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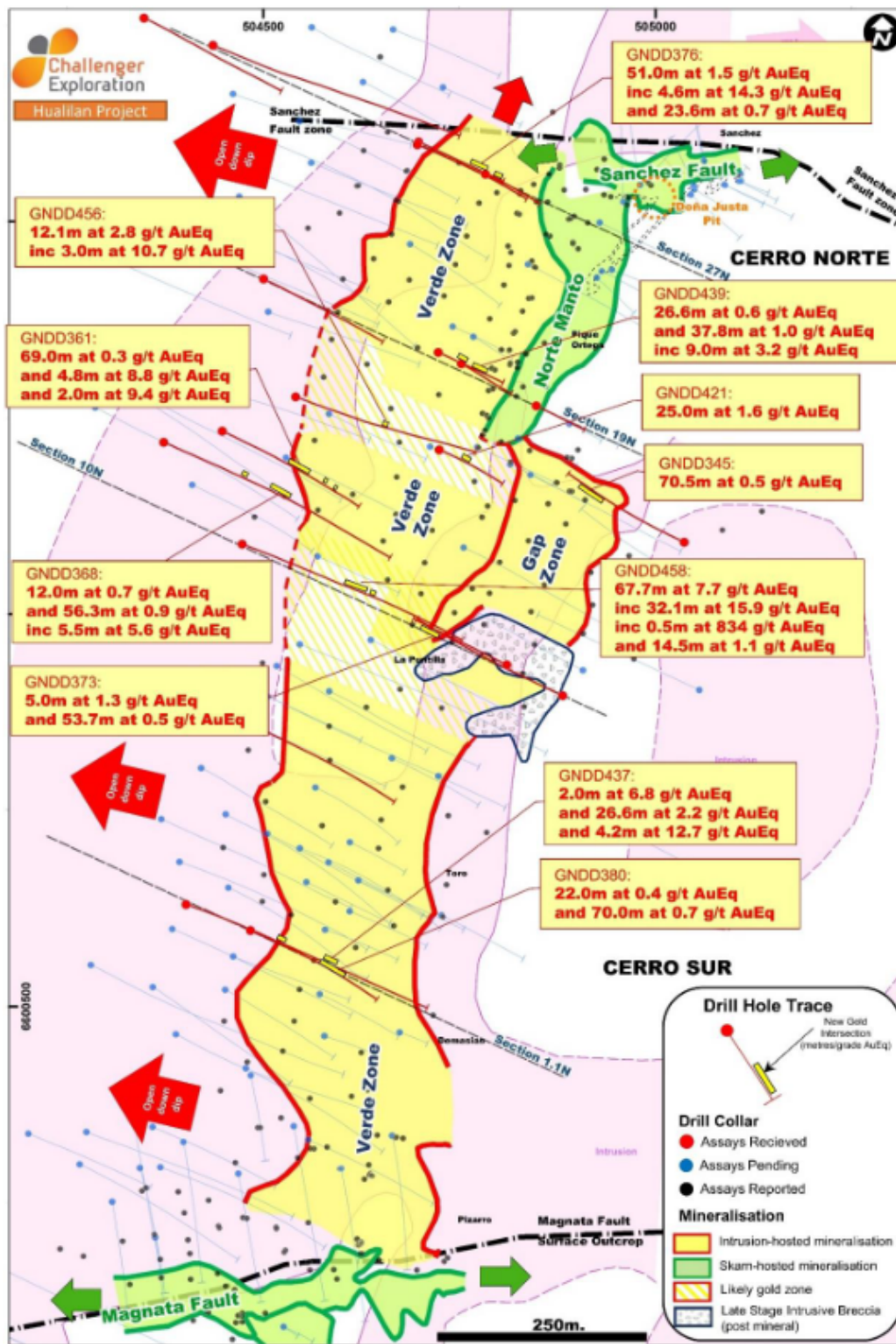
Explorer Wrap

14 February 2022 | Snippets of news from covered stocks

Challenger Exploration (CEL:ASX | SPEC BUY | Mkt Cap: A\$304m | TP: \$0.60 | Trading: \$0.31) – Exploration holes demonstrate that Hualilan has a lot more to offer.

- Yesterday, CEL announced the next batch of drill results (67 holes) from the Verde Zone at Hualilan, Argentina as it gears up for a maiden resource in the coming half.
- The drilling is both infill and extensional, with 97% of the announced holes have intersected gold mineralisation with 74% returning intersections greater than 10gmm (*i.e.* 2m @ 5g/t Au, 1m @ 10g/t Au, 3.3m @ 3.3g/t Au).
- The recently discovered Verde Zone has seen a lot of drill focus along its 1.5km strike since the 126m @ 1.1g/t Au discovery last year.
- Latest results include:
 - **67.7m @ 7.7g/t AuEq** from 300m (incl. 32.1m @ 15.9g/t AuEq) – in a newly tested area within the centre of Verde.
 - **51m @ 1.5g/t AuEq** from 141m (incl. 4.6m @ 14.3g/t Au)
 - **38m @ 1g/t AuEq** from 94m (incl. 9m @ 3.2g/t AuEq)
- Mineralisation in the Verde Zone is oriented north-south, is 50-100m wide, and is hosted by bedding parallel fault-fracture zones in sediments and steeply dipping fracture zones in intrusives.
- With nine rigs turning at Hualilan, newsflow will continue to come thick and fast as the company delineates a large offering across multiple target on the project.

