



Quarterly Report

Period Ending 31st December 2022

Highlights



Consolidation Efforts Secure Major Extensions to Cortadera

Access Granted by Chilean Naval Authority to Maritime Concession Land for Costa Fuego

Appointment of New Canadian Director Stephen Quin

Final 2022 Metallurgical Drill Results Confirm Robust Resource Estimate for Productora

- **MET026 - 80m¹ grading 0.7% CuEq*** (0.6% Cu, 0.2g/t Au) from 101m downhole including **23m grading 1.0% CuEq** (0.9% Cu, 0.2g/t Au) from 101m
- **MET028 - 277m² grading 0.5% CuEq** (0.4% Cu, 0.1g/t Au) from 49m downhole including **46m grading 1.1% CuEq** (1.0% Cu, 0.2g/t Au) from 280m

Next Growth Phase Begins with Drilling Underway, Strong Cash Balance of A\$10.8 M

* Copper Equivalent (CuEq) reported for the drillhole intersections 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 calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for Productora is: Recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported). $CuEq(\%) = Cu(\%) + 0.48 \times Au(g/t) + 0.00026 \times Mo(ppm)$.

^{1,2} Drillholes previously reported only metallurgical samples (see 'New High-Grade Results from Costa Fuego' dated 19th July 2022. Subsequent entire drillhole analysis then completed

SUMMARY OF OPERATIONAL ACTIVITIES

Consolidation Efforts Secure Major Extension to Cortadera

During the quarter, Hot Chili announced the details of successful consolidation efforts to secure additional mining rights covering the western extensions to the Cortadera copper-gold porphyry resource, the centre-piece of the Company's Costa Fuego senior copper development in Chile.

On 25th November, the Company announced the execution of an Option Agreement with Chilean copper major Antofagasta Minerals S.A. (AMSA) enabling Hot Chili to acquire a 100% interest in AMSA's mining rights adjoining the western margin of Cortadera.

Three days later, Hot Chili confirmed further consolidation after successfully securing several new prospective mining rights at a government-run, public auction for the Huasco region of Chile. The new mining rights are located alongside mining rights subject to the AMSA Option Agreement.

Together, these new landholdings consolidate the western extension of Cortadera, more than double the prospective strike length from 2.7km to 5.2km and allow Hot Chili to test a potentially much larger copper porphyry cluster.

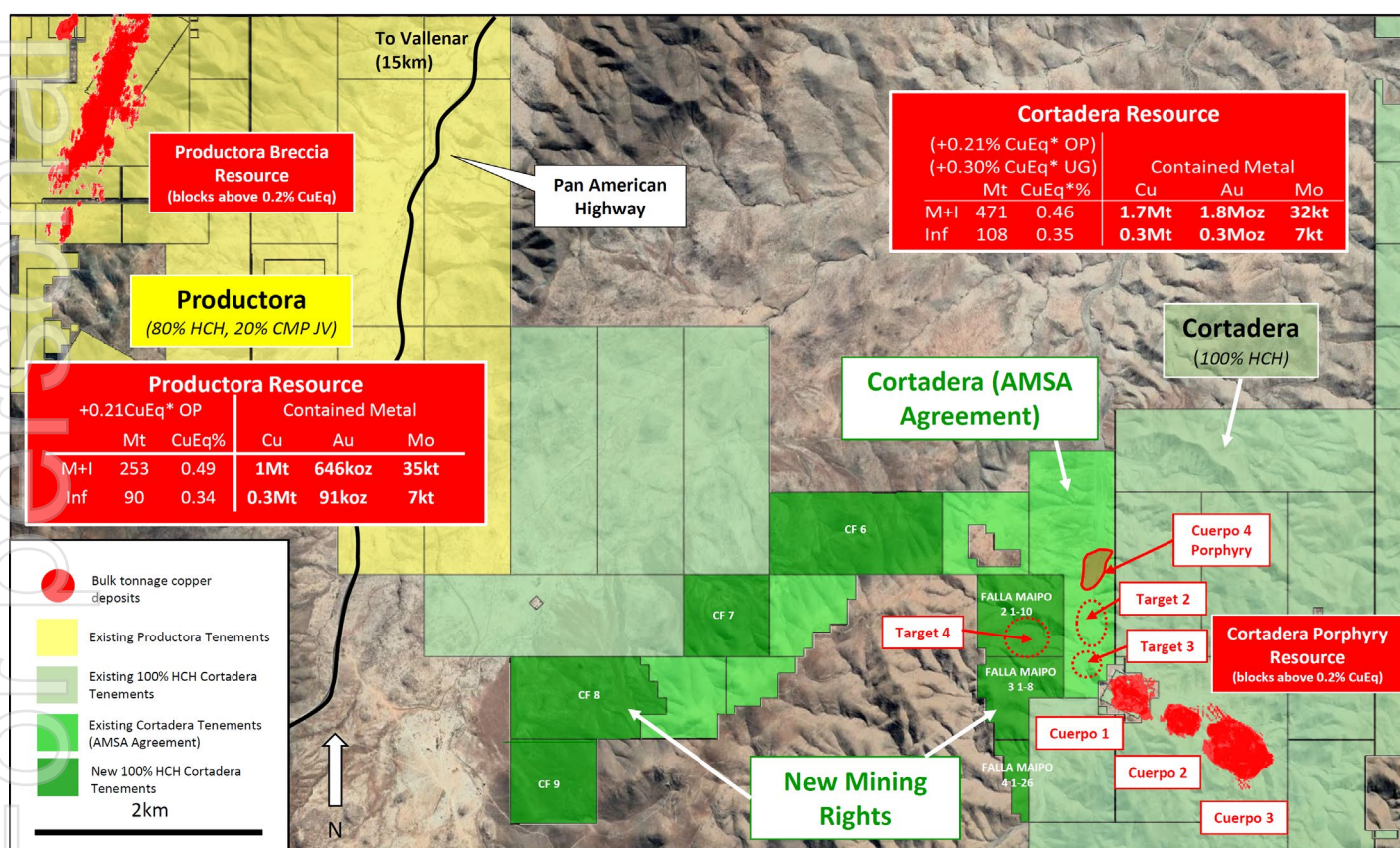


Figure 1. Plan showing additional mining rights secured through successful consolidation (AMSA agreement and government auction) during the quarter. For disclosure of the resources by category, please see Tables 6 and 8 below.

