



Quarterly Report

Period Ending December 31st 2020

Highlights



Costa Fuego Being Built Towards a Tier-1 Copper Development

- Hot Chili's combined Costa Fuego project commences next stage of resource growth to expand the current Mineral Resource estimate of 724Mt at 0.48% copper equivalent (CuEq*) for 2.9Mt copper, 2.7Moz gold, 9.9Moz Silver and 64kt molybdenum

New Results Confirming Expansion of Bulk Tonnage and High Grade at Cortadera

- Several outstanding new extensional drill results recorded from the largest and second largest porphyries at Cortadera copper-gold discovery, the centre piece of Costa Fuego

Water Rights Secured for Costa Fuego Copper-Gold Super Hub

- Crucial water extraction rights granted for the Costa Fuego coastal copper development, securing a critical infrastructure requirement and sufficient water supply to support a large-scale conventional copper-gold operation

Lease Mining & Processing Agreement with ENAMI Expanded by 50%

- Hot Chili has expanded its agreement with Chilean government agency ENAMI for the mining and processing of ore from the Productora copper-gold project, up to a maximum production of 180,000 tonnes per annum

Hot Chili Completes \$25.6M Institutional-led Placement

- Placement funds secure next acquisition payment of US\$10M for Cortadera, ensuring 100% control is maintained, and also provide full funding for 2021 work programme

Major Work Programmes Underway

- Fully funded, 40,000m drill programme at Cortadera commenced on 11th January, with two drill rigs in operation and a third drill set to arrive in February
- Combined high grade satellite resource estimate (Productora and San Antonio) being compiled and scoping study for combined Costa Fuego development advancing well

* Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: $CuEq = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_recovery)) / (Cu \text{ price } 1\% \text{ per tonne})$. The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,550 USD/oz, Mo=12 USD/lb, and Ag=18 USD/oz. For Cortadera (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=56%, Mo=82%, and Ag=37%. For Productora (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=43% and Mo=42%. For Costa Fuego (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=51%, Mo=67% and Ag=23%.

** Reported on a 100% Basis - combining Cortadera and Productora Mineral Resources using a +0.25% CuEq reporting cut-off grade

SUMMARY OF ACTIVITIES

Major Drilling Programme Underway to Expand Cortadera

Hot Chili has commenced a 40,000m drilling programme at the Cortadera copper-gold porphyry discovery, part of the Company's Costa Fuego coastal range copper development in Chile.

The Company's fully funded 2021 work programme aims to continue building Costa Fuego toward a tier one copper project (+5Mt copper) from its current contained metal resource base of 2.9Mt copper and 2.7Moz gold.

Drilling, which commenced on 11th January 2021, has been significantly accelerated from last year with two drill rigs currently in operation and a third rig expected to arrive in February.

