Announcement

31st October 2022

New Results Boost Growth for Costa Fuego

- **New drill results deliver higher than expected copper grades** from previously unsampled intervals of diamond core **at Productora and Alice**, part of the Cost Fuego senior copper development in Chile**:**
  - **244m grading 0.8% CuEq** (0.7% copper (Cu) & 0.2g/t gold (Au)) from 23m depth
    *including **71m grading 1.0% CuEq*** (0.8% Cu, 0.2g/t Au)* **at Productora**
  - **152m grading 0.6% CuEq** (0.6% Cu & 0.1g/t Au) from 42m depth
    *including **39m grading 1.1% CuEq*** (1.0% Cu, 0.1g/t Au)*
    and **23m grading 0.9%CuEq (**0.8% Cu) from 226m **to end of hole at Alice**
- **Final drill results from Valentina** confirm further high grade intersections ahead of planned expansion drilling, application for regulatory approval submitted:
  - **6m grading 1.3% Cu** from 10m depth downhole
- **Interesting silver assays returned from first-ever drilling at Santiago Z,** follow-up programme being planned to test remaining sixty-five percent of the target area:
- **Drill results pending and Pre-feasibility update expected shortly**

** Copper Equivalent (CuEq) reported for the drillhole intersections 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 × Cu_recovery). The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is: Productora– Recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported). CuEq(%) = Cu(%) + 0.48 x Au(g/t) + 0.00026 x Mo(ppm). San Antonio and Valentina – Recoveries of 88% Cu, 72% Au, 88% Mo and 69% Ag. CuEq(%) = Cu(%) + 0.68 x Au(g/t) + 0.00047 x Mo(ppm) + 0.0076 x Ag(g/t)*

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Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) ("Hot Chili" or "Company") is pleased to announce further strong results from drilling across the Company's Costa Fuego coastal range copper-gold project in Chile.

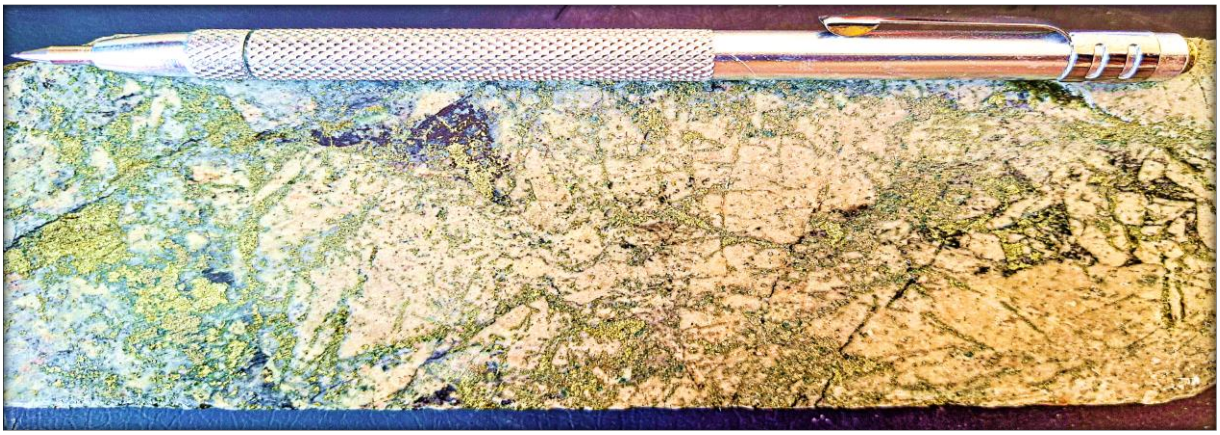
Assays from metallurgical testwork diamond drillholes have continued to exceed expectations, with near-surface, high grade intersections returned at the Productora and Alice porphyry deposits.

This is in addition to two new significant intersections at the Valentina high-grade satellite, which represents a potential front-end, open pit ore source for the combined Costa Fuego coastal copper super-hub.

First-ever drill results from the large-scale Santiago Z porphyry target have returned several wide silver and molybdenum intersections from shallow depths, however no significant copper-gold intersections were encountered. The results of this programme are being reviewed and a follow-up programme is being planned. Only thirty five percent of the target area at Santiago Z has been drill tested.

Further drill results are expected in the coming weeks and the Company looks forward to providing an update on resource upgrade and Pre-feasibility Study (PFS) work streams shortly.