Comments: More very encouraging results from CEL. We think the company is well on the way to meeting our expectations for resource offerings. Remember, valuation is based on CEL defining an initial smaller scale, 0.8Mtpa, high-grade starter option (1.3Moz @ 6-7g/t AuEq inventory) before expanding into a larger bulk, 6-7Mtpa, lower grade operation (4Moz @ 1g/t Au inventory) over time. A interim resourced update is expected at or just over halfway through the current 120,000m program (expected 1H22). Our latest research on Hualilan can be found [here](#).

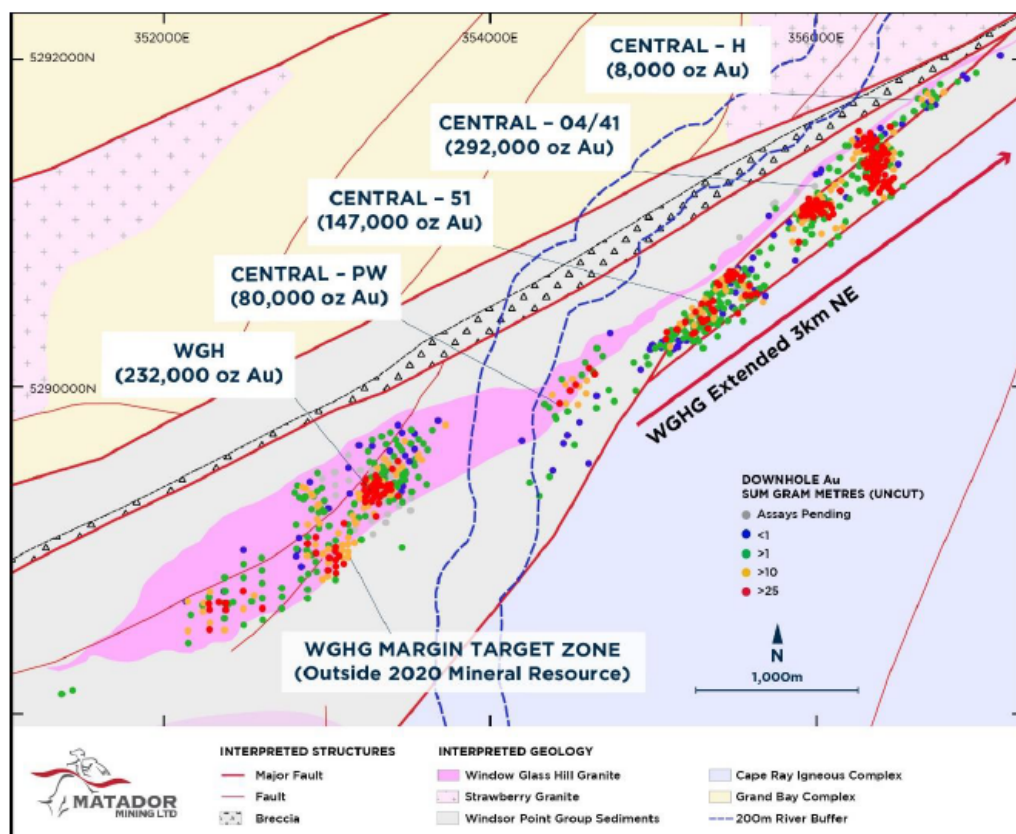


Matador Mining (MZZ-ASX | SPEC BUY | Mrk Cap: A\$64m | PT: A\$0.70/sh | trading A\$0.30/sh) – Window Glass Hill Granite target doubles to 6km strike

- MZZ has released a technical announcement outlining that the Window Glass Hill Granite (WGHG) target has now been doubled to 6km strike following detailed magnetics and bottom of hole geochem work across the Cape Ray Project in Newfoundland, Canada.
- The prospective unit (highlighted by the pink polygon below) hosts over 300koz Au in two deposits (WGH & PW) within the original 3km strike area. The new data and interpretation now extends the target a further 3km to the north-east and along the Cape Ray Shear Zone.

