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For Immediate Release

6 February 2017

Challenger Acquisitions Limited
("Challenger" or the "Company")

Cost Control Measures and Allotment of Shares re Convertible Notes

Challenger Acquisitions Limited (LSE: CHAL) announces that it has commenced a strategy to implement specific cost control measures and to actively manage the conversion of a portion of its outstanding convertible notes.

Effective from 1 February 2017, Mark Gustafson, Chief Executive Officer of the Company, has agreed to a compensation arrangement of £1,000 per month until further notice. The board of directors has also been reduced to three members with the retirement of Markus Kameisis as an executive director. Mr. Kameisis retains his position as Chief Financial Officer of the Company. Going forward, the Company will continue to review public company costs to ensure these are minimised wherever possible.

The Company also announces that it has allotted 8,323,476 new Ordinary Shares of £0.01 each ("Share") on the conversion of £630,431 of the 12% unsecured convertible notes due 6 May 2017 (issued at 8.2p per share) and £50,000 of the unsecured convertible notes due 13 April 2018 (issued at 7.8p per share). An additional 15,536 Shares were allotted to settle interest of £1,274 due up until the date of conversion. These Shares were issued at a price of 8.2p per Share.

Application has been made to the Financial Conduct Authority ("FCA") for 8,339,012 Shares to be admitted to listing on the standard listing segment of the Official List and to the London Stock Exchange for such shares to be admitted to trading on the Main Market for listed securities. It is expected that Admission will become effective, and dealings in the new ordinary shares will commence, at or around 8.00a.m. on 9 February 2017.

Following this allotment, the total number of Shares in issue and the total number of voting rights in the Company is 31,218,745. There are no Shares held in treasury. The figure of 31,218,745 Shares and voting rights may be used by shareholders in the Company as the denominator for the calculations by which they can determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Mark Gustafson, Challenger’s Chief Executive Officer said: “Following the recent disposal of the Starneth business we believe it is prudent to minimise our public company costs until fees from the closing of Giant Observation Wheel projects commence. In line with this, we are currently exploring a number of prospective growth opportunities and we look forward to updating shareholders on these developments in due course. Alongside this, we will work actively with our note holders to reduce the level of convertible notes in our Company this year in order to ensure we are well positioned to build value for our shareholders.”

This announcement contains inside information.

****ENDS****

For more information visit www.challengeracquisitions.com or enquire to:

Challenger Acquisitions Limited

Mark Gustafson

+1 604 454 8677

St Brides Partners Ltd (PR)

Lottie Brocklehurst, Charlotte Page

+44 (0) 20 7236 1177

finnCap (Financial Adviser and Broker)

Adrian Hargrave, James Thompson, Kate Bannatyne

+44 (0) 20 7220 0500