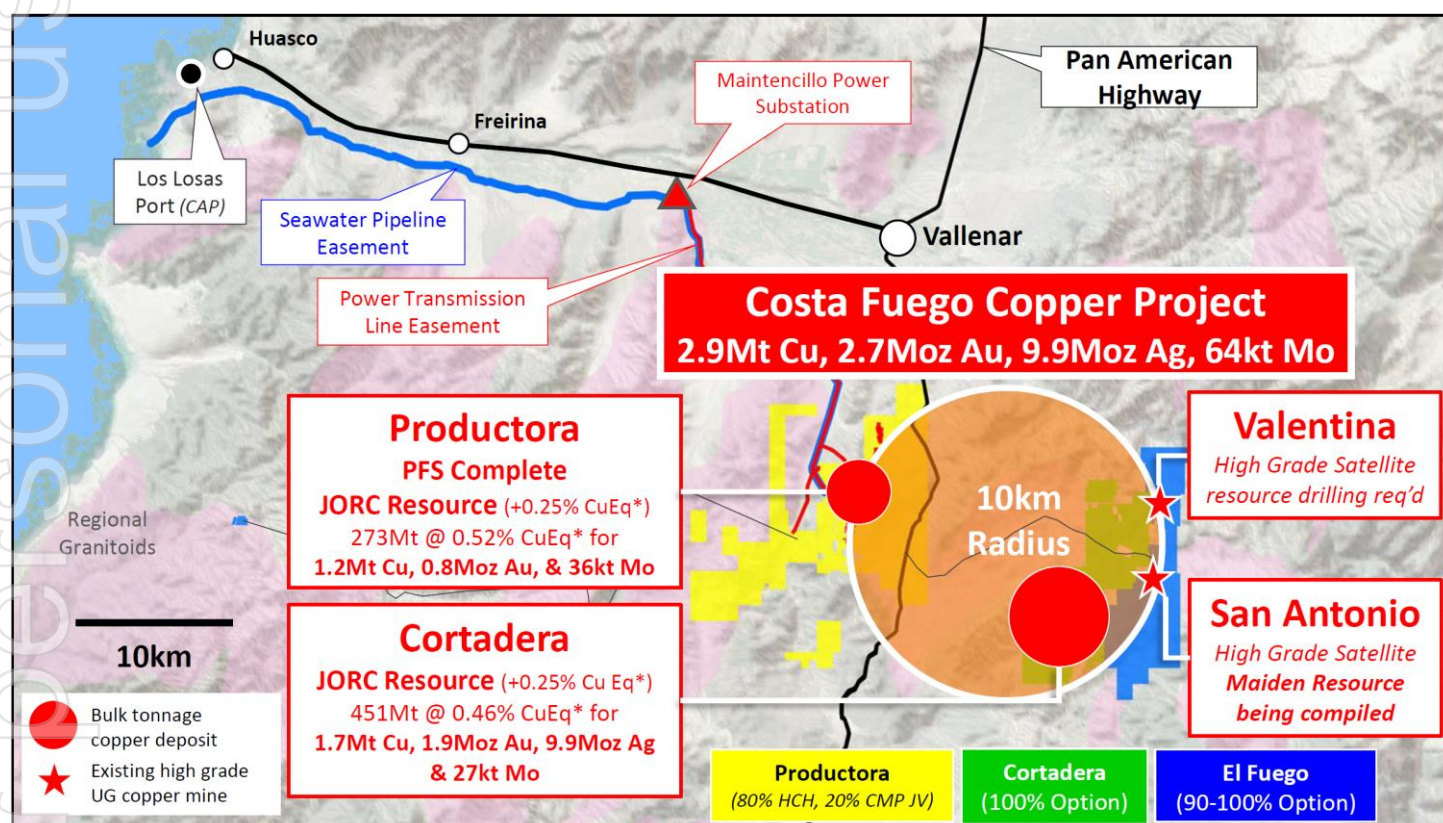


Figure 1 Location and infrastructure of the Costa Fuego copper project, located along the Chilean coastal range 600km north of Santiago.

New Drill Results Continue to Expand Cortadera

Expansion drilling of the Cortadera resource has seen continued success during the quarter, with wide intersections being recorded from extensional drilling of the main porphyry (Cuerpo 3) and the second largest porphyry (Cuerpo 2).

These results continue to underpin the Company's view that the Cortadera Mineral Resource is on-track to be significantly upgraded in 2021.

Cortadera Main Porphyry (Cuerpo 3) Continues Impressive Run of Results

New results from ongoing expansion drilling of the main porphyry (Cuerpo 3) at Cortadera have recorded two more significant drill intersections during the quarter.

CRP0032D recorded a significant end-of-hole drill result of **373m grading 0.4% copper and 0.1g/t gold from 648m down-hole, including 130m grading 0.5% copper and 0.2g/t gold.**

The new result from CRP0032D further extends the strike and depth extent of the northwest margin of Cuerpo 3

Diamond drill hole **CRP0052D** recorded a wide intersection of **382m grading 0.4% copper and 0.1g/t gold from 524m down-hole depth, which included 80m grading 0.6% copper and 0.2g/t gold**

The new result in CRP0052D confirms the continuity of the high grade core along the south-eastern extent of the high grade core to the main porphyry (Cuerpo 3).

The Company has also recorded an exceptionally wide 750m interval of porphyry mineralisation from a down-hole depth of 250m in diamond drill hole CRP0046D. The hole is currently at 1,000m in porphyry mineralisation and is planned to extend to 1,200m at this stage.

Importantly, within the wide 750m visual interval of mineralisation, two zones of strongly mineralised porphyry have been recorded:

- 100m wide zone between 250m and 350m depth down-hole, and
- 170m wide zone between 550m and 720m depth down-hole

Both zones of strongly mineralised porphyry comprise visual estimates of 1.0% - 2.5% chalcopyrite contained as fine dissemination and in association with 2% to 15% B-vein abundance. Visual estimates of sulphide minerals are not an accurate representation of expected assay value and are provided for indicative purposes only.

Results are pending for CRP0046D.



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Increasing Grade with Depth Confirmed at Cuerpo 2 Porphyry

New results returned from Hot Chili's first diamond drill hole (CRP0053D) below Cuerpo 2 have returned a significant intersection of 248m grading 0.4% copper and 0.1g/t gold from 446m depth down-hole, within a broader result of 613.9m grading 0.3% copper and 0.1g/t gold from 220m depth down-hole.

Importantly, CRP0053D recorded two high grade zones of 32m grading 0.6% copper and 0.3g/t gold and 24m grading 0.6% copper and 0.2g/t gold in association with increasing porphyry B-vein intensity.

Only two previous historical drill holes had tested Cuerpo 2 at depth, with both recording high grade copper-gold results in association with increasing porphyry B-vein intensity. Higher grade intervals within these historical holes included 42m grading 0.8% copper and 0.4g/t gold from 206m, and 64m grading 0.6% copper and 0.1g/t gold from 360m depth.

Increasing grade at depth in association with increasing porphyry B-vein abundance was key to the discovery of the high grade core within the main porphyry (Cuerpo 3) by Hot Chili in August 2019.

The Company has now completed three RC pre-collar holes in preparation for deep diamond drill testing below Cuerpo 2 and the gap zone between Cuerpo 2 and Cuerpo 3. Drilling of these holes is prioritised and expected to commence in February.

Cortadera North

Clearing is well advanced to provide access to the remaining planned drill holes planned across the large Cortadera North "look-alike" target, located 2km north of Cortadera.

Four RC holes are already complete across the large surface molybdenum anomaly, with anomalous molybdenum and silver intersected in this drilling, both known to be pathfinder elements often proximal to copper-gold porphyry deposits.

Once additional platforms are prepared, a further six RC holes are planned to target the large Induced Polarisation (IP) chargeability anomaly and areas of outcropping copper-bearing B-veins.

Drilling at Cortadera North is expected to re-commence in February.

Water Rights Secured for Costa Fuego Copper-Gold Super Hub

Hot Chili Limited, through its Chilean subsidiary company Sociedad Minera El Aguila SpA, has been granted a Maritime Concession for extraction of sea water just 60 kilometres from the Company's Costa Fuego coastal copper-gold development in Chile.

Following a rigorous seven-year application process, Hot Chili is now one of the few copper developers in Chile controlling a Maritime Concession for water. This adds significantly to critical infrastructure access requirements already secured including surface rights and water and electricity easements.

The water rights represent a major step forward in establishing an infrastructure-ready major coastal copper development which can leverage from a central processing and combined infrastructure approach.



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Pre-feasibility studies completed in 2016 (contemplating Productora only) modelled the extraction of seawater via a 62km buried water pipeline from the coast to Productora (as announced to ASX 2nd March 2016). All metallurgical testwork results to date from Costa Fuego have achieved strong metal recoveries using sea water processing.

The seawater pipeline design is now planned to be increased and extended to Cortadera, as the new operating centre for the combined Costa Fuego development.

