ASX Announcement

Tuesday 1st December 2020

$25.6M Institutional Placement to Secure Cortadera Copper-Gold Discovery and Accelerate Drilling

Highlights

- **Successful A$25.6M private placement led and supported by several of Australia's top resource funds**
- **New funds satisfy next acquisition payment of US$10M for the Cortadera copper-gold discovery in Chile, ensuring 100% control is maintained**
- **An aggressive 40,000m Phase-4 drill programme at Cortadera is now fully funded for 2021 and set to be significantly accelerated to five shifts of drilling per day using three drill rigs**
- **Expansion drilling at Cortadera has recorded a second 500m wide intersection of porphyry mineralisation - results pending**
- **Resource upgrades over the next 12 months expected to add significantly to the Company's combined Costa Fuego development, currently standing at 2.9Mt copper, 2.7Moz gold, 9.9Moz silver and 64kt molybdenum** *(as announced to ASX on 12th October 2020)*

Hot Chili Limited (ASX Code: HCH) ("Hot Chili" or the "Company") is pleased to announce that it has successfully arranged a $25.6 million institutional-led private placement to sophisticated and professional investors through the issue of shares at 4.2 cent per share (the "Placement"). Veritas Securities acted as lead manager to the Placement.

Funds from the Placement will primarily be used for payment of the second instalment of US$10 million for the 100% acquisition of the Cortadera copper-gold discovery and commencement of a 40,000m Phase-4 drill campaign. Phase-4 drilling is scheduled to commence early in the New Year utilising two Diamond (DD) drill rigs and one Reverse Circulation (RC) drill rig based on five shifts of drilling per day.

The Placement clears the way for Hot Chili to maintain its control over the world-class Cortadera copper-gold discovery and fund an aggressive growth strategy at a time of resurgent copper and gold price conditions.

Ongoing expansion drilling has recorded further exceptional widths of porphyry mineralisation, continuing Cortadera's strong run of results.

Hot Chili's Managing Director Christian Easterday said "the institutional backing of the Placement was pleasing and a strong endorsement of Hot Chili's growth strategy and continuing success at Cortadera."

"This funding provides certainty over our ability to deliver multiple catalysts in the year ahead."

"With copper price at seven-year highs, we are poised to accelerate our plans for Cortadera and position the Costa Fuego coastal copper project as one of the world's leading new copper developments."

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Upcoming News Flow

The Company plans to provide several drilling and operational updates over the coming weeks following strong advancement across multiple work streams, including:

- **Expansion DD drill results pending from Cuerpo 2 at Cortadera** (CRP0053D). Preliminary details of a broad 500m intersection of porphyry mineralisation recorded in CRP0053D were reported to ASX on 11th November.

- **The current DD drill hole from Cuerpo 3 at Cortadera** (CRP0052D) is drilling to a planned down-hole depth of 1,200m, testing the south-east extension of the main porphyry. CRP0052D has also recorded a broad 500m intersection of porphyry mineralisation and still remains in mineralisation at its current depth of approximately 1,000m.

  Between 500m and 1,000m down-hole depth, CRP0052D recorded a visual estimate of 0.5% - 3.0% chalcopyrite contained as fine dissemination and in association with 1% to 10% B-vein abundance. Visual estimates of sulphide minerals are not an accurate representation of expected assay value and are provided for indicative purposes only.

- **First pass RC drill results across the Cortadera North target**. The first four holes across the large surface molybdenum anomaly at Cortadera North have been completed with results pending. Clearing is now underway to provide access to the remaining six planned drill holes which will target the large Induced Polarisation (IP) chargeability anomaly and areas of outcropping copper-bearing B-veins.

- **Lease mining and processing of high grade ore at Productora**. Ramp-up of production is continuing and the Company expects to provide an update shortly on ongoing discussions related to expansion of production with Chilean government agency ENAMI.

Details of the Placement

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

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

A total of 353,963,243 new shares will be issued within the Company's 15% placement capacity under listing rule 7.1 and a total of 243,931,995 new shares will be issued within the Company's additional 10% placement capacity under listing rule 7.1A.

Following the issue of the Placement shares, the Company's remaining placement capacity under listing rule 7.1 and 7.1A will be 11,934,749 ordinary securities.

The issue of 11,904,762 shares to Blue Spec Sondajes Chile SpA, a Company associated with Hot Chili's chairman Murray Black, under Tranche 2 of the Placement will be subject to shareholder approval.

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Each new share will be issued at a price of 4.2 cents.

The Company will convene a general meeting seeking shareholder approval of the issue of Tranche 2 Placement shares, anticipated to be late-January 2021.

The issue price of 4.2 cents per new share represents a 14% discount to the Company's last closing price and an 18% discount to the 15-day VWAP of Hot Chili shares prior to the trading halt announced on Monday 16th November 2020.

Shares issued under the Placement will be fully paid ordinary shares in the Company and will rank equally with shares currently on issue.

Settlement and issue of the Placement shares is expected to occur on or around Friday 4th December 2020.