Hot Chili has now secured four new large porphyry targets adjacent to the existing Cortadera resource (Cuerpo 1, 2 and 3), and added significant prospective strike length across two mineralised trends:

- **Las Canas trend (+1.8km, N-S)** - Three large porphyry targets including the Cuerpo 4 porphyry target (700m in strike length by 300m in width and drill confirmed, see announcement dated 25th November 2022 for details of AMSA transaction)
- **Cortadera trend (+1.1km, NW-SE)** – One large porphyry target located directly along-strike from Cortadera on the Serrano fault, an important mineralising fault corridor connecting the Cortadera and Productora copper-gold deposits

Importantly, AMSA's five mining rights contain a large outcropping mineralised porphyry (Cuerpo 4 - 700m in strike length by 300m in width) with similar dimensions to Cortadera's main porphyry (Cuerpo 3).

In 2005, AMSA intersected significant copper-gold-molybdenum mineralisation at Cuerpo 4 in four of five shallow Reverse Circulation (RC) drill holes completed, including COR-03 which recorded 128m grading 0.5% CuEq (0.4% Cu & 0.1g/t Au) from 28m downhole depth, including 16m grading 1.3% CuEq (1% Cu & 0.5g/t Au) from 28m.

The historical drilling across Cuerpo 4 clearly demonstrates open pit resource growth potential, given the shallow nature of copper-gold-molybdenum mineralisation, and near-surface, copper-gold enrichment.

Next Growth Phase Begins with Drilling Underway

A 10,000m drill programme commenced on January 11th, testing four porphyry targets within the recently secured western extension to Cortadera.

One diamond drill rig (operating on a double-shift basis) and one reverse circulation drill rig (operating on a single-shift basis) are in operation, testing the potential for Cortadera to host a much larger copper porphyry cluster than currently defined.

Four drill holes are complete including a twin hole of COR-03 which previously recorded an intercept of 128m grading 0.5% CuEq (0.4% Cu & 0.1g/t Au) from 28m downhole depth, including 16m grading 1.3% CuEq (1% Cu & 0.5g/t Au) from 28m (as announced to ASX and TSXV on 28th November 2022). Results are pending.

Cortadera's current Indicated resource of 471Mt grading 0.46% CuEq for 1.7Mt copper and 1.8Moz gold and Inferred resource of 108Mt grading 0.35% CuEq for an additional 0.3Mt copper and 0.3Moz gold (ASX announcement dated 31st March 2022) is contained within three porphyry centres.

Both drill rigs are currently drilling Cortadera's potential fourth porphyry (Cuerpo 4) and first drill results are expected to be returned in February.

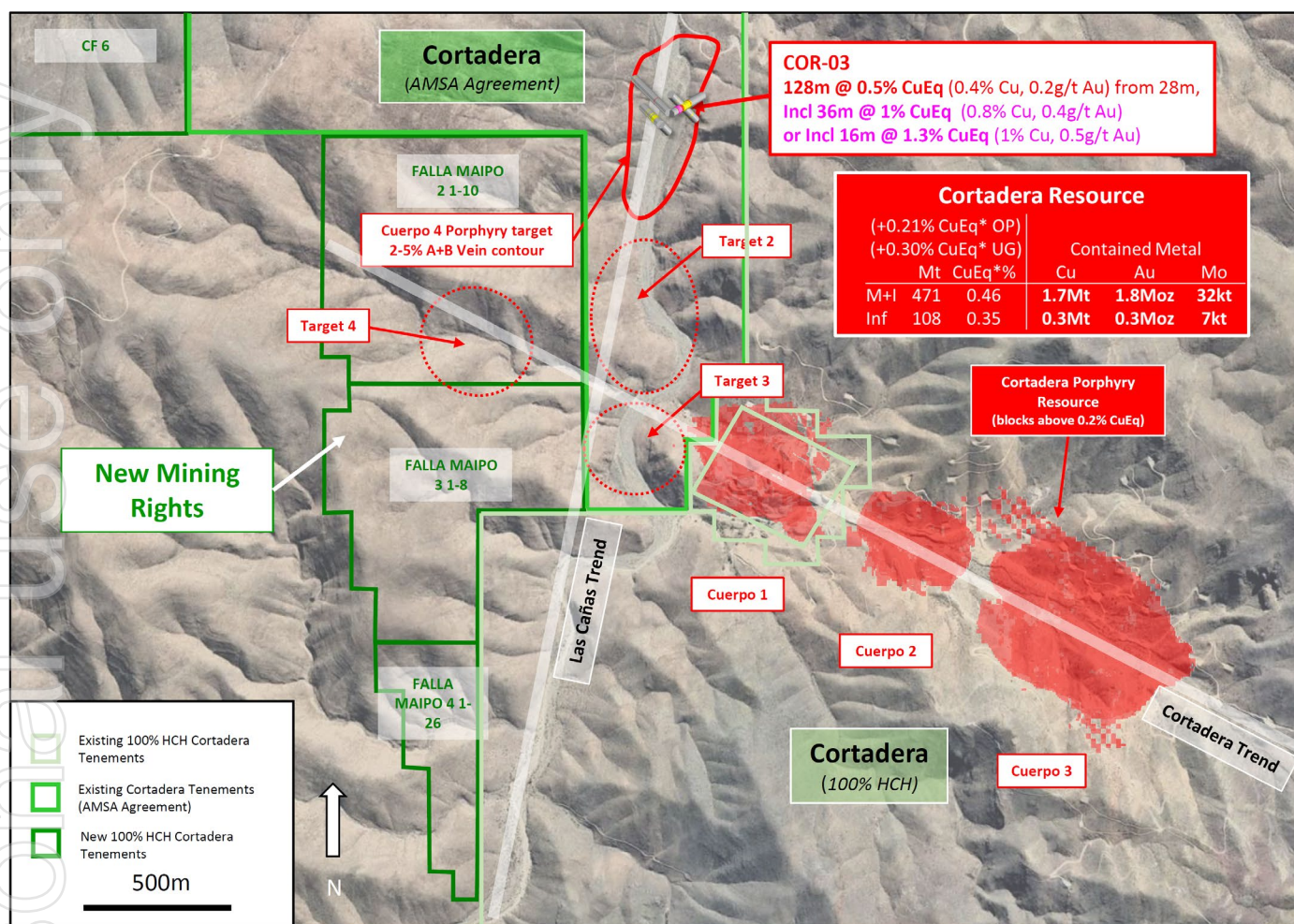


Figure 2. Location of Cuerpo 4 and other immediate porphyry targets within the AMSA landholding and new landholding acquired through public auction, lying immediately west of the Cortadera resource. For disclosure of the resources by category, please see Table 8 below.

Final 2022 Metallurgical Drill Results

Results for the final two diamond drillholes have been received and compiled for Pre-feasibility study (PFS) metallurgical testwork across the Productora resource.