- This new zone is buried under shallow till and has never been rock chip sampled or drilled.
- In fact, MZZ highlights that less than 15% of the total 6km strike at WGHG has been drill tested, and most of the areas that have been drilled, have only targeted the top 120m.
- Adjacent and to the south of this new interpreted zone, there are 519koz Au hosted at the Central Zone, within sheared sediments. Sheared sediments elsewhere and close to the WGHG now present a significant target, which MZZ likens to RED-ASX's King of Hill deposit in WA and MOZ-TSX's Marathon deposit along strike from Cape Ray.
- At last count, assays were pending for 35 diamond holes across the broader Cape Ray Project area targeting areas including Heart-Shaped Pond near Window Glass Hill, Big Pond Area and Window Glass Hill Granite/Margin.
- Power auger drilling continues to provide basal till samples to allow refinement of key greenfields targets.

Comments: A strong breakthrough in targeting by the team at MZZ. Highlights it's technical ability and also the prospectivity of the WGHG. Pleasingly, the company will not take an extended drilling break during the Canadian winter, so newsflow should continue into the northern hemisphere spring. To reiterate, MZZ offers genuine belt scale opportunities in a severely underexplored, Tier 1 part of the world.

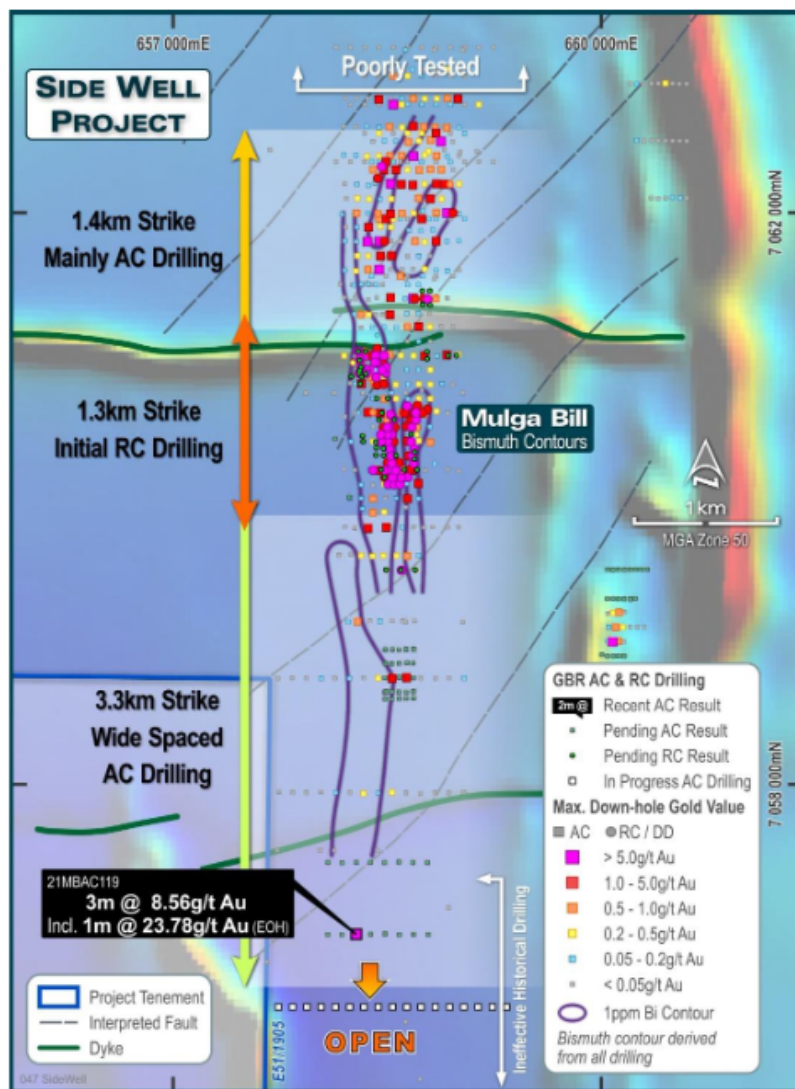


Snippets of news from the juniors/those with no rating today

- **BNZ (Mkt Cap A\$72m)** – Not rated: Has intercepted further visible gold in drilling at Eastmain, Canada. Deep drilling at D Zone has hit visible gold at 943m (deepest to date on the project) in the Mine Horizon rock unit. *Targeting from downhole EM has allowed BNZ to undertake large and deep step out holes to good effect,*

proving this to be an excellent exploration tool. Assay turnaround is still painfully slow, with 62 holes from 2021 awaiting screen fire assay; 16 of which have visible gold. Exploration is sometimes a patience game...

- **GBR (Mkt Cap A\$50m)** – Not rated: **Stock is up +10%**. First assays from Phase 5 aircore drilling at Mulga Bill within the Side Well Project near Meekatharra have returned more strong bottom-of-hole numbers 1km south of all previous drilling: **3m @ 8.6g/t Au** from 147m (incl. 1m @ 24g/t Au). The combined strike at Mulga Bill is now 6km, and turning into a sizeable exploration target (this is still pre-resource). Diamond drilling is also set to commence shortly and will assist in geological understanding across this emerging discovery.



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