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

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or visit Hot Chili's website at www.hotchili.net.au

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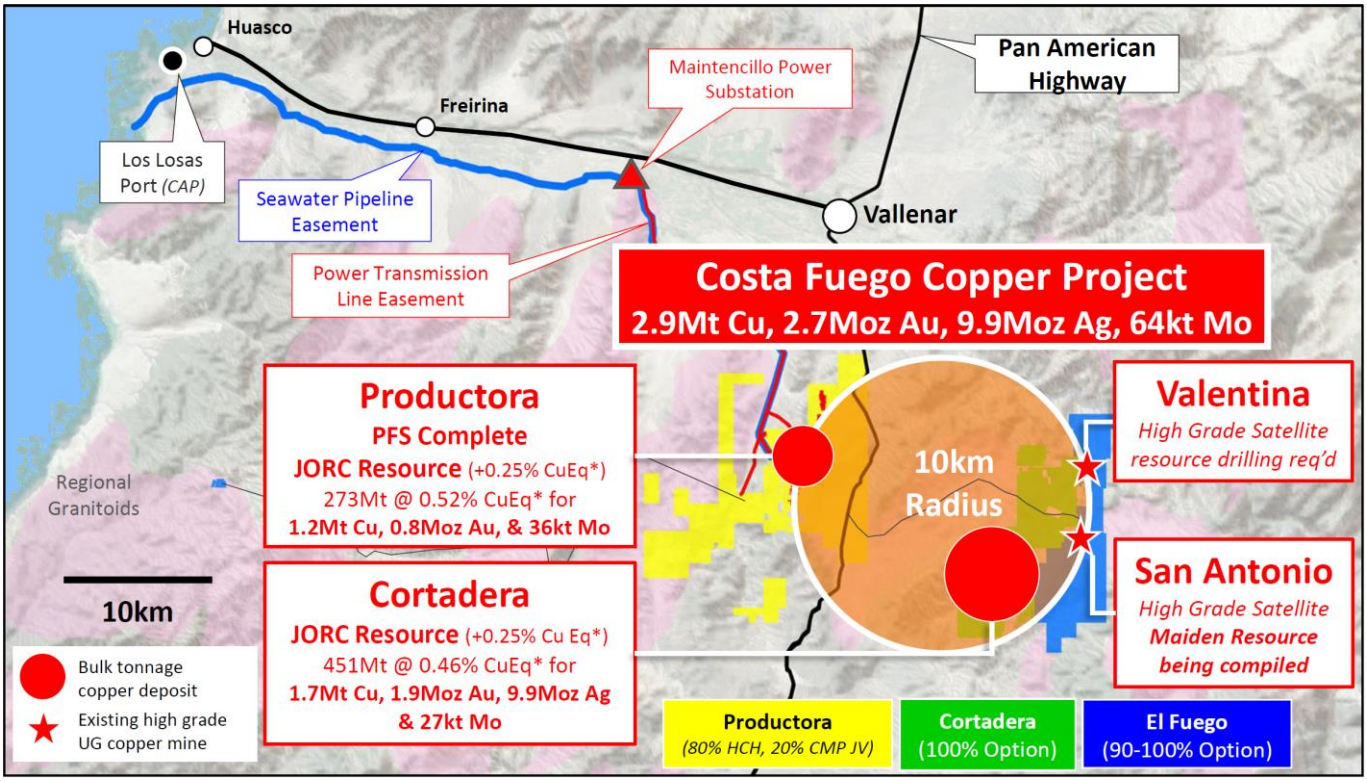

Figure 1 Location of Productora and the Cortadera discovery in relation to the coastal range infrastructure of Hot Chili's combined Costa Fuego copper project, located 600km north of Santiago in Chile.

Refer to ASX Announcement "Costa Fuego Becomes a Leading Global Copper Project" (12th October 2020) for JORC Table 1 information related to the Cortadera JORC compliant Mineral Resource estimate by Wood and the Productora re-stated JORC compliant Mineral Resource estimate by AMC Consultants

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

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

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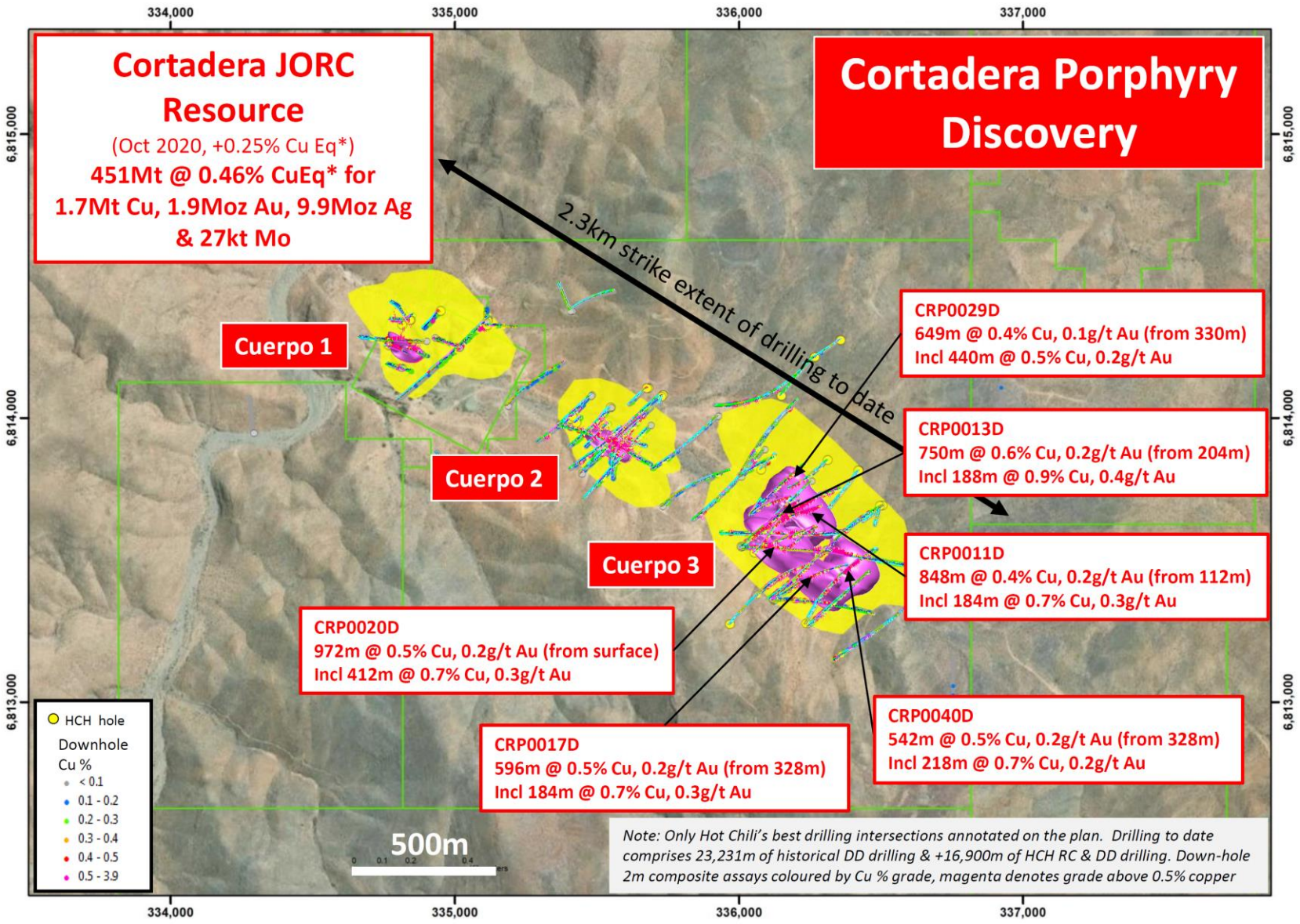