The maritime concession alone is considered a significant asset, and further enhances the Company's social license to operate ensuring no ground water will be used and no de-salination plant is required.

Lease Mining & Processing Agreement with ENAMI Expanded

Hot Chili, through its Chilean subsidiary company Sociedad Minera El Aguila SpA (SMEA), has agreed to a significant expansion to its lease mining and processing agreement with Chilean government agency ENAMI.

The Company has given concession for an additional 60,000 tonnes of oxide ore supply per annum to ENAMI's Vallenar processing facility, located 15km north of Productora.

The concession for lease mining and processing allows for a maximum 180,000 tonnes per annum of oxide and sulphide ore supply from Productora, with the increased production rate accounting for all remaining capacity at ENAMI's oxide and sulphide processing facility.

The Productora joint venture company SMEA (80% Hot Chili) will be paid US\$2 per tonne for ore purchased by ENAMI and a 10% royalty on the sale value of extracted minerals subject to ENAMI toll treatment conditions (as announced to ASX on 26th March 2019).

Since the ENAMI agreement was first announced, the royalty component has provided significant upside exposure to the copper price which has increased from US\$2.15/lb to an eight year high of US\$3.52/lb as at the end of this quarter.

Ramp-up of lease mining is underway following receipt of mine plan and permitting approvals. The lease mining team are currently extending the existing decline to access new ore development below the Productora underground mine.

Following completion of this development, the lease mining team expects to increase its production rate which has been limited to small-scale remnant ore extraction to date.

Hot Chili is very pleased with this positive step forward in its local partnership with Chilean government agency ENAMI.



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Hot Chili Arranges \$25.6M Institutional Placement to Secure Cortadera Copper-Gold Discovery and Accelerate Drilling

During the quarter, Hot Chili successfully completed a \$25.6 million institutional-led private placement to sophisticated and professional investors through the issue of shares at 4.2 cent per share (the "Placement").

Veritas Securities acted as lead manager to the Placement, which was overbid and closed within a day following strong demand from investors in Australia and overseas.

Funds clear the way for Hot Chili to maintain its control over its world-class Cortadera copper-gold discovery and fund an aggressive growth strategy in 2021.

Details of the Placement

The Company completed a Placement of 609,800,000 new shares in two tranches to raise \$25,611,600 with sophisticated and professional investors as defined by section 708 (8), (10) and (11) of the Corporations Act 2001.

The issue of 597,895,238 shares under Tranche 1 of the Placement was not subject to shareholder approval and was made within the Company's 25% placement capacity under Australian Securities Exchange (ASX) listing rules 7.1 and 7.1A.

The issue of 11,904,762 shares to Blue Spec Sondajes Chile SpA, a Company associated with Hot Chili's chairman Murray Black, under Tranche 2 of the Placement was approved by shareholders on 14th January 2021.

Each new share was issued at a price of 4.2 cents.

Table 1 Significant Drill Results Reported in Q4 2020

Hole_ID	Coordinates			Azim	Dip	Hole Depth	Intersection		Interval (m)	Copper (% Cu)	Gold (g/t Au)	Silver (ppm Ag)	Molybdenum (ppm Mo)
	North	East	RL				From	To					
CRP0032D	6813851	336312	1057	224	-70	1,021	648	1,021	373	0.4	0.1	0.7	116
	<i>to end of hole</i>					<i>including</i>	676	806	130	0.5	0.2	0.9	165
CRP0053D	6814075	335726	997	240	-70	843.9	230	844	614	0.3	0.1	0.6	41
						<i>including</i>	446	694	248	0.4	0.1	0.8	15
						<i>including</i>	502	534	32	0.6	0.3	1.5	10
						<i>including</i>	634	658	24	0.6	0.2	1.7	3
CRP0052D	6813690	336496	1051	-70	195	1036.2	524	906	382	0.4	0.1	1.1	229
						<i>including</i>	646	790	144	0.5	0.2	2.3	229
						<i>including</i>	654	734	80	0.6	0.2	0.9	246



