

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES

In the matter of:)

Challenger Mining, LLC)

Respondents.)

ORDER NO: 12-678-S

ORDER TO CEASE AND DESIST,
ASSESSING CIVIL PENALTY
AND
CONSENT TO ORDER

The Administrator of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (the administrator), has conducted an investigation into certain business activities of Challenger Mining, LLC (Challenger), and has determined that the Respondent violated certain provisions of AS 45.55 (the "Alaska Securities Act") by offering securities in Alaska without the securities first being registered, and without the benefit of exemption from registration.

The Respondent and the Administrator agree that the Administrator has jurisdiction over the Respondent and these matters pursuant to the Alaska Securities Act.

The Respondent wishes to resolve and settle this matter with the administrator. As evidenced by the authorized signature on this Order, the Respondent consents to the entry of this Order assessing a civil penalty based on the Findings and Conclusions of Law. The Respondent waives its right of appeal under AS 45.55.920(d).

I. FINDINGS

1. Challenger Mining, LLC is a limited liability company organized under the laws of the state of Alaska. Challenger received its Certificated of Organization from the Division of Corporations, Business and Professional Licensing on February 10, 2012, under entity number 10002922.

Challenger's primary business location and mailing address is 38566 Kalifornsky Beach Road, Kenai, AK 99611. Steve Attleson is the registered agent of Challenger, and is listed as its business manager on its website.

2. Challenger operates a website located at www.challengermining.net, providing information about its gold mining operations. Challenger's website included a contact page for potential investors to request a copy of its private placement memorandum for purchase of its membership units.

3. On or about March 30, 2012, the Administrator became aware of Challenger's website. No securities filing for Challenger could be located in the records of the Administrator permitting it to publicly solicit investors. In addition, the Administrator reviewed the records of the Securities and Exchange Commission and could not locate any Challenger filings.

4. On or about April 26, 2012, the Administrator notified Challenger that it was soliciting investors without first submitting the appropriate securities filings and it was in violation of the Alaska Securities Act. The Administrator requested a number of documents and information from Challenger regarding its use of a public website to solicit potential investors.

5. On or about June 15, 2012, Challenger submitted information to the Administrator stating that no persons purchased its membership units, it did receive inquiries from potential investors, and that Challenger had removed the content from its webpage soliciting potential investors.

II. CONCLUSIONS OF LAW

1. The membership units offered by Challenger are securities under the definition of securities in AS 45.55.990(32).

2. The securities offered by Challenger in Alaska were not registered or exempt from registration in violation of AS 45.55.070.

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III. ORDER

Pursuant to AS 45.55.920 and on the basis of the Findings, Conclusions of Law and Respondent's consent to the entry of this Order, the Administrator ORDERS that Respondent:

1. Cease and desist from offering securities without first complying with the Alaska Securities Act (AS 45.55); and
2. Pay a civil penalty under AS 45.55.920, in the amount of \$500.

The civil penalty is due and payable in full at the time of entry of the Order.

SUSAN BELL, Commissioner
Department of Commerce, Community and
Economic Development

August 1, 2013

Date

/s/ Lorie L. Hovanec

Lorie L. Hovanec, Director

Division of Banking and Securities

Managing Member Consent to Entry of Order

(for Challenger Mining, LLC)

I, Steve Attleson state that I am the Agent of Challenger Mining, LLC (Challenger); that I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the Order contents; that Challenger acknowledges violation of the Alaska Securities Act; that Challenger and I have been advised of the right to a hearing; that Challenger voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Challenger understands that the Administrator reserves the right to take further action to enforce this Order or to take appropriate action upon discovery of other violations

of the Alaska Securities Act, and that Challenger will fully comply with the terms and conditions stated herein.

Challenger further assures the Administrator that Challenger and its members, officers, employees and agents will only effect securities transactions in Alaska in full compliance with the terms of this Order, the Alaska Securities Act (AS 45.55) and regulations (3 AAC 08).

Challenger understands that this Consent Order is a public document.

Dated: 07/29/13

/s/ Steve Attleson

Challenger Mining, LLC

Name Steve Attleson

Title Agent

SUBSCRIBED AND SWORN TO before me this 29th day of July, 2013 at Soldotna, Alaska.

/s/ Janell Clinton

Notary Public in and for Alaska

Janell Clinton

Notary Printed Name

My commission expires: 10/26/2015

Contact Person:

Roger W. Prince
Securities Examiner
(907) 269-8144

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