Figure 2 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 1, 2, 3 and 4 tonalitic porphyry intrusive centres (represented by modelled copper envelopes, yellow- +0.1% Cu and majenta +0.4% Cu). Note the selected HCH drilling intersections (White) reported over the past 14 months.

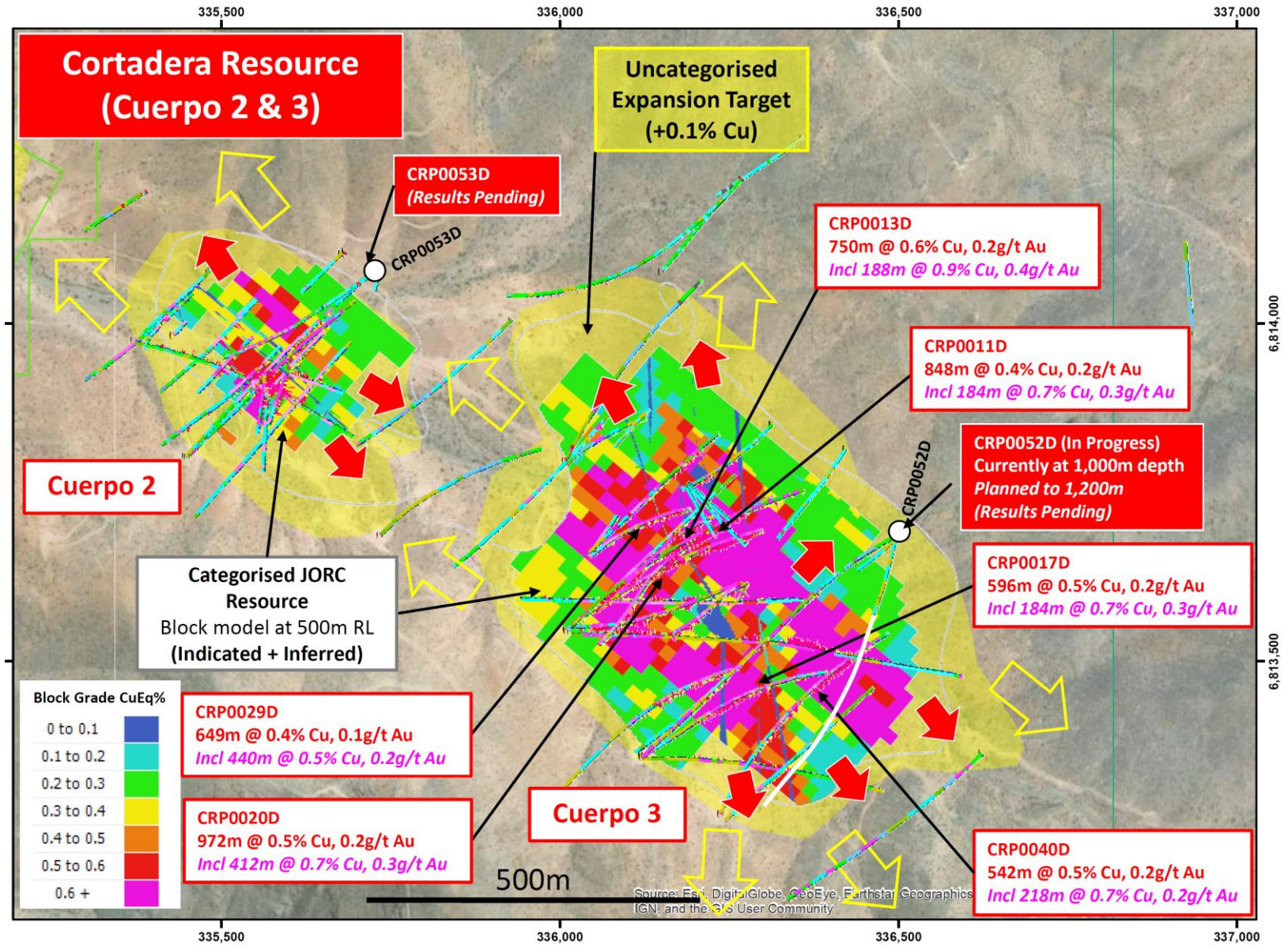

Figure 3 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 2 and 3. The plan view displays the 500m level block model flitch of the JORC Mineral Resource in relation to the Uncategorised expansion target area (represented by modelled copper envelope, yellow- +0.1% Cu). Note the selected HCH drilling intersections (White) and the location of CRP0052D and CRP0053D (Red).

