CHALLENGER GOLD OUTLINES ROADMAP TO COMMERCIAL PRODUCTION AT HUALILÁN TARGETED FOR EARLY 2029

Integrated development plan designed to accelerate production, de-risk execution and strengthen project economics

HIGHLIGHTS

- New leadership team prioritises Hualilán stand-alone gold production as its primary objective, targeting commercial production from the Phase 1 heap leach operation by early 2029.
- Integrated development roadmap established to accelerate production through a combination of technical, exploration, project financing and execution initiatives, outlining key milestones and catalysts.
- Roadmap underpinned by compelling 2026 Pre-Feasibility Study ("2026 PFS") results, highlighting the unique opportunity for near-term gold production from a fully permitted, low-capex, large-scale development project in one of South America's top-ranked mining jurisdictions.
- The Company is proactively bringing forward expenditure on engineering and earthworks to support an accelerated development schedule. Detailed engineering is already well underway and advancing in parallel with optimisation and growth initiatives to accelerate progress along the critical path to first production.
- Ongoing technical work has benefited from additional information gained through small-scale mining carried out in 2026, accelerating and de-risking project execution while building an ore stockpile for future processing.
- 35,000-metre drilling program underway, with four drill rigs in operation, to support resource growth, reserve conversion and mine plan optimisation, with an exploration update expected in the fourth quarter of 2026.
- NI 43-101 Technical Report targeted for completion in early 2027.
- The Company is evaluating potential secondary listing options to increase the Company's exposure to a broader group of international institutional investors.
- The Company plans to refinance the US$15 million convertible debenture due in September 2026. If completed, existing cash and debenture proceeds are expected to fund exploration, corporate obligations, and Phase 1 activities through mid-2027, when a full project financing plan for Hualilán development is targeted.
- Application under Argentina's *Régimen de Incentivo para Grandes Inversiones* ("RIGI") on track for submission in the fourth quarter of this year, with confirmation anticipated during the first half of 2027.

Unless otherwise stated, all monetary amounts referenced in this press release are expressed in U.S. dollars.

Challenger Gold Limited (ASX: CEL) (**"Challenger"** or the "**Company"**) today outlined a clear development roadmap for its 100%-owned Hualilán Gold Project in San Juan, Argentina, identifying key strategic priorities and near-term catalysts to support the Company's objective of commercial production from the stand-alone Phase 1 heap leach operation by early 2029.

Following a review of the Company's strategic priorities, the new leadership team has identified the advancement of Hualilán toward commercial production as its primary objective, with a focus on converting the project's substantial resource base into cash flow and long-term shareholder value.

The Company's production strategy is underpinned by the positive outcomes of the Pre-Feasibility Study for Hualilán announced on 18 May 2026 (see ASX announcement titled "Completion of Hualilán Pre-Feasibility Study"). With key permits already in place, Hualilán is well positioned to advance toward development while the Company focuses on technical optimisation, financing and execution readiness. The study outlined production of 1.8 million gold equivalent ounces over a 14.25-year mine life, averaging 135,000 ounces gold equivalent production per year after the first two years. The staged development approach, comprising an initial heap leach operation followed by the addition of a flotation circuit approximately two years later, reduces pre-production capital requirements to approximately $267 million, including contingency, while generating a post-tax NPV of approximately $1.1 billion, a post-tax IRR of 35% and a payback period of 2.25 years at a gold price assumption of $3,500 per ounce[1]. At a gold price of $4,500 per ounce, post-tax NPV increases to $1.8 billion and the payback period is reduced to 1.25 years.

Building on these compelling study outcomes, Challenger has developed an integrated development plan encompassing technical, exploration, financing and execution initiatives designed to progressively de-risk the Phase 1 heap leach development and support the Company's objective of achieving commercial production by early 2029.

Key strategic priorities include:

1. **Engineering and Optimisation Studies:** Advancement of detailed engineering on critical-path activities to support the accelerated development schedule and targeted heap leach production by early 2029. In parallel, the Company is undertaking technical studies aimed at de-risking execution, optimising the mine plan and enhancing overall project economics, while progressing the submission of its RIGI application and preparation of an NI 43-101 technical report.

2. **Exploration and Resource Growth:** Continuation of near-mine infill and exploration drilling programs targeting extensions to known mineralization, resource growth and reserve conversion opportunities. The Company is also evaluating additional resource growth opportunities across the broader Hualilán district, with an initial exploration update targeted for the fourth quarter of 2026.