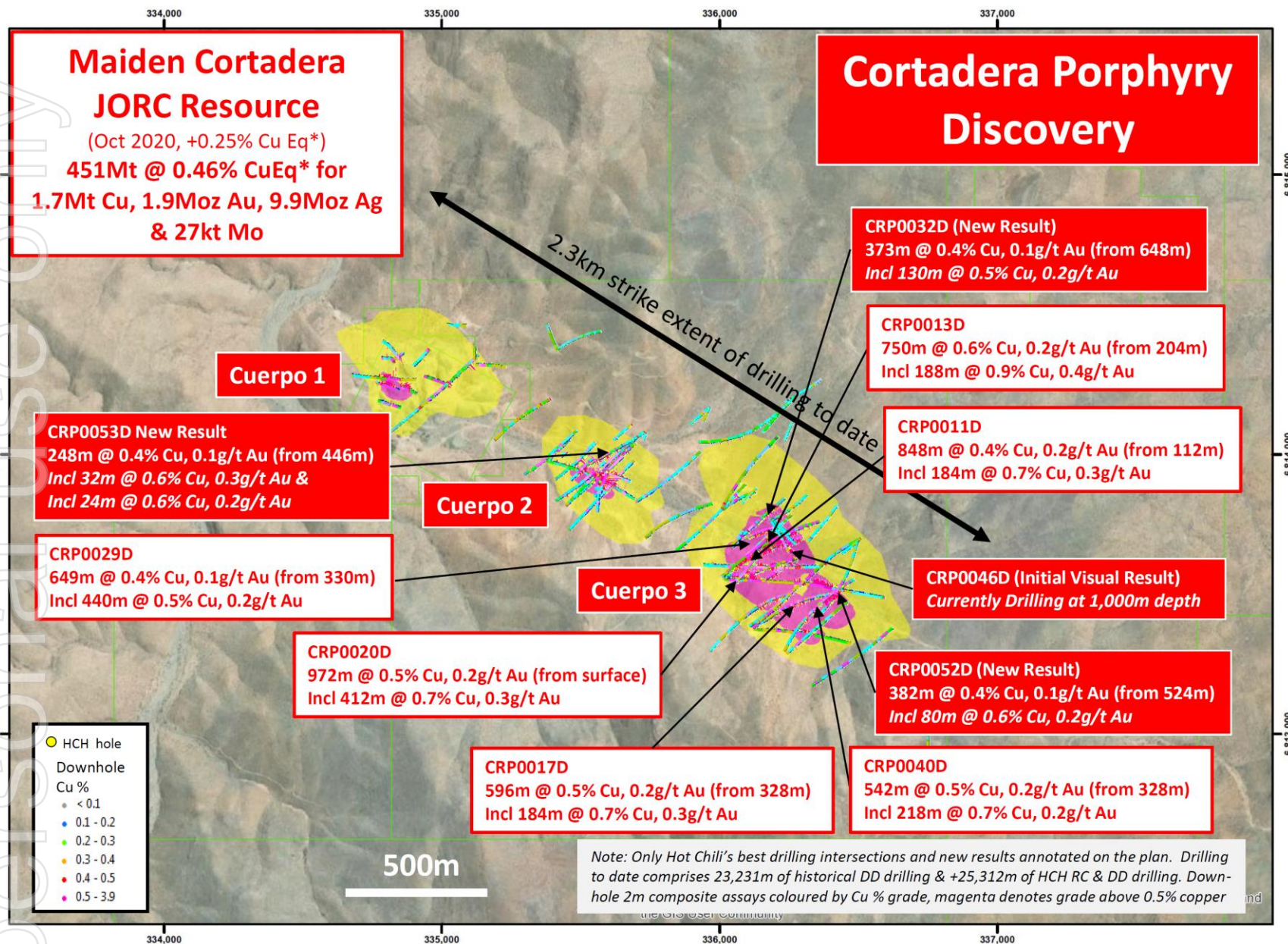


Figure 2 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 1, 2, 3 and 4 tonalitic porphyry intrusive centres (represented by modelled copper envelopes, yellow- +0.1% Cu and magenta +0.4% Cu). Note the selected HCH drilling intersections (White) and the new results reported during the quarter (Red).

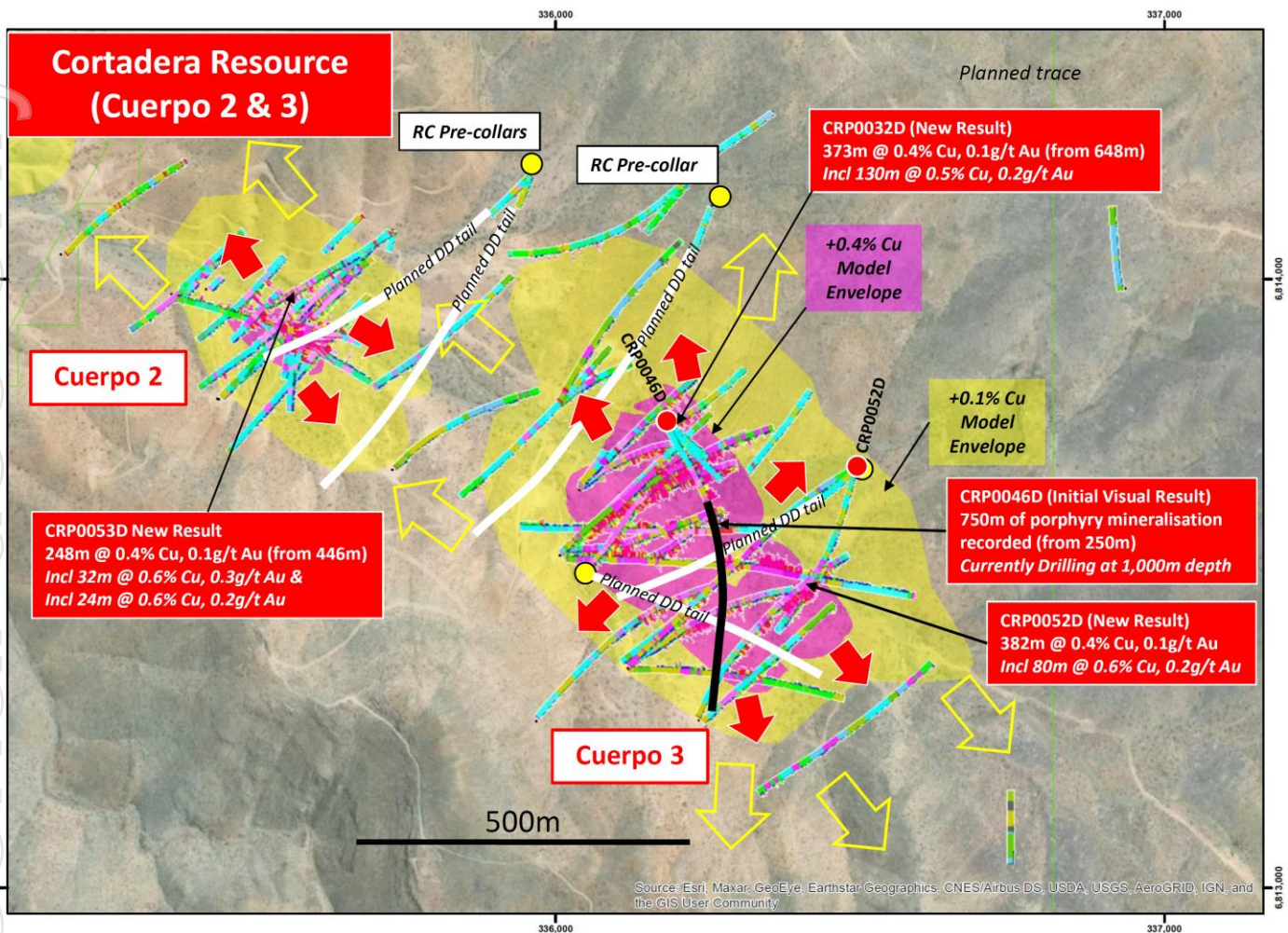


Figure 3 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 2 and 3. The plan view displays the Mineral Resource extents (represented by modelled copper envelope, yellow- +0.1% Cu). Note the selected HCH drilling intersections (White), the new results reported during the quarter (Red) and planned deep diamond tails (white traces).



