



Quarterly Report

Period Ending 31st March 2023

Highlights



Drilling operations adjacent to the Cortadera core yard, Costa Fuego copper project, Chile, February 2023

Next Phase of Copper-Gold Growth Begins

- New assay results confirm a fourth porphyry at Cortadera, returning a wide diamond drill intersection of copper (Cu) and gold (Au) from shallow depth:
 - 120m grading 0.5% CuEq* (0.4% Cu, 0.2g/t Au) from 22m depth down-hole to end of hole (LCD001) including 38m grading 1.0% CuEq* (0.8% Cu, 0.4g/t Au) from 22m depth;
- Wide intercept of mineralised porphyry intersected below Cortadera's Cuerpo 1 porphyry confirming significant resource expansion potential:
 - 270m grading 0.5% CuEq* (0.4% Copper (Cu), 0.1g/t Gold (Au)) from surface (CRP0202D) including 114m grading 0.7% CuEq* (0.6% Cu, 0.1g/t Au) from 70m depth,
 - 84m grading 0.4% CuEq* (0.4% Cu) from 336m depth downhole (CORMET001) including 26m grading 0.6% CuEq* (0.6% Cu, 0.1g/t Au) from 374m depth.

Costa Fuego Preliminary Economics Assessment (PEA) On-Track for Q2 2023

Unmarketable Parcel Share Sale Facility Opened

Strong Cash Balance of \$7.4 million

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

SUMMARY OF OPERATIONAL ACTIVITIES

Next Phase of Copper-Gold Growth Begins

In early January 2023, the Company commenced drilling across several extensional targets to the Cortadera copper-gold Mineral Resource, the centrepiece of the Company's coastal range, low-altitude, Costa Fuego senior copper development in Chile.

First-pass drilling, which comprised 23 drill holes for 7,700m, was completed in late March and planning is underway for a second phase of exploration drilling to commence in June.

Fourth Porphyry Confirmed at Cortadera

During the quarter, Hot Chili completed its first 3,000m drill commitment on the properties held under a two-year option agreement (the "Option") with Antofagasta Minerals ("AMSA") over the potential western extension of the Cortadera resource (see announcement dated 28th November 2022).

New assay results have recorded a significant drill intersection of shallow copper-gold porphyry mineralisation, confirming the presence of a fourth porphyry (Cuerpo 4) at Cortadera.

Diamond drill hole LD0001 was drilled as a confirmatory twin hole to historical AMSA drill hole COR-03 that intersected 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 depth (as announced on 28th November 2022).

LCD0001 has successfully returned a similar result to AMSA's hole, intersecting 120m grading 0.5% CuEq* (0.4% Cu, 0.2g/t Au from 22m depth down-hole to end of hole. Importantly, the wide intersection also included 38m grading 1.0% CuEq* (0.8% Cu, 0.4g/t Au) from 22m depth, or 18m grading 1.3% CuEq* (1.0% Cu, 0.5g/t Au) from 32m depth.

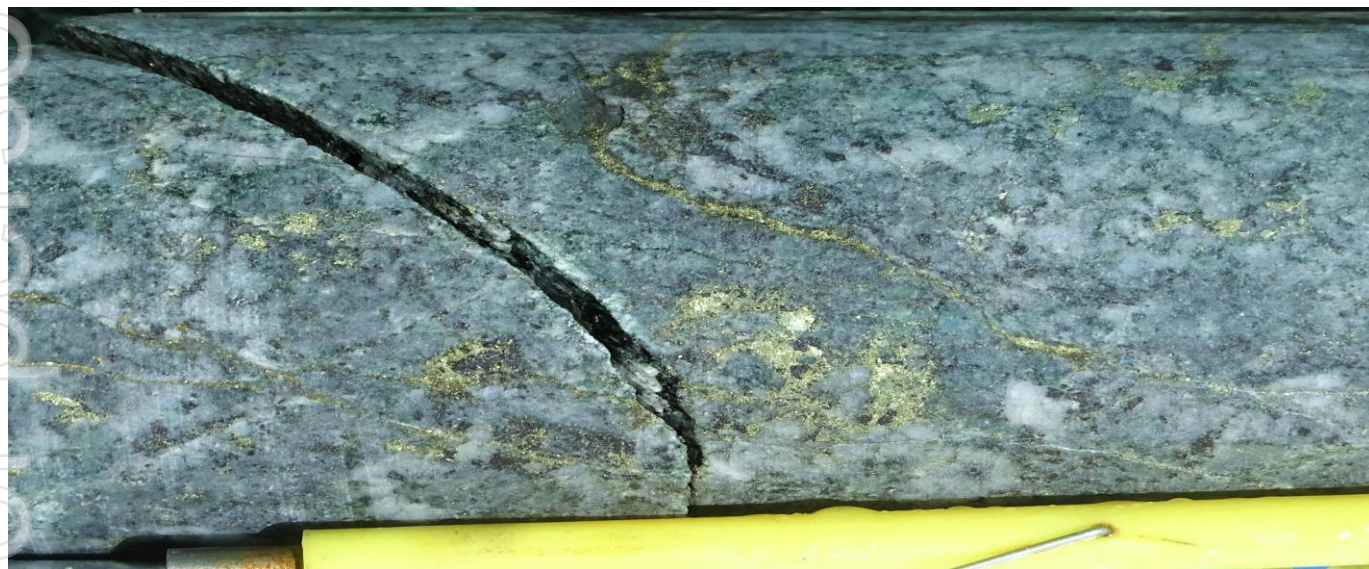


Figure 1. LCD0001 (56m depth) grading 1.0% Cu, 0.7g/t Au, 4.6g/t Ag. Tonalitic porphyry with sericite-chlorite alteration and 2% A-B porphyry vein abundance. Confirmation drill hole across new fourth porphyry at Cortadera

Sulphide mineralisation (chalcopyrite-pyrite) is primarily hosted within an early and intra-mineral stage tonalitic porphyry with sericite-chlorite-biotite alteration and 2 to 7% A-B porphyry vein abundance (typical of higher-grade sulphide porphyry mineralisation at the Cortadera resource).

Final results from shallow Reverse Circulation (RC) and Diamond (DD) drilling across Cuerpo 4 have added further definition, confirming a zone of near-surface, low-grade mineralisation measuring approximately 350m in strike extent.