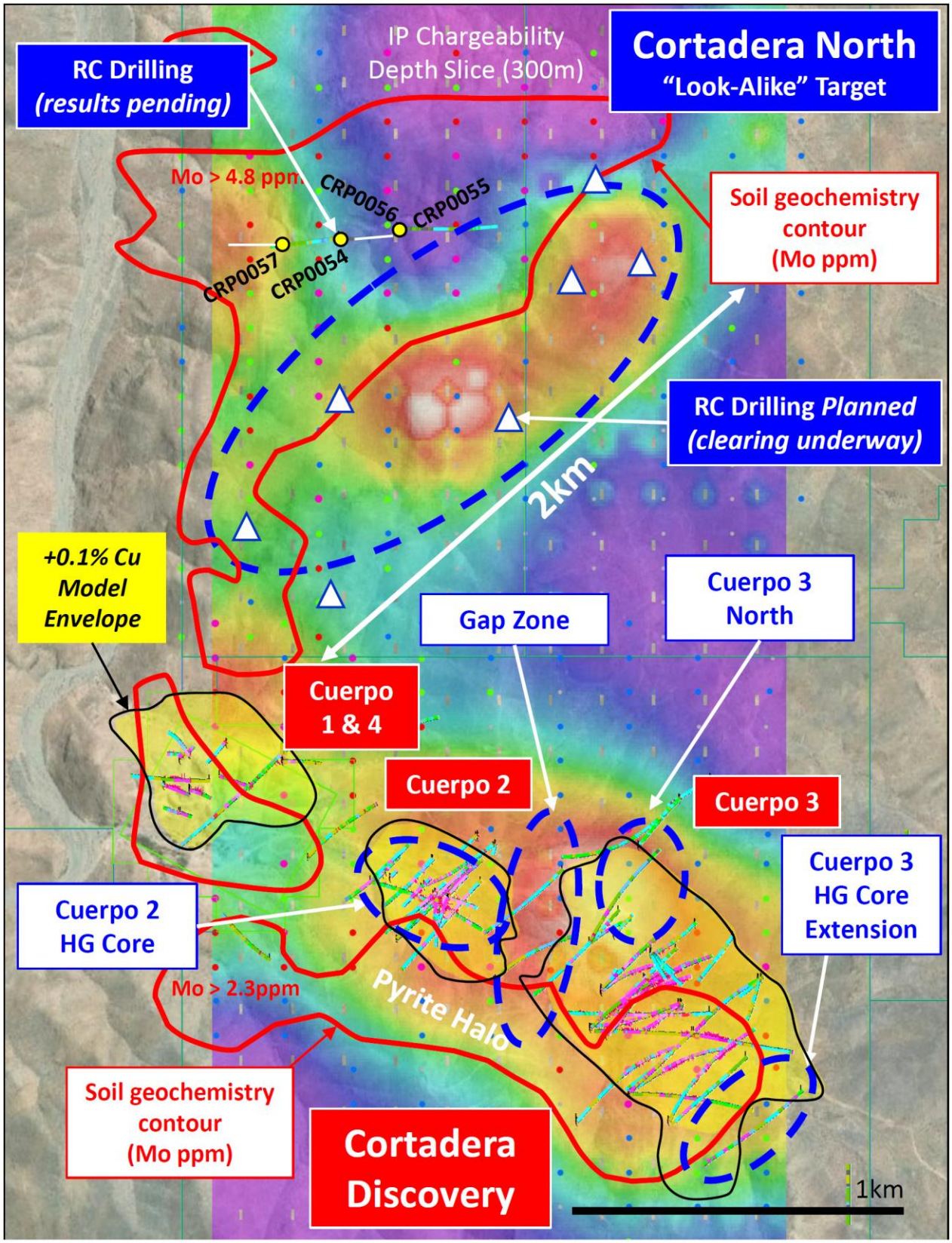

Figure 4 Plan view displaying the location of the Cortadera discovery zone in relation to the Cortadera North target. The plan displays the location of Cuerpo 1, 2, 3 and 4 tonalitic porphyry intrusive centres (represented by modelled copper envelopes, yellow- +0.1% Cu) in relation to surface molybdenum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

Qualifying Statements

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.