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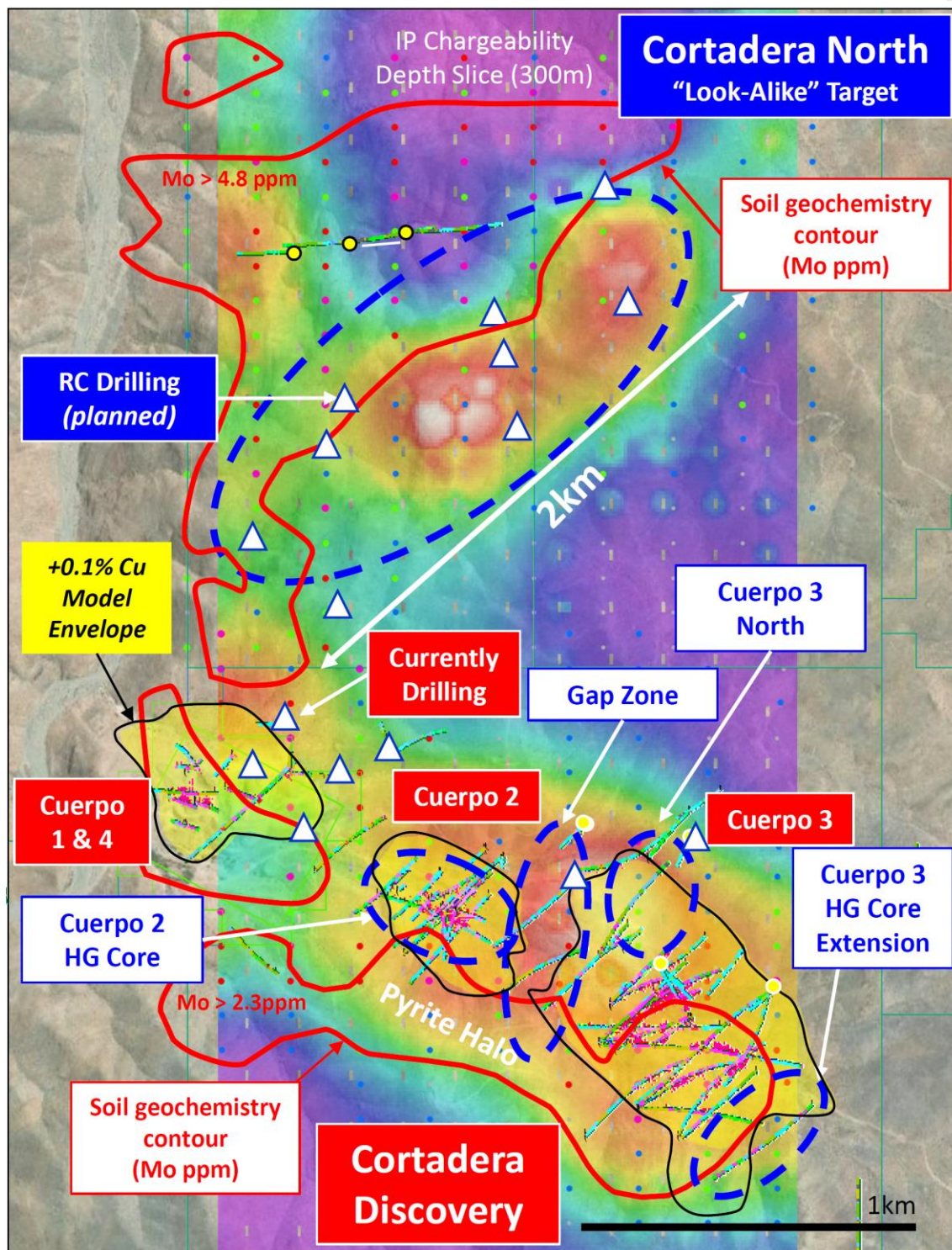


Figure 4. Plan view displaying the location of the Cortadera discovery zone in relation to the Cortadera North target. The plan displays the location of Cuerpo 1, 2, 3 and 4 tonalitic porphyry intrusive centres (represented by modelled copper envelopes, yellow- +0.1% Cu) in relation to surface molybdenum anomalism and IP chargeability response at 200m depth slice. Cortadera North, located 2km north of Cortadera displays “look alike” characteristics to the Cortadera discovery. Note locations of planned first pass RC drill holes at Cortadera North in addition to Cuerpo 1 and Cuerpo 4. An RC drill rig is currently in operation north of Cuerpo 1



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CORPORATE

Additional ASX Disclosure Information

ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter. Lease miners continue to build sample test tonnage.

ASX Listing Rule 5.3.3. Schedule of Mineral Tenements as at 31 December 2020

The schedule of Mineral Tenements and changes in interests is appended as Table 3 at the end of this activities report.

ASX Listing Rule 5.3.4: Reporting under a use of funds statement in a Prospectus does not apply to the Company currently.

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the quarter per Section 6.1 of the Appendix 5B totaled \$2,015,000. This is comprised of Directors' salaries and fees (excl. GST) and salaries of \$149,000 and payments to Blue Spec Sondajes, a company controlled by Mr Murray Black, for rents of \$5,000 and drilling services of \$1,866,000.