Mineralisation across Cuerpo 4 is shallow and open along strike toward Cortadera North and to the SSW. Sulphide mineralisation (chalcopyrite-pyrite) occurs both in the tonalitic porphyry and proximal skarn units, with local zones of copper enrichment associated with logged chalcopyrite, chalcocite and minor covellite.

The Company plans to review the results of its first phase of drilling with AMSA prior to the design of the remaining 3,000m drill commitment required to exercise the Option to acquire the mining leases. Advanced 3D modelling is also being completed to assist in the design of the deeper holes to test below Cuerpo 4.

Cuerpo 1 Resource Growth Potential Expanding

During the quarter, the Company also confirmed potential for a significant depth extension to the current Mineral Resource below Cuerpo 1 at Cortadera.

Diamond drill hole CORMET001 was completed to a depth of 350m in April 2022 and confirmed significant mineralisation below the defined limits of the Cuerpo 1 Mineral Resource, with the hole ending in 6m grading 0.6% Cu in mineralised porphyry (as announced 29th April 2022).

The Company has also extended diamond drill hole CORMET001, and completed a further five drill holes below Cuerpo 1. Assay results received during quarter from this drilling confirm a significant extension to mineralisation below the current Mineral Resource, intersecting mineralised porphyry (early- and intra-mineral) up to 300m below the Indicated Mineral Resource for Cuerpo 1.

Significant intersections recorded to date include:

- **270m grading 0.5% CuEq*** (0.4% Cu, 0.1g/t Au) **from surface** (CRP0202D)
*including 114m grading 0.7% CuEq** (0.6% Cu, 0.1g/t Au) *from 70m depth,*
*or including 60m grading 0.9% CuEq** (0.8% Cu, 0.1g/t Au) *from 110m depth*
- **54m grading 0.5% CuEq*** (0.4% Cu, 0.1g/t Au, 55ppm Mo) **from surface** (CRP0201D)
- **84m grading 0.4% CuEq*** (0.4% Cu) from 336m (CORMET001¹)
*including 26m grading 0.6% CuEq** (0.6% Cu, 0.1g/t Au) *from 374m depth.*
- **256m grading 0.3% CuEq*** (0.3% Cu) from 192m depth (CRP0200D)
*including 36m grading 0.5% CuEq** (0.5% Cu, 0.1g/t Au) *from 210m depth,*
*and including 74m grading 0.4% CuEq** (0.4% Cu) *from 374m depth*

¹Note that this intersection includes an interval from 336m to 350m previously reported in April 2022.

Next Drill Phase Planned to Commence in June 2023

The Company is advanced with preparations for the commencement of a second phase of exploration drilling across its Costa Fuego landholding in June this year.

Access and drill platform clearing is complete across the Company's Cortadera North target and planning is underway to commence clearing across the Corroteo target, located 5km southeast of Cortadera and viewed as a potential Productora "look-alike" target.

The next drill phase will comprise approximately 6,000m to 8,000m of drilling.

Costa Fuego PEA On-Track for Q2 2023

The Costa Fuego PEA is in the final stages of completion and is expected to be released in June 2023.

The Company's study team has added a low-grade sulphide leach option and fully optimised mine scheduling and cost estimation ahead of financial modelling, final independent review, and sign-off by leading independent consultant Wood.

The Company anticipates positive economics for Costa Fuego as a combined open pit and underground mining hub with centralised processing for a conventional 20Mtpa throughput sulphide concentrator and SX/EW plant, producing both copper-gold concentrate and copper cathode. The PEA study scale is targeting potential annual metal production up to 100kt of copper and up to 50koz of gold, with additional molybdenum and silver credits.

The operation would take advantage of proximity to existing infrastructure including power, roads, ports and already-permitted sea water supply to deliver significantly reduced development timelines. The operation also looks set to maintain a low carbon intensity by avoiding power intensive desalination plants and accessing abundant renewable energy in the Chilean power market.

Hot Chili plans to release a Pre-feasibility Study (PFS) for Costa Fuego in 2024 following completion of its current Mineral Resource growth drilling. This will assess the potential for expanding metal production.

SUMMARY OF CORPORATE ACTIVITIES

Unmarketable Parcel Share Sale Facility

The Company established a share sale facility (Facility) for shareholders who hold fully paid ordinary shares on the Australian register of the Company (Shares) valued at less than A\$500. Unmarketable Parcels can be difficult or expensive to sell, so the Company is offering the Facility to enable eligible shareholders at record date who hold less than A\$500 worth of shares at the closing date to sell their shares without having to act through a broker or pay brokerage or handling fees. The Company will pay all costs associated with the sale and transfer of shares through the Facility (excluding any tax consequences of the sales, which will be the responsibility of the relevant shareholder)

The Facility, while benefitting small shareholders, will also benefit the Company as it is expected to reduce the administration costs associated with maintaining a large number of shareholdings on the Company's share register.

The key dates in relation to the facility are set out below:

| EVENT | DATE |
|---|--|
| Record Date for establishing Unmarketable Parcel holders | Wednesday, 5 April 2023, 5:00pm (AWST) |
| ASX Announcement Regarding Unmarketable Parcel Sale Facility | Thursday 6 April 2023 |
| Shareholder Letter and Retention Form despatched to Unmarketable Parcel Holders | Friday 14 April 2023 |
| Closing date for receipt of completed Retention Forms | Thursday 25 May 2023 3:00pm (AWST) |

