



**Announcement**

Wednesday 7<sup>th</sup> December 2022

## Hot Chili Granted Access to Maritime Concession Land for Costa Fuego



**Hot Chili Limited (ASX: HCH) (TSXV:HCH) (OTCQX: HHLKF) (“Hot Chili” or “Company”) is pleased to announce another important step toward infrastructure consolidation for the Company’s low-altitude, Costa Fuego senior copper development in Chile.**

The Chilean Naval Authority have granted Hot Chili access to the physical land of its Maritime Concession for extraction of sea water just 60 kilometres from the proposed location of Costa Fuego’s central processing facilities.

Access to the coastal land surrounding the Maritime Concession provides yet another government approval in the Company’s regulatory process to develop Costa Fuego.

Hot Chili was awarded its Maritime Concession in late 2020 (as announced to ASX on 7<sup>th</sup> December 2020), which provided critical water extraction rights for Costa Fuego, securing sufficient water supply for a new large-scale conventional copper-gold operation.

Water extraction and land access rights for sea water supply and processing differentiate Costa Fuego as a leading new “green” copper development, ensuring no ground water will be used and no de-salination plant is required. This is in addition to other green credentials the project boasts, including existing infrastructure footprint, electrical connection, proximity to the largest solar projects in Chile and clean (arsenic-free) concentrate.

The Directors would like to thank the Chilean Maritime Authorities for their efficient legal proceedings to approve Hot Chili’s maritime application (water extraction right and associated land access rights) and supporting the development of a new large-scale copper hub for the Vallenar region of Chile.



**This announcement is authorised by the Board of Directors for release to ASX and TSX.**

**For more information please contact:**

**Christian Easterday**

+61 8 9315 9009

Managing Director – Hot Chili

admin@hotchili.net.au

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**Penelope Beattie**

+61 8 9315 9009

Company Secretary – Hot Chili

admin@hotchili.net.au

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**ASX Investor**

Investor & Public Relations  
(Australia)

eliza@asxinvestor.com.au

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**Harbor Access**

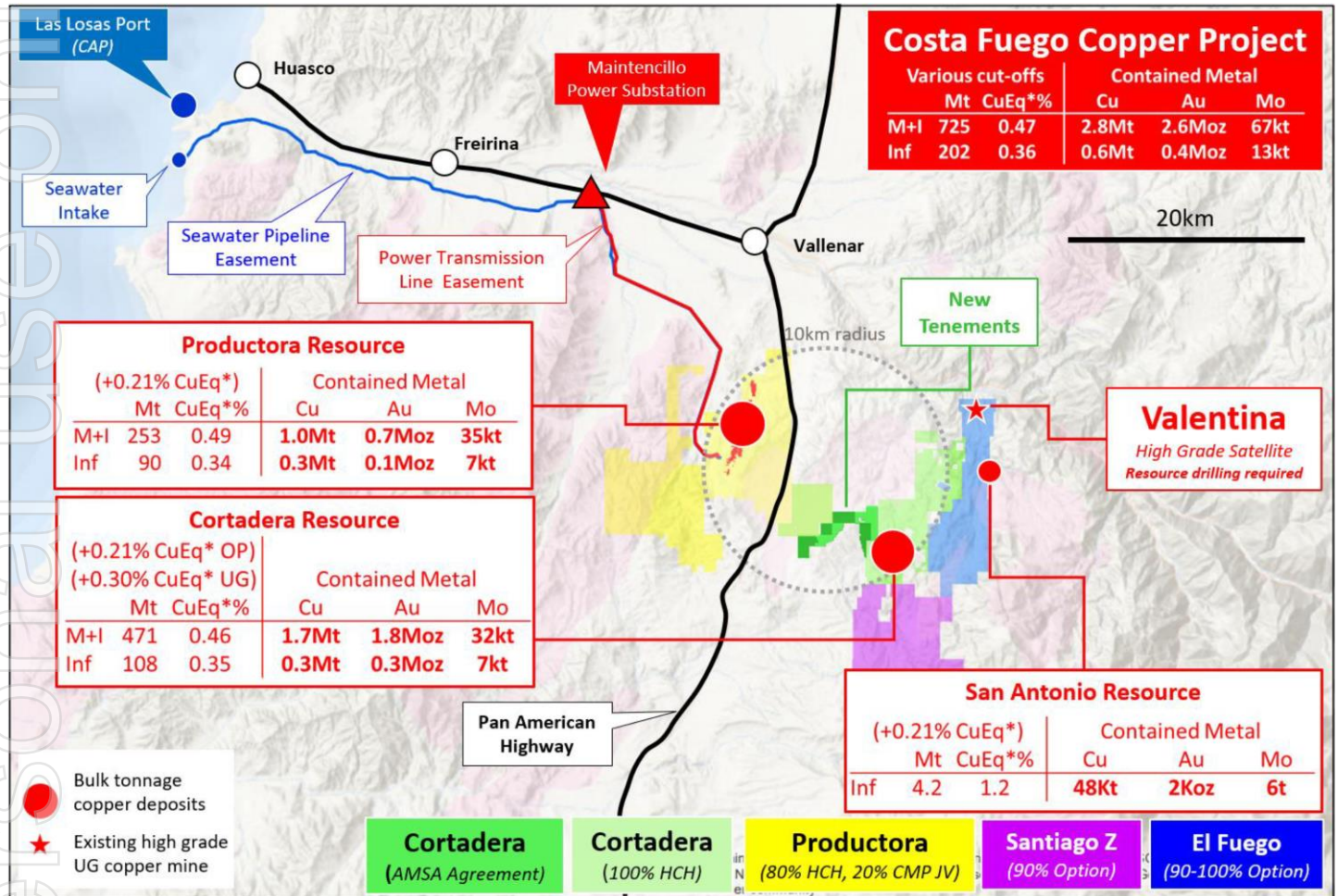
Graham.Farrell@harbor-access.com

Investor & Public Relations  
(Canada)

jonathan.paterson@harbor-access.com

or visit Hot Chili's website at [www.hotchili.net.au](http://www.hotchili.net.au)