ASX Waivers. The Company applied for and was granted a waiver for the issue of up to 30,537,423 shares to unrelated parties and up to 1,543,841 shares to related parties in consideration for the payment of interest of 8% per annum on Convertible Notes, payable quarterly through the issue of shares ("Interest Shares") over the 12 month period from the date of the Company's Annual General Meeting held 30 November 2020, in respect to the quarters ending on 31 December 2020, 31 March 2021, 30 June 2021 and 30 September 2021. Interest Shares issued during the quarter:

	Unrelated party interest shares	Related party interest shares	Total interest shares
Approved at AGM	30,537,423	1,543,841	32,081,264
Issued pursuant to the 31 December 2020 quarter interest payable	3,525,876	185,577	3,711,453
Remaining unissued as at 31 December 2020	27,011,547	1,358,264	28,369,811



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Health, Safety, Environment and Quality

Hot Chili's sustainability framework ensures an emphasis on business processes that target long-term economic, environmental and social value. The Company is dedicated to continual monitoring and improvement of health, safety and the environmental systems.

Importantly, the Company has implemented COVID safety measures and procedures to ensure the safety of its staff, consultants and contractors during these challenging times. This was of paramount importance for allowing a re-commencement and continuation of drilling activities during the quarter.

While the Company sees these measures as temporarily impacting productivity at its operations, there is no greater importance than ensuring the safety of our people and their families.

The company recorded one incident for the quarter, with no injuries incurred, however there was some lost time. Field operations during the period including geological reconnaissance activities, RC and diamond drilling, field mapping and sampling exercises at the Cortadera project.

The Company's HSEQ quarterly performance is summarised below:

Table 2 HSEQ Quarter 4 2020 Performance and Statistics

Item	PRODUCTORA		CORTADERA	
	Oct-Dec 2020	Last 24 Months	Oct-Dec 2020	Last 12 Months
LTI events	0	0	0	1
NLTI events	0	0	1	1
Days lost	0	0	2	5
LTIFR index	0	0	0	35.7
ISR index	0	0	233.4	178.3
Thousands of mh (1)	2,436	6,396	8,570	28,036
Environmental incidents	0	0	0	0
Headcount (2)	5.3	1.7	20	17

Notes: HSEQ is the acronym for Health, Safety, Environment and Quality. LTIFR per million man hours. Safety performance is reported on a monthly basis to the National Mine Safety Authority on a standard E-100 form; (1) man-hours; (2) Average monthly headcount

Tenement Changes During the Quarter

There were several additions to the Company's tenement holdings during the quarter, refer to the full tenement listing for details in Table 3.



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Table 3. Current Tenement (Patente) Holdings in Chile

Cortadera Project

License ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
ROMERO 1 al 31		100% Frontera SpA	31	HCH 100% option earn in: US\$5 paid before 15 th October 2019; US\$2 million paid on 4 th June 2020; US\$10 million to be paid by 15 th July 2021; US\$15 million to be paid by 15 th July 2022
MAGDALENITA 1/20		100% Frontera SpA	100	
ATACAMITA 1/82		100% Frontera SpA	82	
AMALIA 942 A 1/6		100% Frontera SpA	53	
PAULINA 10 B 1/16		100% Frontera SpA	136	
PAULINA 11 B 1/30		100% Frontera SpA	249	
PAULINA 12 B 1/30		100% Frontera SpA	294	
PAULINA 13 B 1/30		100% Frontera SpA	264	
PAULINA 14 B 1/30		100% Frontera SpA	265	
PAULINA 15 B 1/30		100% Frontera SpA	200	
PAULINA 22 A 1/30		100% Frontera SpA	300	
PAULINA 24 1/24		100% Frontera SpA	183	
PAULINA 25 A 1/19		100% Frontera SpA	156	
PAULINA 26 A 1/30		100% Frontera SpA	294	
PAULINA 27A 1/30		100% Frontera SpA	300	
CORTADERA 1 1/200		100% Frontera SpA	200	
CORTADERA 2 1/200		100% Frontera SpA	200	
CORTADERA 41		100% Frontera SpA	1	
CORTADERA 42		100% Frontera SpA	1	
LAS CANAS 16		100% Frontera SpA	1	
LAS CANAS 1/15		100% Frontera SpA	146	
CORTADERA 1/40		100% Frontera SpA	374	
LAS CANAS ESTE 2003 1/30		100% Frontera SpA	300	
CORROTEO 1 1/260		100% Frontera SpA	260	
CORROTEO 5 1/261		100% Frontera SpA	261	
PURISIMA		100% Frontera SpA	20	HCH 100% option earn in: US\$400,000 already paid US\$1.1 million to be paid on 14 th December 2021 NSR 1.5%

Productora Project

License ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
FRAN 1, 1-60	80% SMEA SpA		220	
FRAN 2, 1-20	80% SMEA SpA		100	