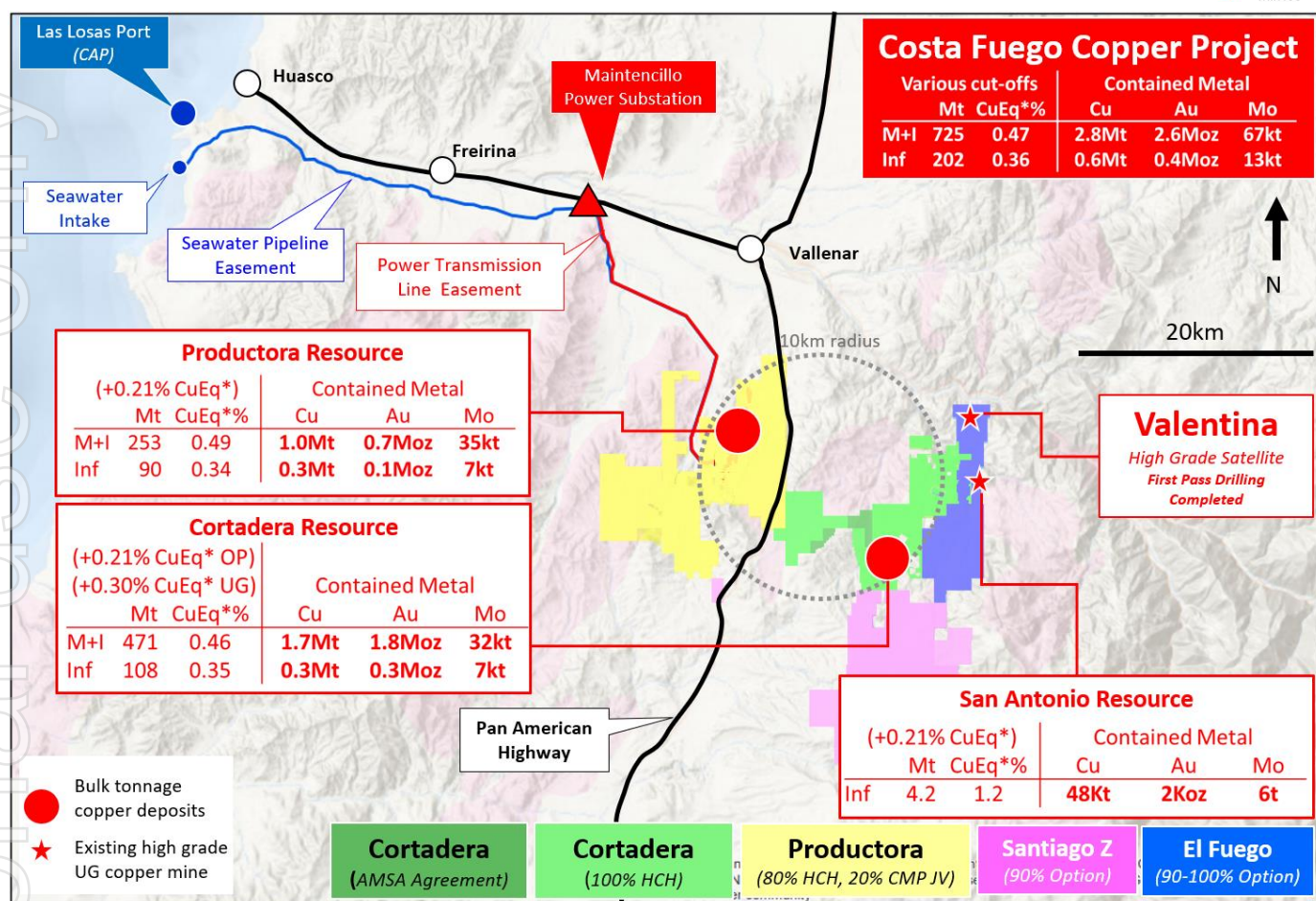


Figure 2 Location of Productora, Cortadera and San Antonio deposits in relation to the coastal range infrastructure of Hot Chili's combined Costa Fuego copper project, located 600km north of Santiago in Chile

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

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

For disclosure of the Mineral Resources by category and individual metal, please see Table 5 below.

Table 1 Significant Drill Results Reported for Costa Fuego in Q1 2023

| Hole_ID | Coordinates | | | Azim | Dip | Hole Depth | Intersection | | Interval (m) | Copper (%) | Gold (g/t) | Silver (ppm) | Molybdenum (ppm) | Cu Eq (%) |
|-----------|-------------|--------|-----|------|-----|------------|--------------|-----|--------------|------------|------------|--------------|------------------|-----------|
| | North | East | RL | | | | From | To | | | | | | |
| CRP0200D | 6814269 | 334736 | 979 | 60 | -75 | 624 | 192 | 448 | 256 | 0.3 | 0.0 | 0.5 | 20 | 0.3 |
| | | | | | | | 210 | 246 | 36 | 0.5 | 0.1 | 0.6 | 5 | 0.5 |
| | | | | | | | 374 | 448 | 74 | 0.4 | 0.0 | 0.6 | 19 | 0.4 |
| CRP0201D | 6814340 | 335204 | 960 | 272 | -57 | 582.5 | 0 | 54 | 54 | 0.4 | 0.1 | 1.1 | 55 | 0.5 |
| | | | | | | | 384 | 426 | 42 | 0.3 | 0.0 | 0.5 | 49 | 0.3 |
| | | | | | | | 434 | 498 | 64 | 0.3 | 0.0 | 0.7 | 122 | 0.3 |
| | | | | | | Incl | 478 | 492 | 14 | 0.5 | 0.0 | 1.2 | 96 | 0.5 |
| CRP0202D | 6814249 | 334834 | 975 | 268 | -84 | 534 | 0 | 470 | 470 | 0.3 | 0.0 | 0.8 | 38 | 0.4 |
| | | | | | | Incl | 0 | 270 | 270 | 0.4 | 0.1 | 1.2 | 21 | 0.5 |
| | | | | | | & Incl | 70 | 184 | 114 | 0.6 | 0.1 | 1.9 | 5 | 0.7 |
| | | | | | | & Incl | 110 | 170 | 60 | 0.8 | 0.1 | 2.5 | 4 | 0.9 |
| CORMET001 | 6814269 | 334736 | 976 | 74 | -60 | 611 | 222 | 611 | 389 | 0.2 | 0.0 | 0.5 | 21 | 0.2 |
| | | | | | | Incl | 336 | 420 | 84 | 0.4 | 0.0 | 0.7 | 15 | 0.4 |
| | | | | | | Or Incl | 374 | 400 | 26 | 0.6 | 0.1 | 1.0 | 15 | 0.6 |
| | | | | | | & Incl | 446 | 454 | 8 | 0.3 | 0.0 | 0.4 | 42 | 0.3 |
| | | | | | | & Incl | 470 | 550 | 80 | 0.3 | 0.0 | 0.5 | 35 | 0.3 |
| LCD0001 | 6815719 | 334574 | 870 | 61 | -57 | 142 | 22 | 142 | 120 | 0.4 | 0.2 | 1.0 | 2 | 0.5 |
| | | | | | | Incl | 22 | 60 | 38 | 0.8 | 0.4 | 2.4 | 2 | 1.0 |
| | | | | | | Or Incl | 32 | 50 | 18 | 1.0 | 0.5 | 2.9 | 3 | 1.3 |
| LCP0002D | 6815565 | 334572 | 867 | 159 | -69 | 300 | 65 | 118 | 53 | 0.1 | 0.0 | 0.4 | 6 | 0.1 |
| | | | | | | | 227 | 300 | 73 | 0.1 | 0.0 | 0.3 | 5 | 0.1 |
| LCP0003D | 6815565 | 334599 | 875 | 92 | -76 | 406.2 | 10 | 58 | 48 | 0.2 | 0.0 | 0.6 | 65 | 0.2 |
| | | | | | | | 18 | 22 | 4 | 0.3 | 0.0 | 0.6 | 50 | 0.4 |
| | | | | | | | 248 | 252 | 4 | 0.3 | 0.0 | 0.6 | 3 | 0.3 |
| LCP0004 | 6815830 | 334609 | 870 | 89 | -60 | 300 | 12 | 192 | 180 | 0.1 | 0.0 | 0.3 | 14 | 0.1 |
| LCP0005 | 6815713 | 334566 | 869 | 229 | -64 | 300 | 34 | 142 | 108 | 0.1 | 0.0 | 0.3 | 19 | 0.1 |
| LCD0006 | 6815677 | 334540 | 872 | 135 | -60 | 167.2 | 12 | 148 | 136 | 0.2 | 0.1 | 0.5 | 18 | 0.2 |
| | | | | | | Incl | 22 | 42 | 20 | 0.4 | 0.2 | 1.0 | 16 | 0.5 |
| | | | | | | Or Incl | 24 | 28 | 4 | 0.8 | 0.3 | 2.1 | 38 | 1.0 |
| LCP0007 | 6815711 | 334575 | 870 | 120 | -69 | 300 | 108 | 288 | 180 | 0.1 | 0.0 | 0.4 | 3 | 0.1 |
| | | | | | | Incl | 108 | 120 | 12 | 0.2 | 0.0 | 0.5 | 1 | 0.2 |
| | | | | | | Or Incl | 108 | 114 | 6 | 0.3 | 0.1 | 0.8 | 2 | 0.3 |
| LCP0008 | 6815473 | 334488 | 879 | 291 | -59 | 300 | 12 | 266 | 254 | 0.1 | 0.0 | 0.3 | 13 | 0.1 |
| | | | | | | Incl | 12 | 46 | 34 | 0.2 | 0.0 | 0.8 | 16 | 0.2 |
| LCP0009 | 6815560 | 334598 | 875 | 290 | -57 | 192 | 30 | 114 | 84 | 0.1 | 0.0 | 0.3 | 37 | 0.1 |
| LCP0011 | 6815560 | 334598 | 918 | 45 | -60 | 257 | 6 | 40 | 34 | 0.2 | 0.0 | 0.4 | 64 | 0.3 |
| | | | | | | Incl | 10 | 12 | 2 | 0.5 | 0.1 | 1.4 | 57 | 0.5 |
| | | | | | | & incl | 18 | 22 | 4 | 0.4 | 0.2 | 0.4 | 183 | 0.5 |