3. **Financing and Capital Markets:** The Company plans to refinance the existing US$15 million convertible debenture due in September 2026. If completed, cash on hand and funds from the convertible debenture offering are expected to provide sufficient cash for exploration, corporate obligations, and Phase 1 project activities through mid-2027, by which time the company aims to have completed a full project financing plan for development of Hualilán.

4. **Project Execution and Financial Discipline:** Advancing procurement of long-lead equipment, finalizing arrangements for third-party construction of the power connection, and preparing for a ramp-up in construction activities through the second half of 2027. With permits in place, these activities are intended to support the Company's roadmap toward commercial production targeted for early 2029.

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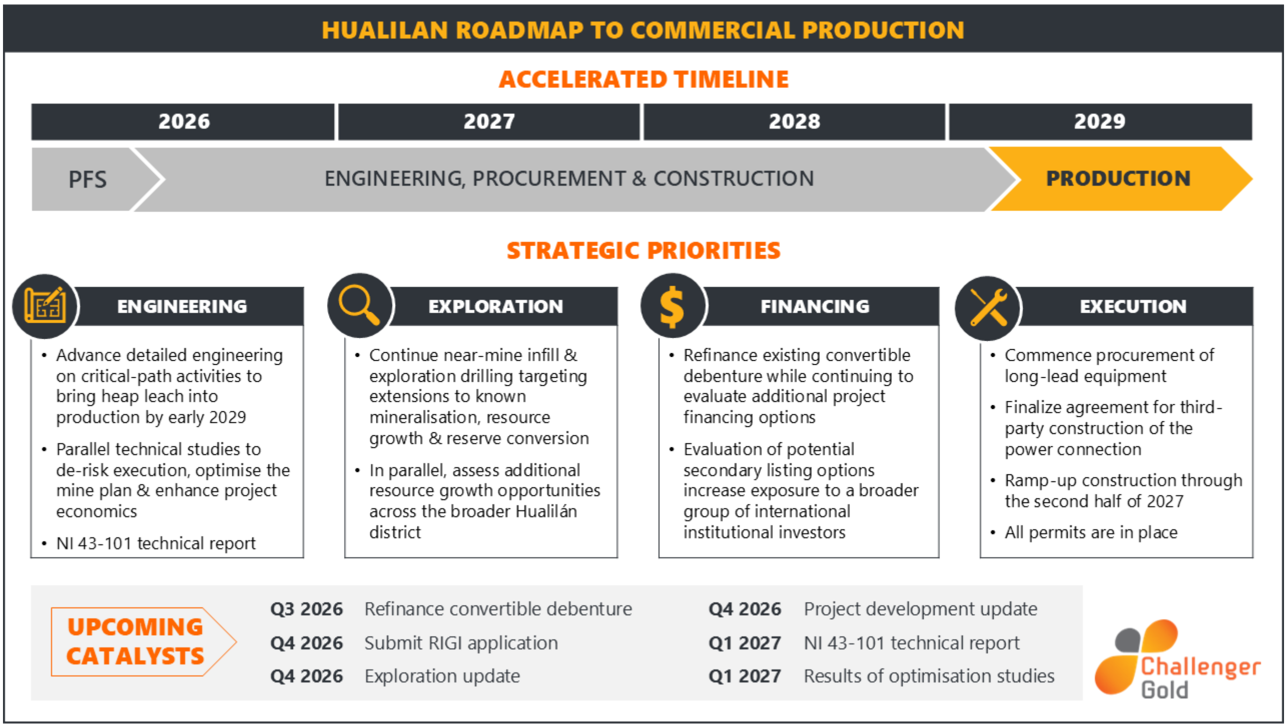
[1] Refer to the Company's ASX announcement dated 18 May 2026 titled 'Completion of Hualilán Pre-Feasibility Study' for further details.

Commenting on the roadmap, the Company said: "Our objective is clear: to transition Hualilán from a development asset to a producing gold operation. With a fully permitted project, a robust Pre-Feasibility Study and a strengthened leadership team, we believe Hualilán has a compelling pathway to commercial production. The priorities outlined today provide a structured framework to support commercial production from the Phase 1 heap leach operation by early 2029, while preserving the significant long-term growth opportunities across the broader Hualilán district."

The following roadmap summarises the accelerated development timeline, strategic priorities and upcoming catalysts Challenger is targeting to achieve commercial production from the stand-alone Phase 1 heap leach operation by early 2029.



1. Engineering and Optimisation Studies

Detailed Engineering

Challenger has engaged BBA Consultants to commence detailed engineering for the Phase 1 heap leach development. By advancing engineering activities early, the Company aims to improve capital cost certainty, support early procurement planning for long-lead items and accelerate project readiness ahead of a targeted construction ramp-up in the second half of 2027.