Results for the final two diamond drill holes of the programme include:

- **MET026 - 80m¹ grading 0.7% CuEq** (0.6% Cu, 0.2g/t Au) from 101m downhole including **23m grading 1.0% CuEq** (0.9% Cu, 0.2g/t Au) from 101m and **28m grading 0.9% CuEq** (0.8% Cu, 0.2g/t Au) from 135m
- **MET028 - 277m² grading 0.5% CuEq** (0.4% Cu, 0.1g/t Au) from 49m downhole including **25m grading 0.8% CuEq** (0.7% Cu, 0.1g/t Au) from 49m

and including **46m grading 1.1% CuEq** (1.0% Cu, 0.2g/t Au) from 280m

Results from these drillholes targeted zones of high-grade mineralisation with complex morphology within the resource, to test variability in the resource model and provide valuable data for metallurgical analysis. The results compared well with the resource estimate, confirming robust estimation technique.

The goal of the metallurgical testwork programme is to confirm the processing flowsheet (based on work completed since the historical 2016 Productora PFS), with a particular focus on material that will be extracted in the first three years of production at Productora.

Updated Development and Resource Growth Timeline

Hot Chili's next resource update, which was proposed to be delivered in late 2022, is now expected to be finalised in H2 2023 to include the proposed drilling on the AMSA mining rights.

The combined Pre-feasibility Study (PFS) for Costa Fuego, studying targeted annual production rates of up to 100kt Cu and up to 70koz Au for a +20 year life of mine, will be paused until the Company can assess the impact of resource growth potential at Cortadera. The Company's decision to pivot the PFS ensures that future expenditure relating to the PFS can be optimised for infrastructure location and a potentially larger scale copper operation.

Only critical PFS workstreams will be continued to secure long-lead time items (environmental and social) and key value additions (metallurgical) to ensure Costa Fuego remains on-track to potentially be delivered into production in 2028.

A Preliminary Economic Assessment (PEA) of the combined Costa Fuego project at the current 20Mtpa sulphide concentrator study scale is now planned to be delivered in H1 2023.

The Company is well funded to complete its planned drilling and deliver its next set of key growth and development milestones for Costa Fuego this year.

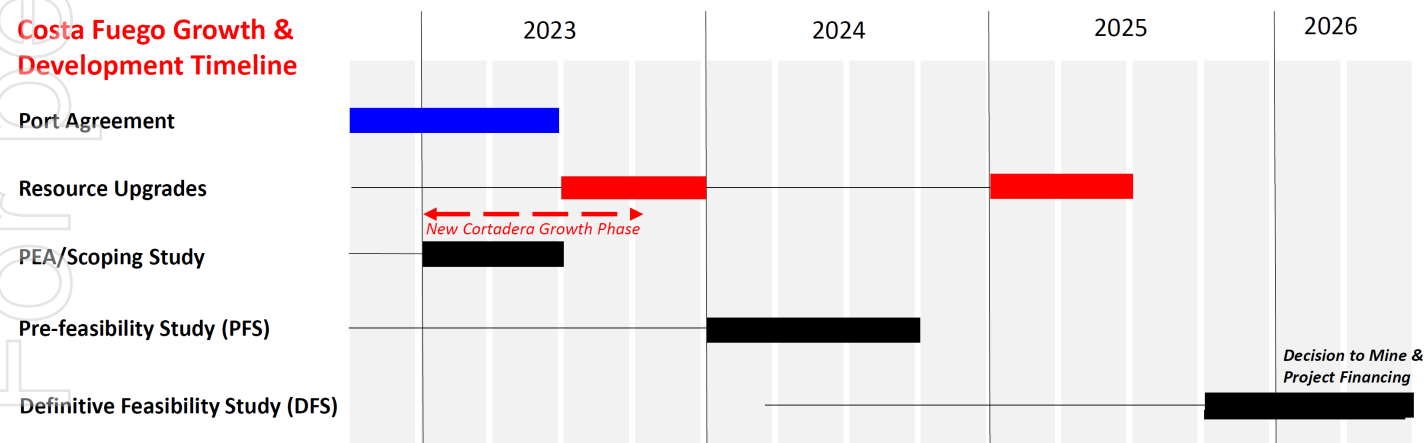


Figure 3 Costa Fuego Growth and Development Timetable

Access Granted by Chilean Naval Authority to Maritime Concession Land for Costa Fuego

The Company took another important step toward infrastructure consolidation for Costa Fuego during the quarter, confirming that the Chilean Naval Authority have granted Hot Chili access to the physical land of its Maritime Concession for extraction of sea water – 55 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 7th 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 large 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.



Hot Chili Field Operations Manager’ Victor Huerta with Chilean naval officer following grant of Maritime concession land

Appointment of New Canadian Director Mr Stephen Quin

Late during the Quarter, the Company announced the proposed appointment of experienced mining executive, Mr Stephen Quin, to the Board of Hot Chili as an independent Non-Executive Director.

Mr Quin's appointment will be effective once he has obtained an Australian Director Identification Number as required by Australian law and expected to occur by the end of February 2023. Further, due to the Company's listing on the TSX Venture Exchange ("TSXV"), the appointment remains subject to approval by the TSXV.

Non-executive Chairman Dr Nicole Adshead-Bell commented:

"We are very pleased to welcome a director of Stephen's calibre to the Board of Hot Chili. As the former President & CEO of Sherwood Copper (prior to its acquisition by Capstone Mining) he was responsible for the successful permitting and project financing, followed by the on-schedule/on-budget construction of the Minto copper-gold mine in the Yukon, Canada. His diverse international industry experience covering exploration, permitting, economic studies, project financing, construction, operations and M&A (all within an ESG framework) will be extremely valuable as Hot Chili advances its Costa Fuego copper hub in Chile. Stephen also brings extensive international board experience, including 10 years as a Non-Executive Director at Chalice Mining prior to retiring in November 2021."

Mr Quin is a graduate of the Royal School of Mines, London, with a BSc (Honours) in Mining Geology and has 41 years' experience in all stages of the mining industry, from exploration to operations and closure.

On confirmation of his appointment, Mr Quin will also become a member of the Company's Audit and Risk, Remuneration and ESG and Nomination Committees.