| Hole_ID | Coordinates | | | Azim | Dip | Hole Depth | Intersection | | Interval (m) | Copper (%) | Gold (g/t) | Silver (ppm) | Molybdenum (ppm) | Cu Eq (%) |
|---------|-------------|--------|-----|------|-----|------------|--------------|-----|--------------|------------|------------|--------------|------------------|-----------|
| | North | East | RL | | | | From | To | | | | | | |
| LCP0012 | 6815473 | 334493 | 918 | 45 | -60 | 264 | 30 | 70 | 40 | 0.1 | 0.0 | 0.6 | 45 | 0.1 |
| LCP0013 | 6814886 | 334488 | 918 | 45 | -60 | 132 | 226 | 238 | 12 | 0.2 | 0.0 | 0.4 | 2 | 0.2 |
| LCP0014 | 6814436 | 334770 | 918 | 45 | -60 | 300 | 0 | 96 | 96 | 0.1 | 0.0 | 0.4 | 13 | 0.1 |
| LCP0015 | 6814137 | 334484 | 931 | 255 | -60 | 300 | 204 | 208 | 4 | 0.3 | 0.0 | 0.6 | 1 | 0.3 |
| | | | | | | | 288 | 298 | 10 | 0.3 | 0.0 | 2.2 | 10 | 0.3 |

Notes to Table 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: $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_{\text{recovery}}) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_{\text{recovery}}) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_{\text{recovery}}) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_{\text{recovery}})) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu_{\text{recovery}})$. The Metal Prices applied in the 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 Drillhole previously reported up to 350m (see 'Cortadera Delivers Another Strong Result' dated 29th April 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 Q1 2023

| Quarter Drilled | Prospect | Hole_ID | North | East | RL | Depth | Azimuth | Dip | Results |
|-----------------|--------------------|-----------|---------|--------|-----|-------|---------|-----|--------------------------------|
| Q1 2023 | Cuerpo 1 | CORMET001 | 6814264 | 334738 | 970 | 611 | 74 | -60 | Updated result returned Q2 |
| Q1 2023 | Cuerpo 1 | CRP0198D | 6814527 | 334871 | 957 | 553 | 74 | 156 | NSR |
| Q1 2023 | Cortadera North | CRP0199 | 6815957 | 334838 | 911 | 318 | 57 | 68 | NSR |
| Q1 2023 | Cuerpo 1 | CRP0200D | 6814269 | 334737 | 979 | 625 | 75 | 61 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 1 | CRP0201D | 6814347 | 335033 | 958 | 583 | 57 | 272 | Updated result returned Q2 |
| Q1 2023 | Cuerpo 1 | CRP0202D | 6814249 | 334834 | 965 | 534 | 84 | 269 | Updated result returned Q2 |
| Q1 2023 | Cuerpo 1 | CRP0203 | 6814233 | 334954 | 978 | 192 | 86 | 34 | NSR |
| Q1 2023 | Cuerpo 4 | LCD0001 | 6815718 | 334574 | 867 | 142 | 57 | 61 | Significant result returned Q1 |
| Q1 2023 | Cuerpo 4 | LCD0006 | 6815681 | 334536 | 867 | 167 | 60 | 135 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0002D | 6815785 | 334571 | 865 | 300 | 69 | 159 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0003D | 6815568 | 334596 | 871 | 406 | 76 | 92 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0004 | 6815833 | 334609 | 864 | 300 | 60 | 89 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0005 | 6815719 | 334563 | 868 | 300 | 64 | 229 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0007 | 6815717 | 334572 | 867 | 300 | 69 | 120 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0008 | 6815477 | 334488 | 872 | 300 | 59 | 291 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0009 | 6815570 | 334591 | 871 | 192 | 57 | 291 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0010 | 6815721 | 334571 | 870 | 156 | 57 | 270 | NSR |
| Q1 2023 | Cuerpo 4 | LCP0011 | 6815560 | 334598 | 875 | 257 | 57 | 130 | Significant result returned Q2 |
| Q1 2023 | Cuerpo 4 | LCP0012 | 6815472 | 334499 | 875 | 264 | 56 | 125 | Significant result returned Q2 |
| Q1 2023 | Las Canas Target 2 | LCP0013 | 6814883 | 334496 | 890 | 300 | 60 | 240 | Significant result returned Q2 |
| Q1 2023 | Las Canas Target 3 | LCP0014 | 6814436 | 334765 | 931 | 300 | 60 | 255 | Significant result returned Q2 |
| Q1 2023 | Las Canas Target 3 | LCP0015 | 6814137 | 334484 | 918 | 300 | 60 | 45 | Significant result returned Q2 |
| Q1 2023 | Las Canas Target 3 | LCP0016 | 6814548 | 334491 | 904 | 300 | 60 | 90 | Significant result returned Q2 |