BBA's scope includes detailed engineering for the mine, heap leach pad, process facilities, and associated site services required for Phase 1 development.

Optimisation Studies

In parallel with detailed engineering, BBA Consultants is undertaking optimisation studies to evaluate a range of geological, mining, processing and infrastructure opportunities to further de-risk development and strengthen project economics.

Key enhancements expected to be incorporated into future studies may include:

- Enhanced geological interpretation and block model supported by increased geological knowledge gained through ongoing mining, grade control and processing activities completed since the 2026 PFS. This work has improved the Company's understanding of the mineralisation distribution and is expected to support an updated block model, enhanced mine planning and optimisation of the processing split between the heap leach and flotation circuits.
- Optimised mine-to-process integration aimed at improving equipment utilisation, stockpile management and production scheduling.
- Potential for improved heap leach recovery assumptions, with gold recovery possibly increasing to 74.7% from 69.7% in the previous study, supported by metallurgical testwork and extended leach residence times.
- Reduced capital intensity through third-party financing and construction of the power connection, potentially removing approximately $48 million of power line capital from Challenger's upfront development funding requirements while reducing infrastructure delivery risk.

Other optimisation opportunities and de-risking initiatives currently underway include:

- A processing design trade-off study, evaluating Merrill-Crowe as a potential alternative to the planned ADR circuit. Merrill-Crowe may offer lower capital costs, greater local procurement opportunities and reduced execution risk.
- An expanded metallurgical testwork program to validate heap leach recovery assumptions and leach cycle durations, optimise crush size, reagent consumption and operating parameters, and confirm commercial-scale heap performance through permeability and load testing.
- A 5,500-metre geotechnical and hydrogeological drilling program to support pit slope design, groundwater management and detailed engineering activities. The results are expected to improve engineering confidence and further reduce development and operational risk.

Results from these initiatives are expected from the fourth quarter of 2026 into early 2027.

NI 43-101 Technical Report

The Company has requested BBA Consultants to prepare a technical report under NI 43-101 standards. This report is expected to incorporate any potential project enhancements identified from the above optimisation studies and is expected to be completed in the first quarter of 2027.

RIGI Application

Challenger is also progressing its RIGI application, which has the potential to materially enhance the project's fiscal and financing framework, as reflected in the May 2026 PFS. Based on the Company's assessment, qualification under the regime provides a range of benefits, including a reduced corporate income tax rate of 25%, accelerated depreciation, indefinite carry-forward of tax losses, VAT credit certificates, selected customs and tax exemptions, and progressively increasing flexibility over foreign exchange access for export proceeds.

Eligibility under RIGI requires qualifying investment exceeding $200 million, with more than 40% committed within the first two years. Challenger believes approximately $30 million of historical investment at Hualilán may qualify toward this threshold. As reflected in the May 2026 PFS economic analysis, RIGI has the potential to enhance project economics, strengthen financing attractiveness and further support development of Hualilán.

Challenger expects to submit its RIGI application by the end of September 2026 and, based on current timelines, anticipates confirmation during the first half of 2027.

2. Exploration and Resource Growth

Challenger is advancing a 35,000-metre drilling program, including 5,500 metres of geotechnical drilling, designed to expand the Hualilán resource and reserve base, convert Mineral Resources to Ore Reserves and support mine plan optimisation.

Four drill rigs are currently in operation, with initial drilling focused within and around the existing open pit footprint, targeting extensions to known mineralisation, resource growth, reserve conversion and mine plan optimisation. Improved geological understanding may also create opportunities to convert in-pit material currently classified as waste into economically recoverable ore. In parallel, the Company is assessing additional resource growth opportunities across the broader Hualilán district.

The Company intends to provide an exploration update during the fourth quarter of 2026 following receipt, interpretation and validation of the initial drilling results. The program is expected to support updated Mineral Resource and Ore Reserve estimates in the second half of 2027.

3. Financing and Capital Markets

Challenger is evaluating a range of project financing alternatives to support development of the stand-alone Phase 1 heap leach operation. As part of this strategy, the Company is planning to refinance its existing $15 million convertible debenture, which matures on 14 September 2026. If completed, with cash on hand and funds from the convertible debenture offering, the Company will have sufficient cash on hand for its exploration program for this and next year, to fund all corporate obligations, including the existing convertible debenture and overhead, and to fully fund the requirements of the project until mid-2027 by which time the Company is aiming to have completed a full project financing plan for the development of Hualilán.