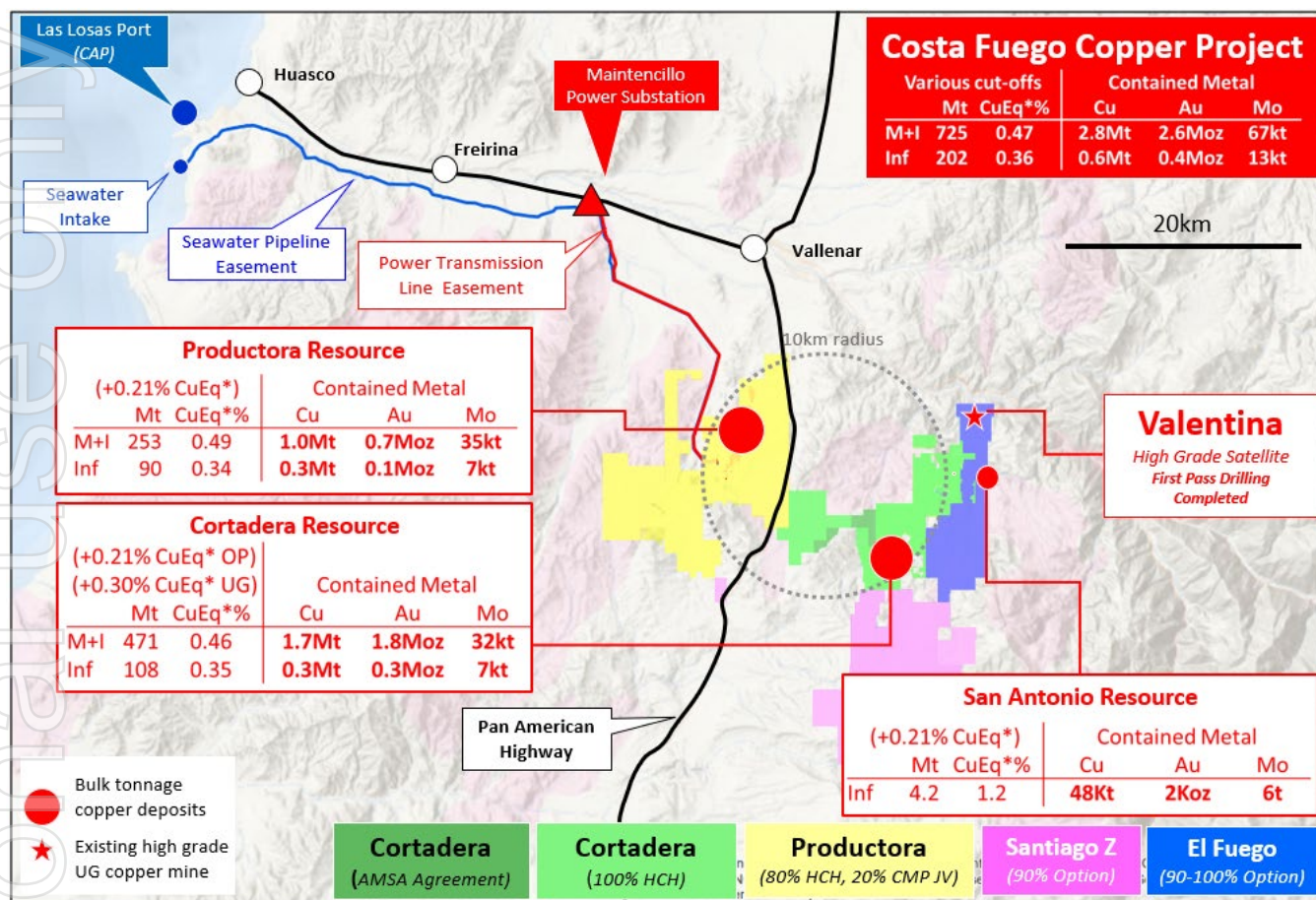


Figure 4 Location of Productora, Cortadera and San Antonio deposits in relation to the coastal range infrastructure of Hot Chili's combined Costa Fuego copper project, located 600km north of Santiago in Chile

Refer to ASX Announcement "Hot Chili Delivers Next Level of Growth" (31st 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: $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_{\text{recovery}}) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_{\text{recovery}}) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_{\text{recovery}}) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_{\text{recovery}})) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu_{\text{recovery}})$.

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 – 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.

For disclosure of the resources by category, please see Table 5 below.

Table 1 Significant Drill Results Reported for Costa Fuego in Q4 2022

| Hole_ID | Coordinates | | | Azim. | Dip | Hole Depth | Intersection | | Interval (m) | Copper (% Cu) | Gold (g/t Au) | Silver (ppm Ag) | Molybdenum (ppm Mo) | CuEq (% CuEq) |
|---------------|-------------|--------|-----|-------|-----|-------------|--------------|-----|--------------|---------------|---------------|-----------------|---------------------|---------------|
| | North | East | RL | | | | From | To | | | | | | |
| MET026 | 6822284 | 323426 | 816 | 90 | -62 | 260 | 101 | 181 | 80 | 0.6 | 0.2 | 1.8 | 211 | 0.7 |
| | | | | | | Including | 101 | 124 | 23 | 0.9 | 0.2 | 5.4 | 239 | 1.0 |
| | | | | | | & Including | 135 | 163 | 28 | 0.8 | 0.2 | 0.5 | 342 | 0.9 |
| MET027 | 6821389 | 323082 | 858 | 90 | -62 | 395 | 0 | 15 | 15 | 0.3 | 0.0 | 0.2 | 105 | 0.4 |
| | | | | | | | 49 | 326 | 277 | 0.4 | 0.1 | 0.4 | 193 | 0.5 |
| | | | | | | Including | 49 | 74 | 25 | 0.7 | 0.1 | 0.2 | 127 | 0.8 |
| | | | | | | & Including | 280 | 326 | 46 | 1.0 | 0.2 | 0.6 | 231 | 1.1 |

Significant intercepts are calculated above a nominal cut-off grade of 0.1% Cu. Where appropriate, significant intersections may contain up to 30m down-hole distance of internal dilution (less than 0.1% Cu). Significant intersections are separated where internal dilution is greater than 30m down-hole distance. The selection of 0.1% Cu for intersection cut-off grade above is selected on the basis of exploration significance and is not meant to represent potential marginal economic cut-off grade for bulk tonnage polymetallic copper deposits of similar grade in Chile and elsewhere in the world.

Down-hole significant intercept widths are estimated to be at or around true-widths of mineralisation

* Copper Equivalent (CuEq) reported for the drillhole intersections 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 calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

Cortadera – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. $CuEq(\%) = Cu(\%) + 0.56 \times Au(g/t) + 0.00046 \times Mo(ppm) + 0.0043 \times Ag(g/t)$

Productora – Recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported). $CuEq(\%) = Cu(\%) + 0.48 \times Au(g/t) + 0.00026 \times Mo(ppm)$

San Antonio and Valentina – Recoveries of 88% Cu, 72% Au, 88% Mo and 69% Ag. $CuEq(\%) = Cu(\%) + 0.68 \times Au(g/t) + 0.00047 \times Mo(ppm) + 0.0076 \times Ag(g/t)$

^{1,2} Drillholes previously reported only metallurgical samples (see 'New High-Grade Results from Costa Fuego' dated 19th July 2022. Subsequent entire drillhole analysis then completed. For disclosure of the detailed analytical and testing procedures, please refer to "Sampling, Analysis and Data Verification" later in this report.