Note 1: NSR – no significant intersection recorded.

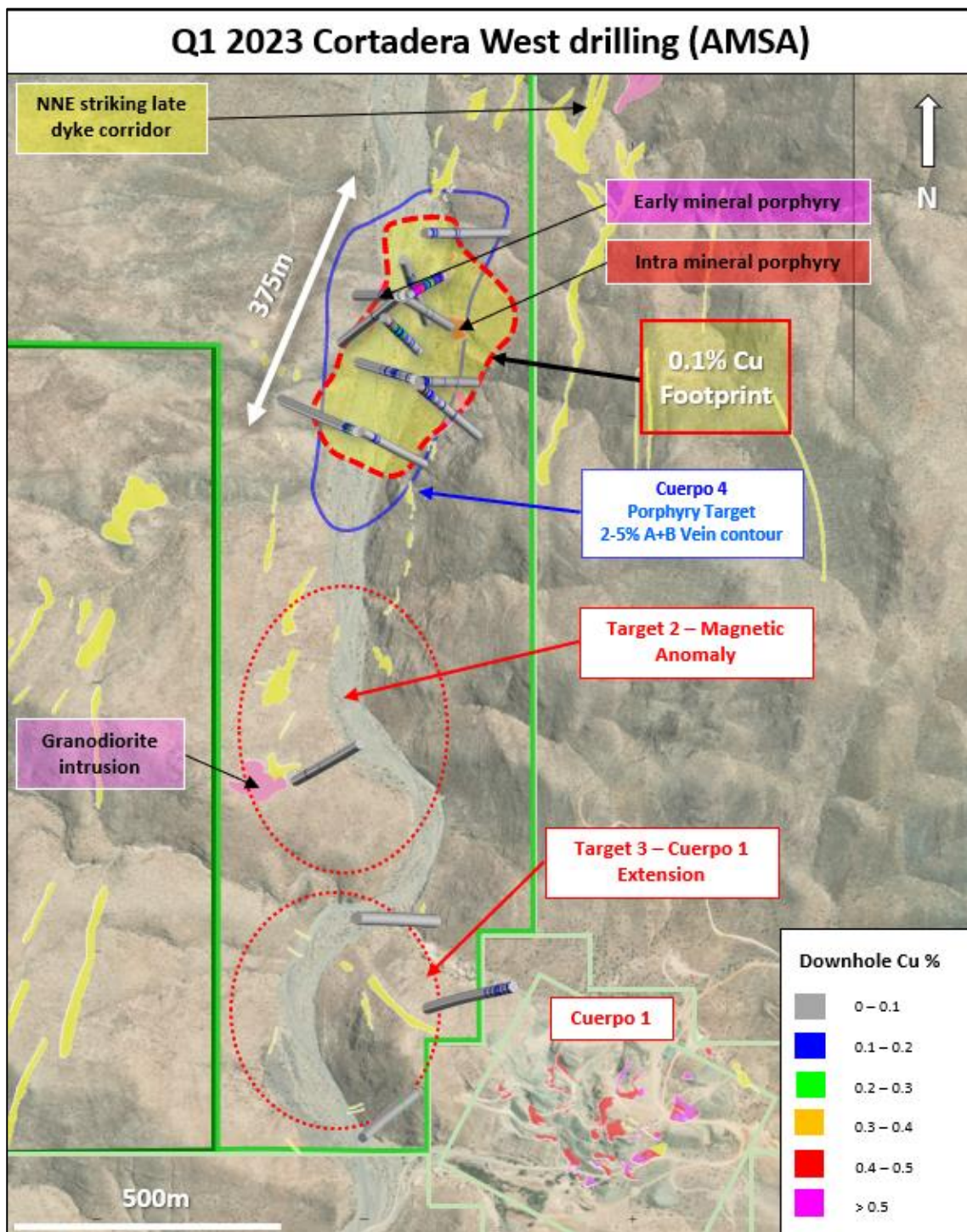


Figure 3. Plan view across the Cortadera West tenements (AMSA) displaying surface mapping and the collar locations of drilling returned during the quarter.