Additionally, to broaden access to North American institutional investors, the Company is evaluating potential secondary listing options.

4. Execution and Financial Discipline

The Company is currently focused on completing detailed engineering and procurement of long-lead equipment in preparation for a construction ramp-up through the second half of 2027. The operations team in San Juan is proactively bringing forward expenditure on early site earthworks, including construction of the mining camp, access roads, and main gate, to support an accelerated development schedule. As of the end of June, small-scale mining activities have stockpiled 79,897 tonnes of ore at an average grade of 0.72 g/t gold for future processing and the Company is currently progressing discussions regarding a potential transition to an Ore Purchase Agreement.

Following the Company's transition away from the third-party toll treatment model, as announced in the Company's Quarterly Activities Report dated 31 July 2026 and detailed in its ASX announcement on 13 August 2026, the production targets and forecast financial information reported in the previous 2025 Toll Milling Pre-Feasibility Study announced by the Company on 4 June 2025 are superseded and should no longer be relied on.

The larger-scale project as defined in the Hualilán standalone May 2026 PFS is not impacted by the transition. The 2026 PFS was prepared on the basis of the mineral resource remaining after the planned toll milling and does not depend on the continuation of toll treatment.

The transition may result in an immaterial volume of 30,000 to 40,000 tonnes of additional material becoming available for processing under the stand-alone operation, representing approximately 0.03% of the total Mineral Resource Estimate of 132.1 million tonnes as reported in the 2026 PFS.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the 2026 PFS and that all material assumptions and technical parameters underpinning the production target, forecast financial information, Mineral Resource Estimates and Ore Reserve Estimates in that announcement continue to apply and have not materially changed.

The extent to which ore may be sold under any Ore Purchase Agreement, and any potential effect on the mine plan, will be assessed as part of the ongoing optimisation studies, with results expected to be reflected in updated Mineral Resource and Ore Reserve Estimates targeted for the first half of 2027.

Challenger is reinforcing a disciplined approach to operating expenses and capital allocation, prioritising activities that advance the project toward stand-alone gold production, with a particular focus on critical path items for the Phase 1 heap leach project. Expenditure is being directed toward initiatives that deliver the greatest impact on project development, including technical studies, detailed engineering, exploration programs, procurement of long-lead-time equipment, and early works. This focused approach supports efficient capital deployment, de-risks project execution, and maintains momentum toward production.

Key Upcoming Catalysts

- **Q3 2026:** Submission of RIGI application.
- **Q3 2026:** Proposed refinancing of existing convertible debentures.
- **Q4 2026:** Project development update.
- **Q4 2026:** Exploration update.
- **Q1 2027:** NI 43-101 Technical Report.
- **Q1 2027:** Results of optimisation studies.

The Company believes successful execution of these milestones will position Hualilán for commercial production by early 2029 while preserving the significant long-term growth potential of the broader Hualilán district.

Investor Webinar

The Company is pleased to invite shareholders and investors to an Investor Webinar on Tuesday, 15 September 2026 at 11:00am AEST / 9:00am AWST. Non-Executive Chairman, Peter Marrone and Chief Operating Officer and Interim CEO, Yohann Bouchard will be providing an update on the Company's 100%-owned Hualilán Gold Project in San Juan, Argentina.

Details of the webinar are as follows:

Date: Tuesday, 15 September 2026

Time: 11:00am AEST / 9:00am AWST

Registration:

https://janemorganmanagement-au.zoom.us/webinar/register/WN_3ZcNGxSPRiuklw7XEIJ5Yg

Participants will be able to submit questions via the Q&A function on Zoom throughout the presentation however, we encourage attendees to send through questions ahead of the session via email to info@janemorganmanagement.com.au.

This announcement has been authorised for release by the Board of Challenger Gold Limited.

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ADDITIONAL INFORMATION

FORWARD LOOKING STATEMENTS

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

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

You should not place any undue reliance on forward-looking statements and neither. Challenger nor its directors, officers, employees, servants or agents assume any responsibility to update such information. The stated Production Targets are based on the Company’s current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

Financial numbers, unless stated as final, are provisional and subject to change when final grades, weight and pricing are agreed under the terms of the offtake agreement. Figures in this announcement may not sum due to rounding.

MINERAL RESOURCE AND ORE RESERVES

This announcement contains references to the Company's PFS announced to the ASX on 18 May 2026 entitled 'Hualilan Gold Project Pre-Feasibility Study'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the production target, forecast financial information, Mineral Resource Estimates and Ore Reserve estimates in the relevant original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.