Reporting of Copper Equivalent

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

Forward Looking Statements

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

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

Appendix 1. JORC Code Table 1 for Cortadera

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	*Drilling undertaken by Hot Chili Limited ("HCH" or "the Company") includes both Diamond and Reverse Circulation (RC). Drilling has been carried out under Hot Chili (HCH) supervision by an experienced drilling contractor (BlueSpec Drilling).* *The majority of DD drilling completed by HCH comprises RC pre-collars to an average depth of 300), followed by HQ3 DD core to an average depth of 660m, followed by NQ2 DD core at depths greater than approximately 660 metres.* *Samples were obtained using both reverse circulation (RC) and diamond drilling (DD).* *RC drilling produced a 1m bulk sample and representative 2m cone split samples (nominally a 12.5% split) were collected using a cone splitter, with sample weights averaging 5 kg. Heavy samples were split manually using a single tier riffle splitter to produce a manageable sample weight.* *Geological logging was completed, and mineralised sample intervals were determined by the geologists to be submitted as 2m samples for RC. In RC intervals assessed as unmineralised, 4m composite (scoop) samples were collected for analysis. If these 4m composite samples return results with anomalous grade the corresponding original 2m split samples are then submitted to the laboratory for analysis.* *HQ3 and NQ2 diamond core were drilled on a 3m run. The core was cut using a manual core-saw and half core samples were collected on 2m intervals.* *Both RC and DD samples were crushed and split at the laboratory, with up to 3kg pulverised, and a 50g pulp sample analysed by industry standard methods - ICP-OES (33 element, 4 acid digest) and Au 30 gram fire assay.* *Sampling techniques used are deemed appropriate for exploration and resource estimation purposes for this style of deposit and mineralisation.* *Data compiled from historical drilling has been collated from documents supplied by SCM Carola.* *All historical drilling was diamond core (DD) from surface. Historical diamond sampling was predominantly HQ3 half core. 99% of the sample data comprises 2m composited samples (taken at 2m intervals).* *Assay techniques for legacy data comprise 30g fire assay for gold, and for copper, either 4-acid or 3-acid digest followed by either an ICP-OES, ICP-MS, ICP-AAS or HF-ICP-AES.* *HCH has verified as much as possible the location, orientation, sampling methods, analytical techniques, and assay values of legacy data. HCH has completed a review of SCM Carola QA/QC data with no issues detected in that review.*
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	*HCH drilling consisted of RC with face sampling bit (140 to130mm diameter) ensuring minimal contamination during sample extraction.* *HCH DD drilling uses NQ2 bits (50.5mm internal diameter) and HQ3 bits (61.24mm internal diameter). DD core was oriented using a Reflex ACT III RD tool. At the end of each run, the low side of the core was marked by the drillers and this was used at the site for marking the whole drill core with a reference line.* *Historical DD drilling used HQ bits (61.24mm internal). Historical drill core was not oriented.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	*Core recovery was measured and recorded continuously from the start of core drilling to the end of the hole for each drill hole. The end of each 3m length run was marked by a*

	Measures taken to maximise sample recovery and ensure representative nature of the samples. *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	*core block which provided the depth, the core drilled and the core recovered. Generally, the core recovery was >99%* *All DD drilling utilised HQ3 and NQ2 core with sampling undertaken via half core cutting and 2m sample intervals.* *Drilling techniques to ensure adequate RC sample recovery and quality included the use of "booster" air pressure. Air pressure used for RC drilling was 700-800psi.* *Logging of all samples followed established company procedures which included recording of qualitative fields to allow discernment of sample quality. This included (but was not limited to) recording: sample condition (wet, dry, moist), sample recovery (poor, moderate, good), sample method (RC: scoop, split; DD core: half, quarter, whole).* *The majority of HCH drilling had acceptable documented recovery and expectations on the ratio of wet and dry drilling were met, with no bias detected between the differing sample conditions.* *Historical DD core recovery has not been quantitatively assessed. However, inspection of core photography has been undertaken, with good core recovery observed, and no material issues noted.* *Methods taken to maximise historical sample recovery, quality and condition are unknown, however it is noted that the drill method (HQ3 DD) is consistent with best practice for sample recovery. No analysis of historical samples weights, sample condition or recovery has been undertaken.* *Twin analysis of RC and DD drilling has identified a slight sample bias. RC samples appear to display a negative bias for assay results, meaning that RC samples appear to under call the assay grades. This is not yet fully understood or confirmed, and requires further analysis and investigation with future twin holes.*
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	*HCH Drilling: Detailed descriptions of RC chips and diamond core were logged qualitatively for lithological composition and texture, structures, veining, alteration and copper speciation. Visual percentage estimates were made for some minerals, including sulphides.* *Geological logging was recorded in a systematic and consistent manner such that the data was able to be interrogated accurately using modern mapping and 3D geological modelling software programs. Field logging templates were used to record details related to each drill hole.* *Historical Drilling: Geological logs were provided as part of historical data from SCM Carola. These logs have been reviewed and are deemed to be of an appropriate standard. HCH has also completed a verification and re-logging programme of historical diamond drill core and has aligned the codification of both generations of geological data to one unified coding system.* *Core reconstruction and orientation was completed where possible prior to structural and geotechnical observations being recorded. The depth and reliability of each orientation mark is also recorded.* *All logging information is uploaded into an acQuire™ database which ensures validation criteria are met upon upload.*
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*HQ3 (85mm) and NQ2 (63.5mm) diamond core was sawn in half, with half core collected in a bag and submitted to the laboratory for analysis, the other half was retained in the tray and stored. All DD core was sampled at 2m intervals.* *RC drilling was sampled at two metre intervals by a fixed cone splitter with two nominal 12.5% samples taken: with the primary sample submitted to the laboratory, and the second sample retained as a field duplicate sample. Cone splitting of RC drill samples occurred regardless of the sample condition. RC drill sample weights range from 0.6kg to 17kg, but typically average 5kg.* *All HCH samples were submitted to ALS Coquimbo (Chile) for multi-element analysis. The sample preparation included:* *DD half core and RC samples were weighed, dried and crushed to 70% passing 2 mm and then split using a rotary splitter to produce a 1kg sub-sample. The crushed sub-sample was pulverised with 85% passing 75 µm using a LM2*