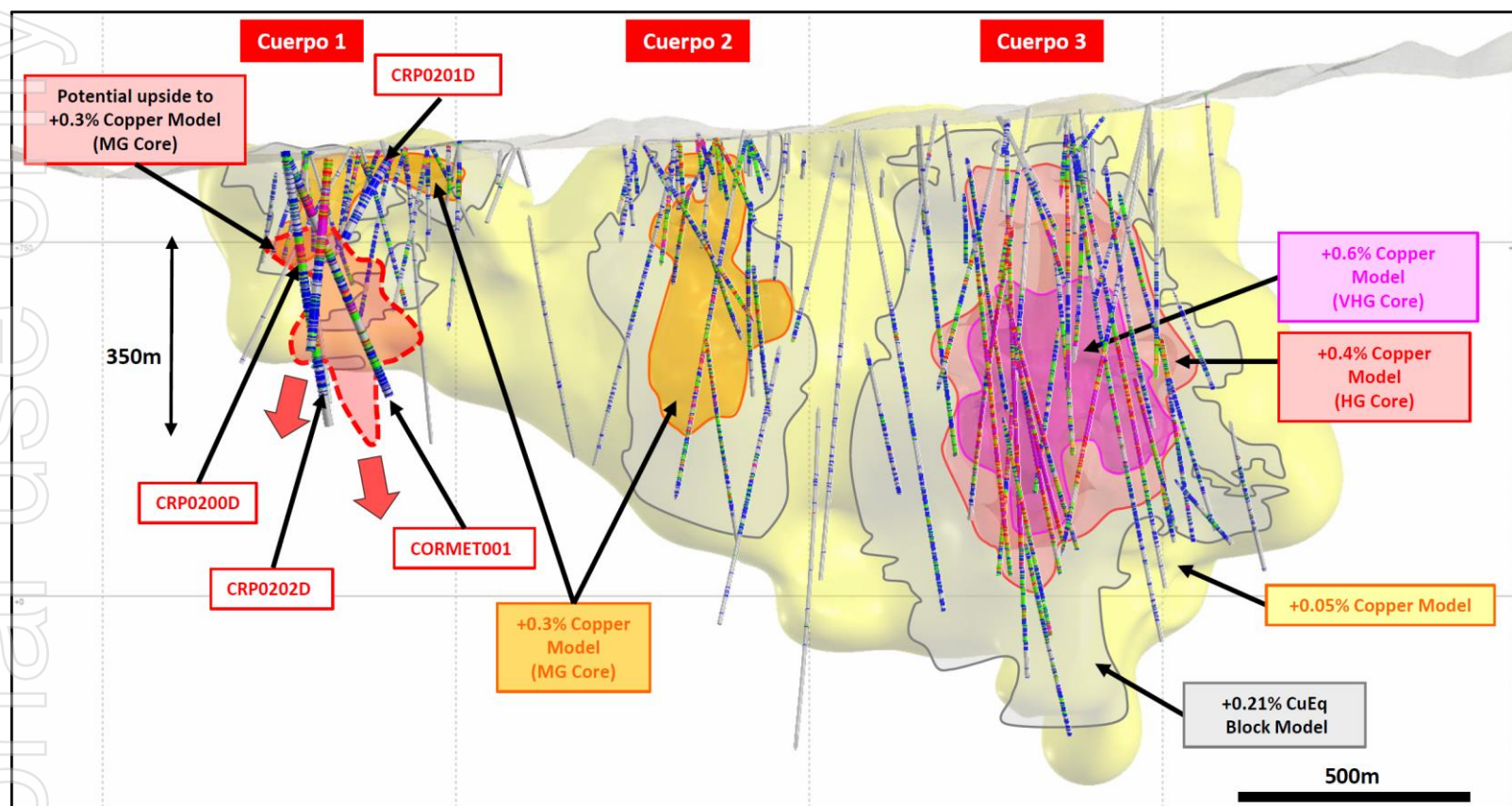


Figure 4. Long section view showing location of Cortadera Resource Extension drillholes into Cuerpo 1 and the potential growth of the +0.3% copper model (MG Core).

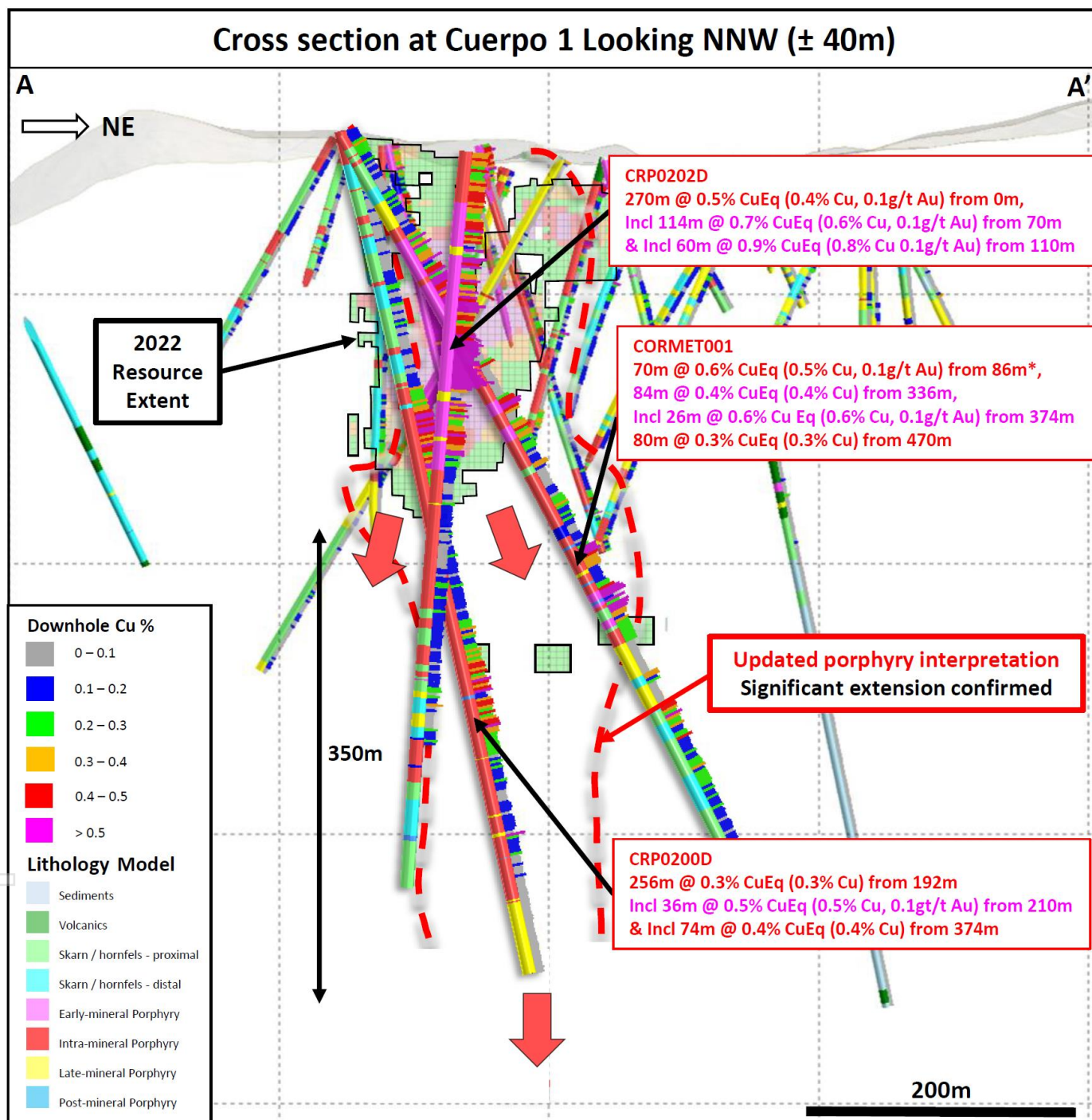


Figure 5. Cross-section looking NNW displaying new drillholes at Cuerpo 1 with an updated porphyry interpretation relative to the 2022 Resource model (+0.21% CuEq blocks outlined). Lithology shown on the trace, Cu% assays shown as histograms downhole.