Table 2 Details of all Drillholes Completed at Costa Fuego in Q4 2022

| Quarter Drilled | Prospect | Hole_ID | North | East | RL | Depth | Azimuth | Dip | Results |
|-----------------|------------|---------|---------|--------|------|-------|---------|-----|---|
| Q2 2022 | Productora | MET026 | 6822284 | 323426 | 816 | 260 | 90 | -60 | Updated Significant result returned Q1 2023 |
| Q2 2022 | Productora | MET027 | 6821389 | 323082 | 858 | 395 | 90 | -62 | Updated Significant result returned Q1 2023 |
| Q4 2022 | Santiago Z | SZP0005 | 6806921 | 334515 | 1317 | 384 | 292 | -80 | NSR |
| Q4 2022 | Cortadera | CRP0197 | 6814326 | 334829 | 952 | 300 | 97 | -72 | NSR |

Note 1: NSR – no significant intersection recorded

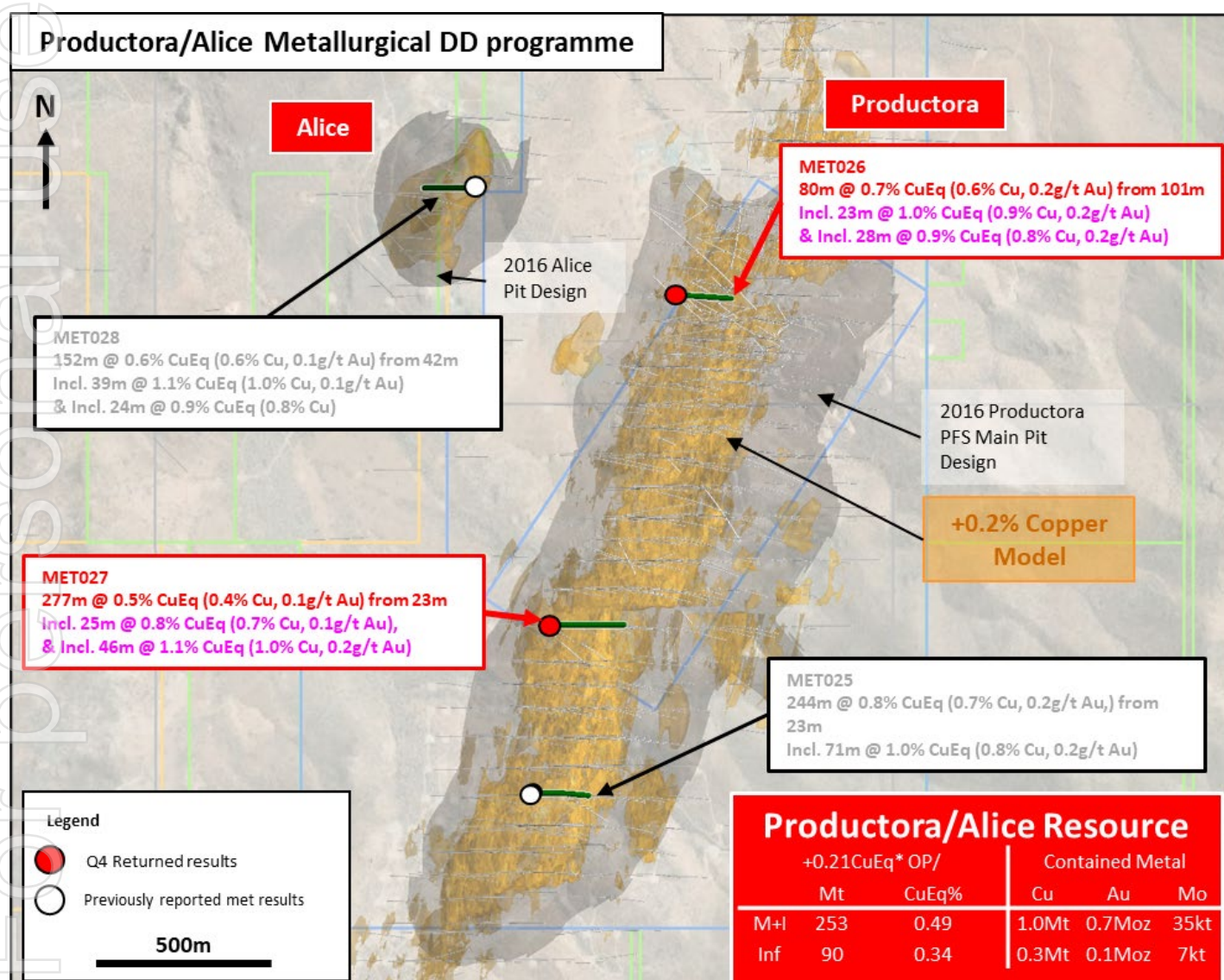


Fig 5. Plan view across the Productora tenements displaying the modelled 0.2% Cu model in yellow and the collar locations and significant results of metallurgical drilling returned during the quarter. For disclosure of the resources by category, please see Table 6 below.

Additional ASX Disclosure Information

ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3 - Schedule of Mineral Tenements as at 31 December 2022

The schedule of Mineral Tenements and changes in interests is appended 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 \$148,647. This is comprised of directors' salaries and superannuation of \$148,647.

Summary of Quarterly Expenditure

Total expenditure in the December quarter is A\$4.6M. Significant expenditure items are summarised as follows:

- A\$0.65M Environmental baseline studies
- A\$1.85M Drilling, Assays and Earthworks accrued from Q3 activity
- A\$0.20M PFS workstreams
- A\$0.28M Salaries capitalised
- A\$1.00M admin and corporate costs (Listing, compliance and taxes A\$0.32M, Marketing A\$0.20M)
- A\$0.24M tenement costs

Health, Safety, Environment and Quality

No safety incidents were recorded this quarter. Field operations during the period including geological reconnaissance activities, RC and diamond drilling, core-testing and logging, field mapping, and sampling exercises across the Cortadera, El Fuego and Productora landholdings. El Fuego field activities are run from the Cortadera operations centre and safety statistics are combined for reporting.

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 has been critical in allowing for continuation of drilling and other field activities during the quarter.

The Company has refined these protocols and ensured adequate manning of each operational shift to maintain strong productivity at its operations. There is no greater importance than ensuring the safety of our people and their families.