		mill and a 110 g pulp was then subsampled, 20 g for ICP and 90g for Au fire assay analysis. *ALS method ME-ICP61 involves a 4-acid digestion (Hydrochloric-Nitric-Perchloric-Hydrofluoric) followed by ICP-AES determination.* *Samples that returned Cu grades >10,000ppm were analysed by ALS "ore grade" method Cu-AA62, which is a 4-acid digestion, followed by AES measurement to 0.001%Cu.* *Samples determined by geologists to be either oxide or transitional were also analysed by Cu-AA05 method to determine copper solubility (by sulphuric acid).* *Pulp samples were analysed for gold by ALS method Au-ICP21; a 30g lead-collection Fire Assay, followed by ICP-OES to a detection limit of 0.001ppm Au.* *Historical half DD core was routinely sampled on 2m intervals. All samples were submitted to accredited laboratories- ACTLAB, ACME Labs (now Bureau Veritas), ALS Global and Andes Analytical Assay.* *Typical analysis methods used for historical samples included;* *For copper and multi-element; either 4-acid or 3-acid digest followed by either an ICP-MS, ICP-AAS, or a HF digest with ICP-AES. E.g. ACTLAB method 3ACID-AAS, ALS method Cu-AA61, Andes Analytical Assay method (4A-AAS1E01 or ICP_AES_HH22).* *Gold grades were analysed for Fire Analysis (30g charge). E.g. ACTLABS method FA-AAS, ALS method Au-AA23, Andes Analytical Assay method AEF_AAS1EE9.* *HCH has verified historical sampling methods, analytical techniques, and assay values with no material issues identified.* *Field duplicates were collected for RC drill samples at a rate of 1 in 50 drill meters ie. 1 in every 25 samples (when 2m sampling intervals observed). The procedure involves placing a second sample bag on the cone splitter to collect a duplicate sample.* *Field duplicates for DD samples were submitted at a rate of 1 in 50 drill metres (ie. 1 in 25 samples). The procedure involves cutting the half core in half again to obtain two quarter core samples. Both quarter core samples were sent to the lab as an "A" and "B" sample for analysis. The "A" sample is the original and the "B" sample is the duplicate.* *Review of duplicate results indicates that there is good correlation between the primary and duplicate assay values, implying that the selected sample size is reasonable for this style of mineralisation.* *The selected sample sizes and sample preparation techniques are considered appropriate for this style of mineralisation, both for exploration purposes and MRE.*
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	*All HCH drill samples were assayed by industry standard methods through accredited laboratories in Chile. Typical analytical methods are detailed in the previous section and are considered 'near total' techniques.* *HCH undertakes several steps to ensure the quality control of assay results. These include, but are not limited to, the use of duplicates, certified reference material (CRM) and blank media:* *Routine 'standard' (mineralised pulp) Certified Reference Material (CRM) was inserted at a nominal rate of 1 in 25 samples.* *Routine 'blank' material (mineralised quartz) was inserted at a nominal rate of 3 in 100 samples at the logging geologist's discretion- with particular weighting towards submitting blanks immediately following mineralised field samples.* *Routine field duplicates for RC and DD samples were submitted at a rate of 1 in 25 samples.* *Analytical laboratories provided their own routine quality controls within their own practices. No significant issues have been noted.* *All results are checked in the acQuire™ database before being used, and analysed batches are continuously reviewed to ensure they are performing within acceptable tolerance for*

		the style of mineralisation. Any QC failures require the batch to be re-analysed prior to acceptance into the database. *No umpire laboratory checks have been undertaken by HCH. It is a recommendation of the MRE that umpire checks be completed.* *Assessment of historical QA/QC data was undertaken as part of the MRE. CRM and duplicate assay data were reviewed with no significant issues identified. Umpire laboratory checks were undertaken on historical drilling, however the results of this have not yet been assessed. Historical assay data comprised approximately 10% QA/QC data.*
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	*All DD sample intervals were visually verified using high quality core photography, with selected samples taken within mineralised intervals for petrographic and mineragraphic microscopy.* *All assay results have been compiled and verified by an independent database consultant to ensure veracity of assay results and the corresponding sample data. This includes a review of QA/QC results to identify any issues prior to incorporation into the Company's geological database.* *No adjustment has been made to assay data following electronic upload from original laboratory certificates to the database. Where samples returned values below the detection limit, these assay values were set to half the lowest detection limit for that element for the purposes of MRE.* *The capture of drill logging data was managed by a computerised system and strict data validation steps were followed. The data is stored in a secure acQuire™ database with access restricted to an external database manager.* *Documentation of primary data, data entry procedures, data verification and data storage protocols have all been validated through internal database checks and by a third-party audit as part of the Cortadera MRE.* *Visualisation and validation of drill data was also undertaken in 3D through the use of multiple software packages- Surpac, Datamine and Leapfrog with no errors detected.* *Twinned drilling was completed by HCH, to compare the results of RC samples to historical HQ DD samples. Four sets of twin drill holes were completed, with no appreciable assay variance observed between the different drilling and associated sampling methodologies.* *A slight negative bias was observed for RC samples in select intervals, however overall, the twin hole assay results correlated well for both techniques. This supports the use of both RC or DD samples as being representative and appropriate for mineral exploration and resource estimation for this style of mineralisation.* *Hot Chili has undertaken quarter core duplicate sampling across selected intervals of historical half DD core and its own DD core to test assay repeatability and to provide metallurgical samples.* *An analysis of field duplicate samples was undertaken, with results from duplicates returned within acceptable range for this type of mineralisation and for classification of the MRE. The comparison showed no evidence of bias, with a robust correlation achieved between duplicate samples.* *All retained core and pulp samples are stored in a secured site and are available for verification if required.*
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	*The WGS84 UTM zone 19S coordinate system was used for all undertakings.* *Drill hole collar locations were surveyed on completion of each drill hole using a handheld Garmin GPS with an accuracy of +/-5 m. On completion of each HCH drill campaign an independent survey company was contracted to survey drill collar locations using a CHCNAV model i80 Geodetic GPS, dual frequency, Real Time with 0.1cm accuracy.* *Drill collar survey methods used by SCM Carola are unknown, however all collars were located by HCH and have been surveyed using the same method as HCH drilling.* *Downhole surveys for HCH drilling were completed by the drilling contractor every 30m using an Axis Champ Navigator north seeking gyroscope tool. Downhole surveys for historical*