**Figure 1. Location of new mining rights(AMSA) relating to Cortadera, Productora, San Antonio, Valentina and nearby coastal range infrastructure of Hot Chili's combined Costa Fuego copper-gold project, located 600km north of Santiago in Chile..**

\* Copper Equivalent (CuEq) reported for the resource were calculated using the following formula:  $CuEq = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo\_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au\_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag\_recovery)) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery)$ .

The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

Cortadera and San Antonio – Weighted recoveries of 82% Cu, 55% Au, 82% Mo and 37% Ag.  
 $CuEq(\%) = Cu(\%) + 0.56 \times Au(g/t) + 0.00046 \times Mo(ppm) + 0.0043 \times Ag(g/t)$

Productora – Weighted recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported)  
 $CuEq(\%) = Cu(\%) + 0.46 \times Au(g/t) + 0.00026 \times Mo(ppm)$

Costa Fuego – Weighted recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag  
 $CuEq(\%) = Cu(\%) + 0.52 \times Au(g/t) + 0.00039 \times Mo(ppm) + 0.0027 \times Ag(g/t)$

\*\* Reported on a 100% Basis - combining Mineral Resource Estimates for the Cortadera, Productora and San Antonio deposits. Figures are rounded, reported to appropriate significant figures, and reported in accordance with the JORC Code, CIM and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Total Resource reported at +0.21% CuEq for open pit and +0.30% CuEq for underground.



## Qualifying Statements

### Costa Fuego Combined Mineral Resource (Reported 31<sup>st</sup> March 2022)

Costa Fuego OP Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
(+0.21% CuEq*)	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	576	0.46	0.37	0.10	0.37	91	2,658,000	2,145,000	1,929,000	6,808,000	52,200
<b>M+I Total</b>	<b>576</b>	<b>0.46</b>	<b>0.37</b>	<b>0.10</b>	<b>0.37</b>	<b>91</b>	<b>2,658,000</b>	<b>2,145,000</b>	<b>1,929,000</b>	<b>6,808,000</b>	<b>52,200</b>
Inferred	147	0.35	0.30	0.05	0.23	68	520,000	436,000	220,000	1,062,000	10,000

Costa Fuego UG Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
(+0.30% CuEq*)	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	148	0.51	0.39	0.12	0.78	102	750,000	578,000	559,000	3,702,000	15,000
<b>M+I Total</b>	<b>148</b>	<b>0.51</b>	<b>0.39</b>	<b>0.12</b>	<b>0.78</b>	<b>102</b>	<b>750,000</b>	<b>578,000</b>	<b>559,000</b>	<b>3,702,000</b>	<b>15,000</b>
Inferred	56	0.38	0.30	0.08	0.54	61	211,000	170,000	139,000	971,000	3,400

Costa Fuego Total Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	725	0.47	0.38	0.11	0.45	93	3,408,000	2,755,000	2,564,000	10,489,000	67,400
<b>M+I Total</b>	<b>725</b>	<b>0.47</b>	<b>0.38</b>	<b>0.11</b>	<b>0.45</b>	<b>93</b>	<b>3,408,000</b>	<b>2,755,000</b>	<b>2,564,000</b>	<b>10,489,000</b>	<b>67,400</b>
Inferred	202	0.36	0.30	0.06	0.31	66	731,000	605,000	359,000	2,032,000	13,400

Refer to ASX Announcement "Hot Chili Delivers Next Level of Growth" (31<sup>st</sup> March 2022) for JORC Code Table 1 information related to the Costa Fuego JORC-compliant Mineral Resource Estimate (MRE) by Competent Person Elizabeth Haren, constituting the MREs of Cortadera, Productora and San Antonio (which combine to form Costa Fuego).

\* Copper Equivalent (CuEq) reported for the resource were calculated using the following formula:  $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo\_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au\_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag\_recovery)) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery)$ .

The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

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\*\* Reported on a 100% Basis - combining Mineral Resource Estimates for the Cortadera, Productora and San Antonio deposits. Figures are rounded, reported to appropriate significant figures, and reported in accordance with the JORC Code, CIM and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Total Resource reported at +0.21% CuEq for open pit and +0.30% CuEq for underground.

\*\* 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- Costa Fuego Mineral Resources

The information in this report that relates to Mineral Resources for Cortadera, Productora and San Antonio which constitute the combined Costa Fuego Project is based on information compiled by Ms 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. Ms Haren is a full-time employee of Haren Consulting Pty Ltd and an independent consultant to Hot Chili. Ms Haren has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Haren consents to the inclusion in the report of the matters based on her information in the form and context in which it appears. For further information on the Costa Fuego Project, refer to the technical report titled "Resource Report for the Costa Fuego Technical Report", dated December 13, 2021, which is available for review under Hot Chili's profile at [www.sedar.com](http://www.sedar.com).

#### Reporting of Copper Equivalent

Copper Equivalent (CuEq) reported for the resource were calculated using the following formula:  $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo\_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au\_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag\_recovery)) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu\_recovery)$ . The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

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#### Forward Looking Statements

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