The Company's HSEQ quarterly performance is summarised below:

Table 3 HSEQ Quarter 4 2022 Performance and Statistics

| Deposit | Productora | Cortadera |
|-----------------------------------|--------------------------|-----------|
| Timeframe | October – December, 2022 | |
| LTI events | 0 | 0 |
| NLTI events | 0 | 0 |
| Days lost | 0 | 0 |
| LTIFR index (3) | 0 | 23 |
| ISR index (3) | 0 | 587 |
| IFR Index (3) | 42 | 39 |
| Thousands of mh (1) | 3.9 | 5.1 |
| Incidents on materials and assets | 0 | 0 |
| Environmental incidents | 0 | 0 |
| Headcount (2) | 10 | 15 |

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 (3) Cumulative statistics since April 2019.

Tenement Changes During the Quarter

During the Quarter, SM Frontera SpA acquired 100% (with no further commitments or royalties) of the following mining rights for the El Fuego tenements:

- CF 6 - 200 ha
- CF 7 - 100 ha
- CF 8 - 200 ha
- CF 9 - 100 ha
- MARI 1 - 300 ha
- MARI 6 - 300 ha
- MARI 8 - 300 ha
- FALLA MAIPO 2 1/10 - 99 ha
- FALLA MAIPO 3 1/8 - 72 ha
- FALLA MAIPO 4 1/26 - 26 ha

In addition, an Option agreement with AMSA was executed in relation to the consolidation and acquisition of 100% of following mining rights for the El Fuego tenements:

- ARBOLEDA 7 1/25 - 234 ha
- NAVARRO 1 41/60 - 81 ha
- NAVARRO 2 21/37 - 78 ha
- MONICA 21/40 - 85 ha
- MONICA 41/52 - 39 ha

Table 4. Current Tenement (Patente) Holdings in Chile as at 31 December 2022

Cortadera Landholding

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|--------------------------|-------------------|---------------|-----------|--------------------|
| 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 | |
| ROMERO 1 al 31 | 100% Frontera SpA | | 31 | |
| PURISIMA | 100% Frontera SpA | | 20 | |

Productora Landholding

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|---------------|--------------|---------------|-----------|--------------------|
| FRAN 1, 1-60 | 80% SMEA SpA | | 220 | |
| FRAN 2, 1-20 | 80% SMEA SpA | | 100 | |
| 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 | |
| | | | | |
| | | | | |
| | | | | |

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Contact

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Managing Director

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| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|----------------------|--------------|---------------|-----------|-------------------------|
| 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 | |
| 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 | |
| URANIO, 1-70 | 0% | 0% | 350 | 25-year Lease Agreement |
| 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 | |

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Contact

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| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|------------------|--------------|---------------|-----------|--------------------|
| 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 | |
| JULIETA 1 al 4 | 80% SMEA SpA | | 4 | |

El Fuego Landholding

| Licence ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|-----------------------|------------|------------------|-----------|---|
| Santiago 21 al 36 | | 90% Frontera SpA | 76 | 90% (HCH) Option Agreement USD 200,000 already paid. USD 300,000 by November 7 th , 2022. USD 6,700,000 by November 7 th , 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 | |
| Porfiada A | | 90% Frontera SpA | 200 | |

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Contact

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| Licence ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|-------------------|-------------------|-------------------|-----------|--|
| Porfiada B | | 90% Frontera SpA | 300 | |
| Porfiada C | | 90% Frontera SpA | 300 | |
| Porfiada D | | 90% Frontera SpA | 300 | |
| Porfiada E | | 90% Frontera SpA | 300 | |
| Porfiada F | | 90% Frontera SpA | 300 | |
| Porfiada G | | 90% Frontera SpA | 200 | |
| Porfiada VII | | 90% Frontera SpA | 300 | |
| Porfiada VIII | | 90% Frontera SpA | 300 | |
| Porfiada IX | | 90% Frontera SpA | 300 | |
| Porfiada X | | 90% Frontera SpA | 200 | |
| Kreta 1-4 | | 90% Frontera SpA | 16 | |
| Mary 1-22 | | 90% Frontera SpA | 64 | |
| 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, 1-20 | 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 | |
| SANTIAGO Z | | 100% Frontera SpA | 300 | 100% (HCH) Option Agreement USD 600,000 by January 22nd, 2024. NSR 1.5% |
| Porfiada I | | 100% Frontera SpA | 300 | |
| 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) Option Agreement USD 150,000 by June 1st, 2023. USD 4,000,000 by June 1st, 2024. |
| 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 | |

| Licence ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|----------------------|-------------------|---------------|-----------|--------------------|
| CHILIS 8 | 100% Frontera SpA | | 200 | |
| CHILIS 9 | 100% Frontera SpA | | 300 | |
| CHILIS 10 | 100% Frontera SpA | | 200 | |
| CHILIS 11 | 100% Frontera SpA | | 200 | |
| CHILIS 12 | 100% Frontera SpA | | 300 | |
| CHILIS 13 | 100% Frontera SpA | | 300 | |
| CHILIS 14 | 100% Frontera SpA | | 300 | |
| CHILIS 15 | 100% Frontera SpA | | 300 | |
| CHILIS 16 | 100% Frontera SpA | | 300 | |
| CHILIS 17 | 100% Frontera SpA | | 300 | |
| CHILIS 18 | 100% Frontera SpA | | 300 | |
| SOLAR 1 | 100% Frontera SpA | | 300 | |
| SOLAR 2 | 100% Frontera SpA | | 300 | |
| SOLAR 3 | 100% Frontera SpA | | 300 | |
| SOLAR 4 | 100% Frontera SpA | | 300 | |
| SOLAR 5 | 100% Frontera SpA | | 300 | |
| SOLAR 6 | 100% Frontera SpA | | 300 | |
| SOLAR 7 | 100% Frontera SpA | | 300 | |
| SOLAR 8 | 100% Frontera SpA | | 300 | |
| SOLAR 9 | 100% Frontera SpA | | 300 | |
| SOLAR 10 | 100% Frontera SpA | | 300 | |
| SOLEDAD 1 | 100% Frontera SpA | | 300 | |
| SOLEDAD 2 | 100% Frontera SpA | | 300 | |
| SOLEDAD 3 | 100% Frontera SpA | | 300 | |
| SOLEDAD 4 | 100% Frontera SpA | | 300 | |
| CF 1 | 100% Frontera SpA | | 300 | |
| CF 2 | 100% Frontera SpA | | 300 | |
| CF 3 | 100% Frontera SpA | | 300 | |
| CF 4 | 100% Frontera SpA | | 300 | |
| CF 5 | 100% Frontera SpA | | 300 | |
| Chapulín Colorado | 100% Frontera SpA | | 3 | |
| Doña Felipa 1 al 10 | 100% Frontera SpA | | 50 | |
| Elenor Rigby 1 al 10 | 100% Frontera SpA | | 100 | |
| Peggy Sue 1 al 10 | 100% Frontera SpA | | 100 | |
| CF 6 | 100% Frontera SpA | | 200 | |
| CF 7 | 100% Frontera SpA | | 100 | |
| CF 8 | 100% Frontera SpA | | 200 | |
| CF 9 | 100% Frontera SpA | | 100 | |
| MARI 1 | 100% Frontera SpA | | 300 | |
| MARI 6 | 100% Frontera SpA | | 300 | |
| MARI 8 | 100% Frontera SpA | | 300 | |
| FALLA MAIPO 2 1/10 | 100% Frontera SpA | | 99 | |
| FALLA MAIPO 3 1/8 | 100% Frontera SpA | | 72 | |
| FALLA MAIPO 4 1/26 | 100% Frontera SpA | | 26 | |