		drilling were completed every 10m by gyroscope. Exact specifications for the gyroscope tool are unknown. *Some drill holes could not be surveyed due to downhole blockages, these holes used planned survey or compass bearing/ dip measurements for survey control, and the majority of these holes lie outside of the resource area.* *The topographic model used at Cortadera is deemed adequate for topographic control. It comprises a high resolution topographical elevation model as supplied by SCM Carola.* *Validation of the final topographical model used for resource estimation was completed via visual validation against: high resolution drone orthophotography, drill collars, and known infrastructure (roads, tenement pegs etc.)* *Topography at the project ranges from ~900m to 1050m ASL.* *PSAD56 zone 19S coordinate system was used for all historical undertakings, with all data since converted to WGS84 zone 19S.*
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	*Drill spacing is nominally 80 metres across strike by 80 metres along strike. In total there were 82 drillholes used to inform the Cortadera geological model, of which 72 were contained within the mineralisation wireframe used to constrain the MRE.* *The current drilling density provides sufficient information to support a robust geological and mineralisation interpretation as the basis for Indicated and Inferred Mineral Resources for the majority of the drill defined deposit.* *The mineralisation is still open laterally and at depth and further drilling is planned to explore these zones in 2020.* *Compositing of drillhole samples was undertaken on 2 metre intervals, and in some cases 4 metre intervals in unmineralised areas. Compositing for grade estimation purposes is discussed in section 3.*
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	*The spacing and location of drilling at Cortadera is variable, ranging from 80m to 300m. The selected drill spacing and orientation over the resource area ensures that drilling is optimised to intersect perpendicular to mineralisation.* *The majority of drilling was oriented from -60 to -80° toward northeast, with some scissor holes drilled to the southwest. In addition, some other drill orientations were used to ensure geological representivity and to maximise the use of available drill platforms.* *The orientation of drilling is considered appropriate for this style of mineralisation, and no sampling bias is inferred from drilling completed as part of the MRE. In addition, copper-gold porphyry mineralisation is typically fairly homogenous meaning a limited chance of bias likely to be caused from drilling orientation.* *The coordinates and orientations for all of the historical Cortadera drill holes have been reported to ASX in Table 1, Section 2 of the Company's previous drilling announcements, most recently 10th July 2020.*
Sample security	*The measures taken to ensure sample security.*	*HCH has strict chain of custody procedures that are adhered to. All samples have the sample submission number/ticket inserted into each bulk polyweave sample bag with the id number clearly visible. The sample bag is stapled together such that no sample material can spill out and no one can tamper with the sample once it leaves Hot Chili's custody.* *Measures taken to ensure sample security during historical drilling are unknown. All retained core and pulp samples are currently stored in a secured warehouse facility and are available for verification if required.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*As part of the Cortadera MRE WoodPLC have conducted an independent review of the drill database. This review has found the data to be accurate and acceptable for MRE purposes.*

Section 2 Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td>Mineral tenement and land tenure status</td>
<td>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.

The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</td>
<td>Cortadera project comprises the following tenements (patentes):
<table>
<tr><td>Magdalenita 1/20</td><td>Corroteo 5 1/26</td><td>Las Cañas 1/15</td></tr>
<tr><td>Atacamita 1/82</td><td>Paulina 27 A 1/30</td><td>Cortadera 1/40</td></tr>
<tr><td>Paulina 11B 1/30</td><td>Paulina 15 B 1/30</td><td>Paulina 24 A 1/24</td></tr>
<tr><td>Paulina 10B 1/20</td><td>Paulina 22 A 1/30</td><td>Paulina 25 A 1/20</td></tr>
<tr><td>Amalia 942 A 1/10</td><td>Cortadera 1 1/200</td><td>Las Cañas Este 2003 1/30</td></tr>
<tr><td>Paulina 12B 1/30</td><td>Cortadera 2 1/200</td><td>Paulina 26 A 1/30</td></tr>
<tr><td>Paulina 13B 1/30</td><td>Cortadera 41</td><td>Cortadera 42</td></tr>
<tr><td>Paulina 14B 1/30</td><td>Corroteo 1 1/280</td><td>Lo Cañas 16</td></tr>
</table>

The Cortadera MRE is contained within two Mining Rights:

CORTADERA 1/40 (374 hectares). Mining tax (or cost per year to keep the mining right) USD 2,673. Such mining right 1/40 is part of an Option Agreement for 100% of such property (and 23 others) with no strings attached. The total option price is USD 32 million of which USD 7 million has already been paid. Remaining payments are due on 15th July 2021 for USD 10 million, and 15th July 2022 for USD 15 million. No native title is alleged up to this date.