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License ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
FRAN 3, 1-20	80% SMEA SpA		100	
FRAN 4, 1-20	80% SMEA SpA		100	
FRAN 5, 1-20	80% SMEA SpA		100	
FRAN 6, 1-26	80% SMEA SpA		130	
FRAN 7, 1-37	80% SMEA SpA		176	
FRAN 8, 1-30	80% SMEA SpA		120	
FRAN 12, 1-40	80% SMEA SpA		200	
FRAN 13, 1-40	80% SMEA SpA		200	
FRAN 14, 1-40	80% SMEA SpA		200	
FRAN 15, 1-60	80% SMEA SpA		300	
FRAN 18, 1-60	80% SMEA SpA		273	
FRAN 21, 1-46	80% SMEA SpA		226	
ALGA 7A, 1-32	80% SMEA SpA		89	
ALGA VI, 5-24	80% SMEA SpA		66	
MONTOSA 1-4	80% SMEA SpA		35	NSR 3%
CHICA	80% SMEA SpA		1	
ESPERANZA 1-5	80% SMEA SpA		11	
LEONA 2A 1-4	80% SMEA SpA		10	
CARMEN I, 1-50	80% SMEA SpA		222	
CARMEN II, 1-60	80% SMEA SpA		274	
ZAPA 1, 1-10	80% SMEA SpA		100	
ZAPA 3, 1-23	80% SMEA SpA		92	
ZAPA 5A, 1-16	80% SMEA SpA		80	
ZAPA 7, 1-24	80% SMEA SpA		120	
CABRITO, CABRITO 1-9	80% SMEA SpA		50	
CUENCA A, 1-51	80% SMEA SpA		255	
CUENCA B, 1-28	80% SMEA SpA		139	
CUENCA C, 1-51	80% SMEA SpA		255	
CUENCA D	80% SMEA SpA		3	
CUENCA E	80% SMEA SpA		1	
CHOAPA 1-10	80% SMEA SpA		50	
ELQUI 1-14	80% SMEA SpA		61	
LIMARÍ 1-15	80% SMEA SpA		66	
LOA 1-6	80% SMEA SpA		30	
MAIPO 1-10	80% SMEA SpA		50	
TOLTÉN 1-14	80% SMEA SpA		70	
CACHIYUYITO 1, 1-20	80% SMEA SpA		100	
CACHIYUYITO 2, 1-60	80% SMEA SpA		300	
CACHIYUYITO 3, 1-60	80% SMEA SpA		300	
LA PRODUCTORA 1-16	80% SMEA SpA		75	
ORO INDIO 1A, 1-20	80% SMEA SpA		82	
AURO HUASCO I, 1-8	80% SMEA SpA		35	



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License ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
URANIO, 1-70	0%	0%	350	Lease agreement US\$250,000 per Yr (average for the 25 year term); plus 2% NSR all but gold; 4% NSR gold; 5% NSR non-metallic
JULI 9, 1-60	80% SMEA SpA		300	
JULI 10, 1-60	80% SMEA SpA		300	
JULI 11 1/60	80% SMEA SpA		300	
JULI 12 1/42	80% SMEA SpA		210	
JULI 13 1/20	80% SMEA SpA		100	
JULI 14 1/50	80% SMEA SpA		250	
JULI 15 1/55	80% SMEA SpA		275	
JULI 16, 1-60	80% SMEA SpA		300	
JULI 17, 1-20	80% SMEA SpA		100	
JULI 19	80% SMEA SpA		300	
JULI 20	80% SMEA SpA		300	
JULI 21 1/60	80% SMEA SpA		300	
JULI 22	80% SMEA SpA		300	
JULI 23 1/60	80% SMEA SpA		300	
JULI 24, 1-60	80% SMEA SpA		300	
JULI 25	80% SMEA SpA		300	
JULI 27 1/30	80% SMEA SpA		150	
JULI 27 B 1/10	80% SMEA SpA		50	
JULI 28 1/60	80% SMEA SpA		300	
JULIETA 5	80% SMEA SpA		200	
JULIETA 6	80% SMEA SpA		200	
JULIETA 7	80% SMEA SpA		100	
JULIETA 8	80% SMEA SpA		100	
JULIETA 9	80% SMEA SpA		100	
JULIETA 10 1/60	80% SMEA SpA		300	
JULIETA 11	80% SMEA SpA		300	
JULIETA 12	80% SMEA SpA		300	
JULIETA 13, 1-60	80% SMEA SpA		298	
JULIETA 14, 1-60	80% SMEA SpA		269	
JULIETA 15, 1-40	80% SMEA SpA		200	
JULIETA 16	80% SMEA SpA		200	
JULIETA 17	80% SMEA SpA		200	
JULIETA 18, 1-40	80% SMEA SpA		200	
ARENA 1 1-6	80% SMEA SpA		40	
ARENA 2 1-17	80% SMEA SpA		113	
ZAPA 1 - 6	80% SMEA SpA		6	NSR 1%



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El Fuego Project

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
Santiago 21 al 36		90% Frontera SpA	76	90% (HCH)-10% (Arnaldo del Campo) JV. 6 years term. USD 100,000 already paid. USD 100,000 to be paid by April 7 th 2021. USD 300,000 to be paid by November 7th 2022. USD 6,700,000 as a final exercise payment November 7th 2023.
Santiago 37 al 43		90% Frontera SpA	26	
Santiago A, 1 al 26		90% Frontera SpA	236	
Santiago B, 1 al 20		90% Frontera SpA	200	
Santiago C, 1 al 30		90% Frontera SpA	300	
Santiago D, 1 al 30		90% Frontera SpA	300	
Santiago E, 1 al 30		90% Frontera SpA	300	
Prima Uno		90% Frontera SpA	1	
Prima Dos		90% Frontera SpA	2	
Santiago 15 al 19		90% Frontera SpA	25	
San Antonio 1 al 5		90% Frontera SpA	25	
Santiago 1 AL 14 Y 20		90% Frontera SpA	75	
Mercedes 1 al 3		90% Frontera SpA	50	
Romero 1 al 31		90% Frontera SpA	31	
CORTADERA 1	100% Frontera SpA		200	
CORTADERA 2	100% Frontera SpA		200	
CORTADERA 3	100% Frontera SpA		200	
CORTADERA 4	100% Frontera SpA		200	
CORTADERA 5	100% Frontera SpA		200	
CORTADERA 6	100% Frontera SpA		300	
CORTADERA 7	100% Frontera SpA		100	
SAN ANTONIO 1	100% Frontera SpA		200	
SAN ANTONIO 2	100% Frontera SpA		200	
SAN ANTONIO 3	100% Frontera SpA		300	
SAN ANTONIO 4	100% Frontera SpA		300	
SAN ANTONIO 5	100% Frontera SpA		300	
DORO 1	100% Frontera SpA		200	
DORO 2	100% Frontera SpA		200	
DORO 3	100% Frontera SpA		300	
DORO 4	100% Frontera SpA		200	
SANTIAGO Z		100% Frontera SpA	300	100% HCH Earn In (Arnaldo del Campo). 5 years term. USD 600,000 to be paid on year 3 – 22 nd January 2024. 1.5% NSR
PORFIADA I		100% Frontera SpA	300	