| Licence ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Type & % |
|-----------------|-------------|---------------|-----------|---|
| ARBOLEDA 7 1/25 | Option AMSA | 100% | 234 | 100% (HCH) Option Agreement 6,000m drilling commitment USD 1,500,000 to exercise AMSA Buy-back right of 55% within 120 days of exercise. |
| NAVARRO 1 41/60 | Option AMSA | 100% | 81 | |
| NAVARRO 2 21/37 | Option AMSA | 100% | 78 | |
| MONICA 21/40 | Option AMSA | 100% | 85 | |
| MONICA 41/52 | Option AMSA | 100% | 39 | |

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Qualifying Statements

The Mineral Resource summary for the Costa Fuego Project is presented in Table 5. Tables 6 to 8 present the individual deposits that combine to form the Costa Fuego Project.

Table 5. Costa Fuego Copper-Gold Project Mineral Resource Estimate, 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 |
| M+I Total | 576 | 0.46 | 0.37 | 0.10 | 0.37 | 91 | 2,658,000 | 2,145,000 | 1,929,000 | 6,808,000 | 52,200 |
| 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 |
| M+I Total | 148 | 0.51 | 0.39 | 0.12 | 0.78 | 102 | 750,000 | 578,000 | 559,000 | 3,702,000 | 15,000 |
| 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 |
| (+0.21% CuEq*) | (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 |
| M+I Total | 725 | 0.47 | 0.38 | 0.11 | 0.45 | 93 | 3,408,000 | 2,755,000 | 2,564,000 | 10,489,000 | 67,400 |
| 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" (31st 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:

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.

Table 6. Productora Deposit Mineral Resource Estimate, March 2022

| Productora Total Resource | | Grade | | | | | Contained Metal | | | | |
|----------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|-----------------------|--------------------|------------------|--------------------|------------------------|
| Classification (+0.21% CuEq*) | Tonnes (Mt) | CuEq (%) | Cu (%) | Au (g/t) | Ag (g/t) | Mo (ppm) | Copper Eq (tonnes) | Copper (tonnes) | Gold (ounces) | Silver (ounces) | Molybdenum (tonnes) |
| Indicated | 253 | 0.49 | 0.41 | 0.08 | | 139 | 1,247,000 | 1,043,000 | 646,000 | | 35,100 |
| M+I Total | 253 | 0.49 | 0.41 | 0.08 | | 139 | 1,247,000 | 1,043,000 | 646,000 | | 35,100 |
| Inferred | 90 | 0.34 | 0.29 | 0.03 | | 75 | 305,000 | 259,000 | 91,000 | | 6,800 |

* 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:

Productora – Weighted recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported)

$CuEq(\%) = Cu(\%) + 0.46 \times Au(g/t) + 0.00026 \times Mo(ppm)$

** 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

Table 7. San Antonio Deposit Mineral Resource Estimate, March 2022

| San Antonio Total Resource | | Grade | | | | | Contained Metal | | | | |
|----------------------------------|----------------|-------------|-----------|-------------|-------------|-------------|-----------------------|--------------------|------------------|--------------------|------------------------|
| Classification (+0.21% CuEq*) | Tonnes (Mt) | CuEq (%) | Cu (%) | Au (g/t) | Ag (g/t) | Mo (ppm) | Copper Eq (tonnes) | Copper (tonnes) | Gold (ounces) | Silver (ounces) | Molybdenum (tonnes) |
| Inferred | 4.2 | 1.2 | 1.1 | 0.01 | 2.1 | 1.5 | 48,100 | 47,400 | 2,000 | 287,400 | 6 |

* 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:

San Antonio – Weighted recoveries of 82% Cu, 55% Au, 82% Mo and 37% Ag.

$CuEq(\%) = Cu(\%) + 0.56 \times Au(g/t) + 0.00046 \times Mo(ppm) + 0.0043 \times Ag(g/t)$

** 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

Table 8. Cortadera Deposit Mineral Resource Estimate, March 2022

| Cortadera 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 | 323 | 0.44 | 0.34 | 0.12 | 0.66 | 53 | 1,411,000 | 1,102,000 | 1,284,000 | 6,808,000 | 17,100 |
| M+I Total | 323 | 0.44 | 0.34 | 0.12 | 0.66 | 53 | 1,411,000 | 1,102,000 | 1,284,000 | 6,808,000 | 17,100 |
| Inferred | 53 | 0.32 | 0.25 | 0.08 | 0.46 | 62 | 168,000 | 132,000 | 135,000 | 778,000 | 3,300 |

| Cortadera 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 |
| M+I Total | 148 | 0.51 | 0.39 | 0.12 | 0.78 | 102 | 750,000 | 578,000 | 559,000 | 3,702,000 | 15,000 |
| Inferred | 56 | 0.38 | 0.30 | 0.08 | 0.54 | 61 | 211,000 | 170,000 | 139,000 | 971,000 | 3,400 |

| Cortadera 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 | 471 | 0.46 | 0.36 | 0.12 | 0.69 | 68 | 2,161,000 | 1,680,000 | 1,843,000 | 10,509,000 | 32,200 |
| M+I Total | 471 | 0.46 | 0.36 | 0.12 | 0.69 | 68 | 2,161,000 | 1,680,000 | 1,843,000 | 10,509,000 | 32,200 |
| Inferred | 108 | 0.35 | 0.28 | 0.08 | 0.50 | 62 | 379,000 | 301,000 | 274,000 | 1,749,000 | 6,700 |

Refer to ASX Announcement "Hot Chili Delivers Next Level of Growth" (31st 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:

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

** 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.

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' and is a qualified person for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. 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 "NI 43-101 Resource Report for the Costa Fuego Copper Project Located in Atacama, Chile", dated May 13, 2022 with an effective date of March 31, 2022, which is available for review on SEDAR (www.sedar.com) under Hot Chili's issuer profile.