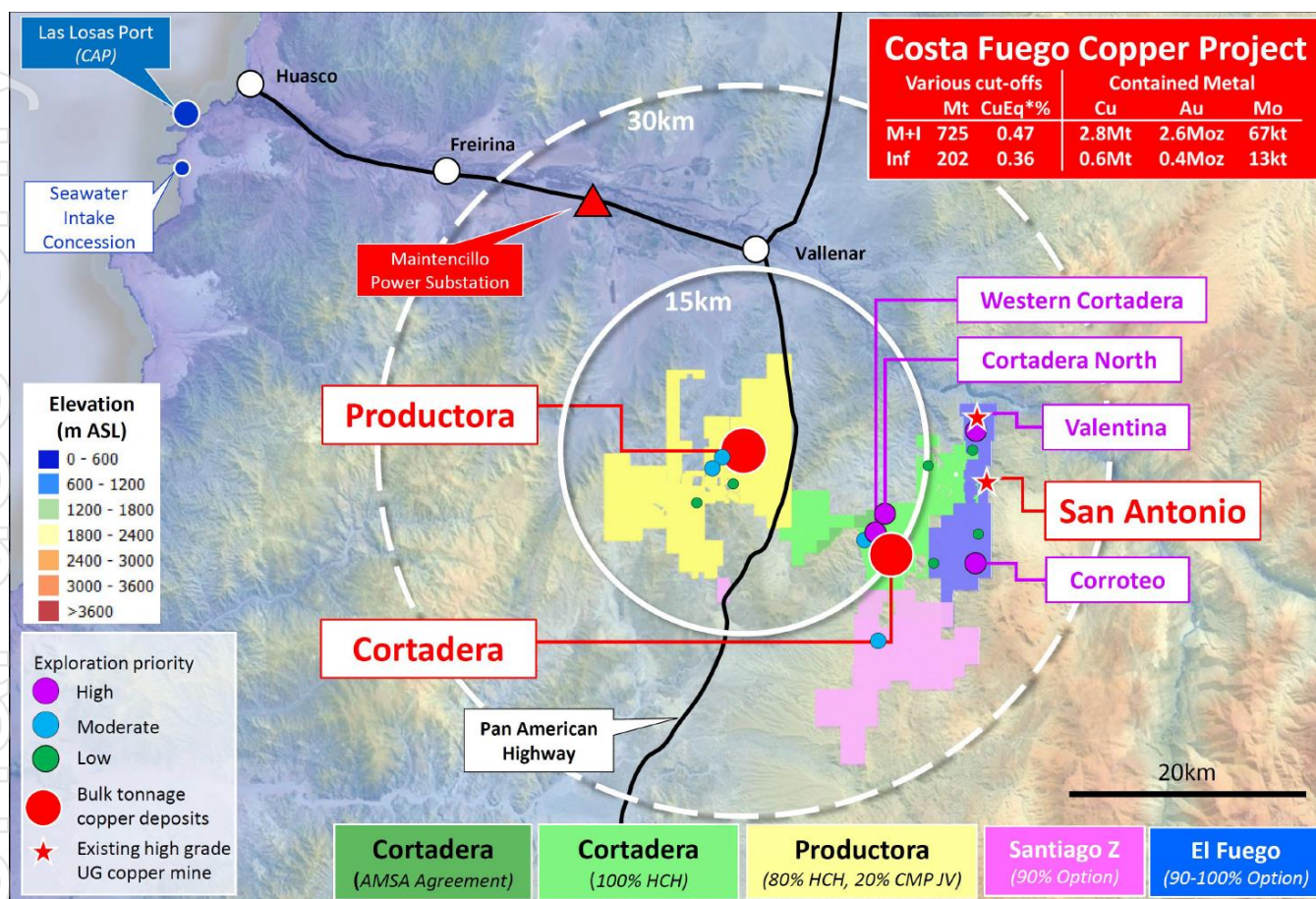


Figure 6. Location of future growth pipeline exploration targets at Costa Fuego, relative to existing resources.

Note: For disclosure of the Mineral Resources by category and grade of each metal used to establish the copper equivalent grades, please see Qualifying Statements 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 March 2023

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 \$136,832. This is comprised of directors' salaries and superannuation.

Contact

Mr Christian Easterday
Managing Director
E: admin@hotchili.net.au

Health, Safety, Environment and Quality

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.

One safety incident was recorded during the quarter. A drilling contractor fractures his right thumb due to incorrect tool handling.

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 1 2023 Performance and Statistics

| Deposit | Productora | | Cortadera | | Valentina | | San Antonio | | Santiago Z | | Las Cañas | |
|------------------------------------|------------|------|-----------|-------|-----------|------|-------------|------|------------|------|-----------|------|
| Timeframe | Q1 2023 | Cum. | Q1 2023 | Cum. | Q1 2023 | Cum. | Q1 2023 | Cum. | Q1 2023 | Cum. | Q1 2023 | Cum. |
| LTI events | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| NLTI events | 0 | 0 | 1 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Dayslost | 0 | 0 | 0 | 152 | 0 | 0 | 0 | 0 | 0 | 0 | 23 | 23 |
| LTIFRindex | 0 | 0 | 0 | 24 | 0 | 0 | 0 | 0 | 0 | 0 | 170 | 170 |
| ISRindex | 0 | 0 | 0 | 610 | 0 | 0 | 0 | 0 | 0 | 0 | 3899 | 3899 |
| IFRIndex | 0 | 40,7 | 70 | 44 | 0 | 0 | 0 | 0 | 0 | 0 | 339 | 339 |
| Thousands of Manhours ¹ | 1.7 | 49.1 | 14.4 | 249.3 | 0 | 0 | 0 | 0 | 0 | 0 | 5.9 | 5.9 |
| Incidents on materials and assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Environmental Incidents | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Headcount ² | 4 | 11 | 37 | 38 | 0 | 10 | 0 | 9 | 0 | 3 | 21 | 21 |

Notes: HSEQ is the acronym for Health, Safety, Environment and Quality. LTIFR per million-manhours. Safety performance is reported on a monthly basis to the National Mine Safety Authority on a standard E-100 form; (1) manhours; (2) Average monthly headcount (3) Cumulative statistics since April 2019.