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Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment-Payments
PORFIADA II		100% Frontera SpA	300	
PORFIADA III		100% Frontera SpA	300	
PORFIADA IV		100% Frontera SpA	300	
PORFIADA V		100% Frontera SpA	200	
PORFIADA VI		100% Frontera SpA	100	
SAN JUAN SUR 1/5	90% Frontera SpA	10		90% (HCH)-10% JV. 6 years term. USD 150,000 to be paid on June 1st 2022. USD 4,000,000 as a final exercise payment on June 1st 2023.
SAN JUAN SUR 6/23	90% Frontera SpA	90		
CHILIS 1	100% Frontera SpA	200		
CHILIS 2	100% Frontera SpA	200		
CHILIS 3	100% Frontera SpA	100		
CHILIS 4	100% Frontera SpA	200		
CHILIS 5	100% Frontera SpA	200		
CHILIS 6	100% Frontera SpA	200		
CHILIS 7	100% Frontera SpA	200		
CHILIS 8	100% Frontera SpA	200		



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Qualifying Statements

Independent JORC Code Costa Fuego Combined Mineral Resource (Reported 12th October 2020)

Costa Fuego Combined Resource			Grade					Contained Metal				
Deposit	Classification (+0.25% CuEq*)	Tonnage (Mt)	CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Cortadera	Indicated	183	0.49	0.40	0.15	0.7	43	905,000	728,000	889,000	4,227,000	7,900
	Inferred	267	0.44	0.35	0.12	0.7	73	1,181,000	935,000	1,022,000	5,633,000	19,400
	Sub Total	451	0.46	0.37	0.13	0.7	61	2,086,000	1,663,000	1,911,000	9,860,000	27,300
Productora	Indicated	208	0.54	0.46	0.10		140	1,122,000	960,000	643,000	-	29,200
	Inferred	67	0.44	0.38	0.08		109	295,000	255,000	167,000	-	7,200
	Sub Total	273	0.52	0.44	0.09		133	1,417,000	1,215,000	810,000	-	36,400
Costa Fuego (Combined)	Indicated	391	0.52	0.43	0.12		95	2,027,000	1,688,000	1,533,000	-	37,000
	Inferred	334	0.44	0.36	0.11		80	1,476,000	1,191,000	1,189,000	-	26,700
	Total	724	0.48	0.40	0.12	0.7**	88	3,503,000	2,879,000	2,722,000	9,860,000	63,700

Reported at or above 0.25% CuEq*. Figures in the above table are rounded, reported to appropriate significant figures, and reported in accordance with the JORC Code - Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Metal rounded to nearest thousand, or if less, to the nearest hundred. * * Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_recovery)) / (Cu \text{ price } 1\% \text{ per tonne})$. The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,550 USD/oz, Mo=12 USD/lb, and Ag=18 USD/oz. For Cortadera (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=56%, Mo=82%, and Ag=37%. For Productora (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=43% and Mo=42%. For Costa Fuego (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=51%, Mo=67% and Ag=23%.

** Note: Silver (Ag) is only present within the Cortadera Mineral Resource estimate

Competent Person's Statement- Exploration Results

Exploration information in this Announcement is based upon work compiled by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person's Statement- Productora Mineral Resources

The information in this Announcement that relates to the Productora Project Mineral Resources, is based on information compiled by Mr N Ingvar Kirchner. Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Mr Kirchner has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Mr Kirchner consents to the inclusion in this report of the matters based on the source information in the form and context in which it appears.

Competent Person's Statement- Cortadera and Costa Fuego Mineral Resources

The information in this report that relates to Mineral Resources for the Cortadera and combined Costa Fuego Project is based on information compiled by Elizabeth Haren, a Competent Person who is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Elizabeth Haren is employed as an associate Principal Geologist of Wood, who was engaged by Hot Chili Limited. Elizabeth Haren has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Elizabeth Haren consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.



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Reporting of Copper Equivalent

Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_recovery)) / (Cu \text{ price } 1\% \text{ per tonne})$. The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,550 USD/oz, Mo=12 USD/lb, and Ag=18 USD/oz. For Cortadera (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=56%, Mo=82%, and Ag=37%. For Productora (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=43% and Mo=42%. For Costa Fuego (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=51%, Mo=67% and Ag=23%.

Forward Looking Statements

This Announcement is provided on the basis that neither the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Announcement and nothing contained in the Announcement is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Announcement contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties and may differ materially from results ultimately achieved.

The Announcement contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements including estimates of Mineral Resources. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of the Announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the Announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Announcement nor any information contained in the Announcement or subsequently communicated to any person in connection with the Announcement is, or should be taken as, constituting the giving of investment advice to any person.



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Appendix 5B

Mining exploration entity or oil and gas exploration entity
quarterly cash flow report

Name of entity

Hot Chili Limited

ABN

91 130 955 725

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..6....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(2,990)	(5,429)
(b) development	-	-
(c) production	-	-
(d) staff costs	(383)	(617)
(e) administration and corporate costs	(363)	(753)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	25
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(3,736)	(6,773)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(338)	(727)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6....months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(338)	(727)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	25,112	25,612
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	665	1,365
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(1,554)	(1,593)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	24,223	25,384

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,941	6,308
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,736)	(6,773)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(338)	(727)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	24,223	25,384

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6....months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	(102)
4.6	Cash and cash equivalents at end of period	24,090	24,090

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	24,001	3,852
5.2	Call deposits	89	89
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	24,090	3,941

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	2,015
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,736)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(338)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,074)
8.4	Cash and cash equivalents at quarter end (item 4.6)	24,090
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	24,090
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.9
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/a		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/a		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/a		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28th January 2021.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.