Scientific and Technical Information

The scientific and technical information contained in this document was reviewed and approved by Ms Kirsty Sheerin, a Member of the Australian Institute of Geoscientists, Hot Chili's Resource Development Manager and a qualified person for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

Ms Sheerin has undertaken extensive data verification and is satisfied with the exploration, sampling, security, and QA/QC procedures employed by Hot Chili for Costa Fuego and that their results are sufficient to produce data suitable for the purposes described in the technical report titled "NI 43-101 Resource Report for the Costa Fuego Copper Project Located in Atacama, Chile", dated May 13, 2022 with an effective date of March 31, 2022, as well as for public reporting purposes subsequent to the technical report.

Sampling, Analysis and Data Verification

A fixed cone splitter was used to create two nominal 12.5% samples (Sample "A" and "B"), along with the large bulk reject sample. The "A" sample is always taken from the same sampling chute, and comprises the primary sample submitted to the laboratory. The "B" samples were retained for use as the field duplicate sample. The coarse residues were collected into large plastic bags and were retained on the ground near the drillhole collar, generally in rows of 50 bags.

All RC drillhole sampling was executed at two metre intervals for Costa Fuego. Within logged mineralisation zones, the 2-metre sample ("A" sample) was submitted. Outside the main mineralised zones (as determined by the logging geologist), 4-metre composites were created from scoops of 2-metre sample residues over this interval. The composited 4-metre samples were analysed first and, if required, the individual and original 2-metre "A" samples comprising this 4-metre interval were sent for analysis. This ensured that no mineralisation was missed while minimising analytical costs. The same procedure was applied to RC drilling undertaken across Productora, however, drillhole sampling was executed at 1-metre intervals.

At Costa Fuego, the majority of diamond core has had systematic half-core sampled at 2-metre intervals. Half-core was chosen as the preferred sampling method to ensure a representative sample was submitted for analysis, while also retaining half-core for review of lithology and mineralisation, and for further test work as required.

Prior to the cutting and sample process, two additional samples are also taken for Costa Fuego being Density and Geotechnical samples.

- Density samples are selected every 30 metres if the geological conditions allow it and are provided to the laboratory for testwork.
- Geotechnical samples are taken for tests including triaxial (one sample per 250 m) and uniaxial tests (one sample per 50 m).

Once assigned a sample number, individual samples to be sent to ALS laboratories were sealed using a staple gun and accompanied by three identical sample tickets (one stapled to plastic bag to identify any tampering/breakage of seal prior to opening at the laboratory in preparation and another placed in the bag). Any broken staple seals on samples were to be notified by ALS to Hot Chili. No sealed bags were reported as being opened or broken by ALS.

For both RC and diamond samples, sample bags were placed inside larger plastic bags and delivered by a dedicated truck to the ALS analytical laboratory in Coquimbo (Chile) for sample preparation and routine analysis.

Following analysis at ALS, the RC and diamond drilling coarse rejects were returned to site and stored in sequence in plastic bags under shade cloth at Hot Chili's nearby Productora core farm. The laboratory pulps were returned and stored at the Productora core farm where they are stored in organised, dry and safe storage containers.

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Contact

Mr Christian Easterday

Managing Director

E: admin@hotchili.net.au

Hot Chili has strict chain of custody security procedures for all samples sent to and from the analytical laboratories.

The ALS analytical laboratory in Coquimbo (Chile) completed all sample preparation and specific gravity test work, while ALS Santiago (Chile) completed all gold analysis, and ALS Lima (Peru) completed all other multielement analysis for the Cortadera assays used in the resource estimate. Hot Chili has implemented rigorous sample preparation and analytical procedures for both RC and diamond core samples, following consultation with ALS in Chile, to ensure that mineralised assays were reported with a high degree of confidence and a wide range of appropriate commodities were assessed.

Samples have been analysed by certified laboratories in Chile and Lima, Peru by standard analytical techniques including:

- Copper, silver and molybdenum were analysed by 4-acid digestion (Hydrochloric-Nitric- Perchloric-Hydrofluoric) followed by evaluation using Inductively Coupled Plasma - Optical Emission Spectrometry ("ICP-OES") or Atomic Absorption Spectrometry ("AAS");
- Copper results > 10,000 ppm were analysed by "ore grade" method Cu-AA62 (upper limit 40% Cu);
- Samples within the oxide and transitional weathering domains (as determined by geologists' logging) were analysed for "soluble copper" (upper limit 10% Cu) to detect the leachability of copper oxide minerals within these domains; and
- Gold was analysed by 30 or 50 g lead-collection Fire Assay, followed by ICP-OES or AAS.

The verification of input data included the use of company QA/QC blanks and reference material, field and laboratory duplicates, umpire laboratory checks and independent sample and assay verification.

The Qualified Person has assessed the drillhole database validation work and QAQC undertaken by Hot Chili and was satisfied the input data could be relied upon for the estimation of Indicated and Inferred Classified Mineral Resources.

All laboratories used are independent of Hot Chili and the work is performed under a commercial arrangement.

Forward Looking Statements

This document 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 this document and nothing contained in this document 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. This Document 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.

This document contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements, including statements relating to: estimates of Mineral Resources; exploration and development activities and the specifications, targets, results, analyses, interpretations, benefits, costs and timing of them; certain plans, strategies, aspirations and objectives of management; and completion of and anticipated dates for certain results, studies and reports. 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 and general economic conditions, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources, 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 this document, 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 this document and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of this document nor any information contained in this document or subsequently communicated to any person in connection with this document is, or should be taken as, constituting the giving of investment advice to any person.

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 2022

| 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 | (3,322) | (9,716) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (366) | (815) |
| | (e) administration and corporate costs | (658) | (1,516) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 13 | 65 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | - | - |
| 1.9 | Net cash from / (used in) operating activities | (4,333) | (11,982) |

| | | | |
|-----------|---|-------|-------|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | (236) | (904) |
| | (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 | (236) | (904) |

| | | | |
|-----------|---|----------|-------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (16) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings (CMP option) | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | - | (16) |

| | | | |
|-----------|--|---------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 15,461 | 23,722 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (4,333) | (11,982) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (236) | (904) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | (16) |

| 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 | (78) | (6) |
| 4.6 | Cash and cash equivalents at end of period | 10,814 | 10,814 |

| 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 | 4,625 | 9,331 |
| 5.2 | Call deposits | 6,189 | 6,130 |
| 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) | 10,814 | 15,461 |

| 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 | 149 |
| 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) | (4,333) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (4,333) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 10,814 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 10,814 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 2.50 |
| <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:31 January 2023.....

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.