Tenement Changes During the Quarter

During the Quarter, the Company has requested the conversion of the mining exploration concessions Porfiada A 1/40, Porfiada E 1/20, Porfiada F 1/60, Porfiada VII 1/60, Porfiada VIII 1/60, Porfiada IX 1/60 and Chili 10 (7 in total) into exploitation rights, so as to retain preference over third parties.

Table 4. Current Tenement (Patente) Holdings in Chile as at 31 March 2023

Cortadera Project

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Details |
|--------------------------|-------------------|---------------|-----------|-------------------|
| 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 | NSR 1.5% |

Note. Frontera SpA is a 100% owned subsidiary company of Hot Chili Limited

Productora Project

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Details |
|-----------------|--------------|---------------|-----------|-------------------|
| 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 | |
| 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 | NSR 3% |

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Details |
|----------------------|--------------|---------------|-----------|--|
| 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 US\$250,000 per year (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 | |

| License ID | HCH % Held | HCH % Earning | Area (ha) | Agreement Details |
|-------------|--------------|---------------|-----------|-------------------|
| ZAPA 1 – 6 | 80% SMEA SpA | | 6 | NSR 1% |
| JULIETA 1-4 | 80% SMEA SpA | | 4 | |

Note. SMEA SpA is subsidiary company - 80% owned by Hot Chili Limited, 20% owned by CMP (Compañía Minera del Pacífico)

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. |
| Santiago 37 al 43 | | 90% Frontera SpA | 26 | 6 year term. |
| Santiago A, 1 al 26 | | 90% Frontera SpA | 236 | USD 300,000 already paid. |
| Santiago B, 1 al 20 | | 90% Frontera SpA | 200 | USD 300,000 to be paid by September 7, 2023 |
| Santiago C, 1 al 30 | | 90% Frontera SpA | 300 | USD 6,500,000 final exercise payment to be paid by September 7, 2024. |
| 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 | |
| Kreta 1 al 4 | | 90% Frontera SpA | 16 | |
| Mari 1 al 12 | | 90% Frontera SpA | 64 | |
| PORFIADA VII | | 90% Frontera SpA | 300 | |
| PORFIADA VIII | | 90% Frontera SpA | 300 | |
| PORFIADA IX | | 90% Frontera SpA | 300 | |
| PORFIADA X | | 90% Frontera SpA | 200 | |
| PORFIADA A | | 90% Frontera SpA | 200 | |
| 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 | |
| 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 | | 93 | |
| 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 1/30 | | 100% Frontera SpA | 300 | 100% HCH Purchase Option Agreement |
| PORFIADA I | | 100% Frontera SpA | 300 | USD 200,000 already paid. |
| PORFIADA II | | 100% Frontera SpA | 300 | USD 400,000 to be paid by January 22, 2024. |
| PORFIADA III | | 100% Frontera SpA | 300 | NSR 1.5% |
| 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 |
| SAN JUAN SUR 6/23 | | 90% Frontera SpA | 90 | USD 150,000 by June 1, 2023. USD 4,000,000 by June 1, 2024. |
| CHILIS 1 | 100% Frontera SpA | | 200 | |

| Licence ID | HCH % Held | HCH % Earning | Area (ha) | Exploration and Expenditure Commitment-Payments |
|-----------------------|-------------------|---------------|-----------|---|
| 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 | |
| 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 | |
| CHAPULIN COLORADO 1/3 | 100% Frontera SpA | | 3 | |
| PEGGY SUE 1/10 | 100% Frontera SpA | | 100 | |
| DONA FELIPA | 100% Frontera SpA | | 50 | |
| ELEANOR RIGBY 1/10 | 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 | |
| ARBOLEDA 7 1/2 | Opcion AMSA | | 234 | |
| NAVARRO 1 41/60 | Opcion AMSA | | 81 | |
| NAVARRO 2 21/37 | Opcion AMSA | | 78 | |
| MONICA 21/40 | Opcion AMSA | | 85 | |
| MONICA 41/52 | Opcion AMSA | | 39 | |

Note. Frontera SpA is a 100% owned subsidiary company of Hot Chili Limited

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 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 |
| (+0.30% 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 Mineral 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 standards and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

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

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

These Mineral Resource estimates include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resource with continued exploration

Table 6. Productora Deposit Mineral Resource Estimate, March 2022

| Productora 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 | 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 Mineral 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 standards and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Mineral Resource reported at +0.21% CuEq for open pit

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

These Mineral Resource estimates include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resource with continued exploration

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

| San Antonio 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) |
| 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 standards and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Mineral Resource reported at +0.21% CuEq for open pit

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

These Mineral Resource estimates include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resource with continued exploration

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 |
| (+0.21% CuEq*) | (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 Mineral 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 standards and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.

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

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

These Mineral Resource estimates include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resource with continued exploration

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 Australasian 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.

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: the timing for completion of the PEA; the timing for completion, if at all, of a pre-feasibility study; 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. Forward-looking statements are frequently characterised by words such as "potential", "guidance", "forecast", "expand", "extend", "initial", "anticipate", "plan", "expect", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "should", "will" or "would" occur. Forward-looking statements are based on the opinions and estimates of the Company at the date the statements are made and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct. 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 March 2023

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (1,523) | (11,239) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (594) | (1,409) |
| | (e) administration and corporate costs | (1,123) | (2,655) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 64 | 129 |
| 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 | (3,176) | (15,174) |

| | | | |
|-----------|---|-------|---------|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | (328) | (1,232) |
| | (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 (9 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 | (328) | (1,232) |

| | | | |
|-----------|---|----------|----------|
| 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 | - | - |
| 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 | - | - |

| | | | |
|-----------|--|---------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 10,814 | 23,722 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (3,176) | (15,174) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (328) | (1,232) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | 79 | 73 |
| 4.6 | Cash and cash equivalents at end of period | 7,389 | 7,389 |

| 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 | 4,740 | 4,625 |
| 5.2 | Call deposits | 2,649 | 6,189 |
| 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) | 7,389 | 10,814 |

| 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 | 137 |
| 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.</i> <i>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) | (3,176) |
| 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) | (3,176) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 7,389 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 7,389 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 2.33 |
| <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 April 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.