Purísima 1/8 (1/2-5/6). (20 hectares). Mining tax (or cost per year to keep the mining right) USD 142. Such mining right is part of an Option Agreement for 100% of such property with a 1.5% NSR attached. The total option price is USD 1.5 million of which USD 150,000 has already been paid. Remaining payments are due on 14th December 2020 for USD 250,000, and 14th December 2021 for USD 1.1 million. No native title is alleged up to this date.</td>
</tr>
<tr>
<td>Exploration done by other parties</td>
<td>Acknowledgment and appraisal of exploration by other parties.</td>
<td>Previous exploration at the project included:

Historical surface workings.

1993 to 1995. Mount Isa Mining Company Chile (MMIC) undertook 1:5,000 scale geological mapping, six excavation trenches sampling through the alteration zone, IP-Resistivity surveying and terrestrial magnetometry on 5 m spacing collected along IP-Resistivity lines. Also drilling of 10 diamond holes targeting anomalous geological, geochemical and geophysical features, confirming the presence of porphyry style Cu-Au-Mo mineralisation on a NW-SE trending mineralised corridor of approximately 2 km long by 1km wide.

Before 1994, ENAMI, reported by Briones (2013), completed a small percussion drilling program of 4 shallow drillholes aimed at defining near-surface oxide resources, prior to open pit mining.

2001. SCM Carola undertook field surveys including sampling.</td>
</tr>
</table>

		2011-2013. Minera Fuego undertook four surface mapping campaigns in Purisima mine workings, and areas surrounding Quebrada Cortadera and Quebrada Las Cañas. Rock chip and soil sampling were carried out and completed along and adjacent to the mineralised corridor. Drilling of 39 diamond holes (23,231m) were completed and a preliminary geological model mineralisation was developed. In addition, geophysical data collection included terrestrial and airborne magnetometry, seven IP chargeability and resistivity profiles and two MIMDAS profiles were completed through the 3 mineralised bodies.
Geology	*Deposit type, geological setting and style of mineralisation.*	*The Cu-Au-Mo mineralisation at Cortadera is associated with multiple porphyry intrusions. These porphyries have intruded into the early to mid Cretaceuos Totorralillo and Nantoco Formations (variously stratified chemical sediments, volcaniclastics, bioclastics, volcanic breccias, and andesitic volcanic units) along an apparent NW structure.* *These porphyries exhibit typical Cu-Au porphyry veining networks and associated alteration styles. As typical in porphyry deposits, Cu and Au are strongly related, and higher-grade Cu and Mo are associated with high vein density.* *Local oxide mineralisation encountered in drilling and observed at surface suggests supergene mineralisation is present.*
Drillhole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	*The coordinates and orientations for all holes reported in this announcement is outlined below:* *The coordinates and orientations for all of the historical Cortadera drill holes have been reported to ASX in Table 1, Section 2 of the Company's previous drilling announcements, most recently 10th July 2020.* *All drill holes completed by HCH have been reported in previous announcements to the ASX made on 9th May 2019, 5th June 2019, 19th June 2019, 4th July 2019, 12th September 2019, 28th September 2019, 15th October 2019, 29th October 2019, 25th November 2019, 3rd December 2019, 18th December 2019, 20th January 2020, 7th February 2020, 20th March 2020, and 10th July 2020* *All historic or previous company drilling results not included may be due to; a) uncertainty of result, location or other unreliability, b) yet to be assessed by Hot Chili, c) unmineralised, d) unsampled or unrecorded, or e) not considered material.*
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated*	*In reported exploration results, length weighted averages are used for any non-uniform intersection sample lengths. Length weighted average is (sum product of interval x corresponding interval assay grade), divided by sum of interval lengths and rounded to one decimal place.* *No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.* *No metal equivalent values have been reported for exploration results.*
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known')..*	*Drilling was nominally perpendicular to mineralisation, where known and practical.* *Mineralisation is hosted within a relatively homogenous and large porphyry intrusion with disseminated mineralisation, hence drill orientation and associated sample lengths are deemed to be representative and unbiased (regardless of drill orientation).* *Drill intersections are reported as downhole length.*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*Refer to figures in the announcement.* *Indicative grade shell models (+0.1% Cu and +0.4% Cu) are included in figures within this announcement. These grade shell models have been generated in Leapfrog software from Hot Chili's four dimensional geological model. These grade shells are provided for reference only.* *The four dimensional model incorporates all lithological units determined from surface mapping and downhole logging. These lithological units are modelled spatially, honouring the deposit paragenesis (timing relationships). This allows for effective exploration targeting and understanding of grade distribution and*

		ore controls to be modelled following the Anaconda methodology of porphyry assessment. *The images of grade shell models are not an Exploration Target and do not contain nor indicate any estimate of potential size and grade ranges for the Cortadera discovery.*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	*It is not practical to report all exploration results as such unmineralised intervals. Low or non-material grades have not been reported.* *The coordinates and orientations for all of the historical Cortadera drill holes have been reported to ASX in Table 1, Section 2 of the Company's previous drilling announcements, most recently 10th July 2020.*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*Available historical data from previous exploration includes surface mapping, surface geochemical surveys and geophysical surveys (Ground magnetics, airborne magnetics and Induced Polarisation surveys). Where possible, historical exploration data has been supported and verified by selected surface sampling and geological mapping undertaken by HCH.* *Metallurgical testwork is discussed in Section 3.*
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*Potential work at Cortadera may include further verification drilling, sampling, assaying and QA/QC. Other further work may also include mapping, surface sampling, ground or airborne geophysics as well as infill drilling for resource classification upgrade purposes and/ or exploratory and extensional drilling for resource additions.* *Metallurgical testwork and scoping studies are ongoing and will be published as and when they are finalised, they are discussed further in Section 3.*