	Mt	182	193
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		<p>The potential quantity and grade of the Colorado V Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.</p> <p>The following is an explanation of the inputs used in formulating the Exploration Target.</p> <ul style="list-style-type: none"> • Surface Area: The surface area of the target has been estimated by projecting drill hole gold significant intersections vertically to the surface. The surface projection of the intersections in the drill holes coincides with the 100 ppb Au gold-in-soil anomaly contour. This area has been used to estimate the horizontal extent of the mineralization. • Depth: A depth of 400 metres from surface has been used as an estimate of the depth that an open pit and underground bulk tonnage mining project would be expected to extend. The mineralization at Colorado V is controlled by steeply plunging / dipping intrusions and breccia which is expected to extend to at least 400m depth from surface. • Bulk Density: The bulk density is based on geological observations of the rocks that host the mineralization. Typical bulk densities for these rock types are in the range used. • Gold and Silver grades: The gold and silver grade range has been estimated from the weighted average and median sample grades and deviations from mean from drill core and underground panel sampling. • Proportion of tonnage above cut-off grade: These values are estimates based on drill hole intersection grade continuity down-hole assuming that not all of the Target volume, if sampled would be above the economic cut-off grade. 												
Further work	<ul style="list-style-type: none"> - <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> - <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>El Guaybo Project</p> <ul style="list-style-type: none"> - Re-logging and re-assaying core including SWIR/alteration mapping to better vector on the porphyry and breccia targets – available assays 6 elements only, no SWIR, and not logged by porphyry experts. - Helicopter magnetic survey on east-west flight lines with 50m spacing, processing and interpretation of these data. - Channel sampling of the adit and artisanal workings - > 1km of underground exposure of the system which has never been systematically mapped or sampled. - Sampling of additional breccia bodies – only 2 of the 10 known breccias have been systematically defined and properly sampled. - Complete interpretation of the 3D MT survey (with IP lines) covering 16 sq. This will include integration of all the 												

Criteria	JORC Code explanation	Commentary
		<p>geological data and constrained inversion modelling</p> <ul style="list-style-type: none"> - The aim of the program above is to define targets for a drilling program <p>Colorado V Project</p> <ul style="list-style-type: none"> - Re-logging and re-assaying of drill core where only partial gold assays are available. - Helicopter magnetic survey on east-west flight lines with 50m spacing, processing and interpretation of these data. - Channel sampling of mineralized exposures in the adits and underground workings. - Surface mapping and sampling. - Compile and integrate existing soil survey data with CEL's MMI soil survey covering 16 sq kms. Additional soil geochemical sampling (MMI and c-horizon) to be completed near main anomalies - The aim of the program above is to further test the Exploration Targets and identify targets for drilling.