Latest Drilling Results Outperform Productora Resource Estimate



MET025 (179.15m depth down-hole) – vein-hosted and disseminated chalcopyrite and pyrite in tourmaline breccia. The 179m to 180m interval graded 2.1% CuEq (1.9% Cu, 0.3% Au, 129ppm Mo)

Four diamond drill holes completed for metallurgical testwork across the Productora resource in Q2 this year have returned further wide zones of copper, following analysis of remaining unsampled core.

Strong visual intersections of mineralisation in each of the metallurgical drill holes provided encouragement to undertake sampling of all remaining unsampled diamond core intervals.

Results for the first two holes of the programme (Productora central pit area and Alice satellite pit area) have delivered better than expected copper grades, including:

- **244m grading 0.8% CuEq** (0.7% Cu & 0.2g/t Au) from 23m depth (MET025 – Productora)
  *including **71m grading 1.0% CuEq*** (0.8% Cu, 0.2g/t Au)*
- **152m grading 0.6% CuEq** (0.6% Cu & 0.1g/t Au) from 42m depth (MET028 – Alice porphyry)
  *including **39m grading 1.1% CuEq*** (1.0% Cu, 0.1g/t Au)*
  and **23m grading 0.9%CuEq (0.8% Cu) from 226m to end of hole**

New results have added further high grade growth ahead of a planned resource upgrade for Costa Fuego. Productora and Alice have continued to demonstrate grade upside with in-fill drilling, providing positive reconciliation ahead of any future mining activities.

Entire hole results from the remaining two diamond holes at Productora (MET026 and MET027) are expected to be received in the coming weeks.

Results Returned from Valentina High Grade Satellite Resource Drilling

Valentina and its neighbouring San Antonio satellite copper deposit (Inferred resource of 4.2Mt grading 1.2% CuEq (1.1% Cu, 2.1g/t Ag) for 48kt Cu and 287koz Ag, reported March 2022) are located immediately to the east of Cortadera.

Results from an expanded drill program at Valentina have returned additional intersections of shallow copper sulphide and oxide mineralisation.

Highlights include:

- **3m grading 1.4% CuEq** (1.3% Cu, 3.0g/t Ag) from 46m downhole (VAP0027)
- **6m grading 1.3% CuEq** (1.3% Cu) from 10m downhole **and 2m grading 1.1% CuEq** (1.1% Cu) from 23m (VAP0029)

Of the four holes drilled in the expanded program, two recorded significant intersections, one intersected historic underground workings and one did not intersect the mineralised trend.

High grade copper-silver mineralisation at Valentina is currently defined over 300m and is open along strike and at depth.

A regulatory clearing application has been submitted to facilitate follow-up drilling at Valentina, which will expand resource drill definition across this potential high-impact future addition to Costa Fuego.

Phase One Drilling Complete at Santiago Z Intersects Wide Zones of Shallow Silver

Five deep Reverse Circulation (RC) drill holes for 2,146m were completed across the northern extent of the large-scale Santiago-Z porphyry target, lying approximately 5km south of the Cortadera resource (as reported to ASX 9th April 2021).

First-ever drilling on the 4km long by 2km wide porphyry footprint has not intersected any significant widths of copper mineralisation. However, drilling has recorded wide zones of silver mineralisation indicating a potential distal response to copper porphyry mineralisation.

Results for four of the five drill holes completed have been returned (results pending for SZP0005).

Interesting drill results from Santiago Z so far include:

- **30m @ 4.5g/t Ag & 69ppm molybdenum (Mo) from surface** (SZP0004)

  and **6m @ 0.1% Cu, 2.5g/t Ag,** 37ppm Mo from 178m
- **38m @ 2.9g/t Ag,** 20ppm Mo **from surface** (SZP0003)

  *including **14m @ 4.9g/t Ag** & 9ppm Mo*

Drilling encountered a sequence of intensely folded sandstones, limestones and carbonaceous limestone units with wide zones of significant pyrite mineralisation (1-2% pyrite logged) associated with hydrothermal breccias and thin tonalitic porphyry dykes (quartz-feldspar-phyric and typically 2 to 6m in down-hole width).

Molybdenum appears to be preferentially enriched over the area of drilling owing to the presence of carbonaceous limestone units, with higher grade silver mineralisation encountered toward the southern extent of drilling (SZP0003 and SZP0004).

An updated geological model is being created using RC chip logging and downhole multi-element geochemistry. This information will be used for any additional phases of exploration at the Santiago Z target.

Exploration will focus on the southern extent of the Santiago Z porphyry footprint in advance of any planned second-pass clearing and drilling activities

Field mapping at Santiago Z

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

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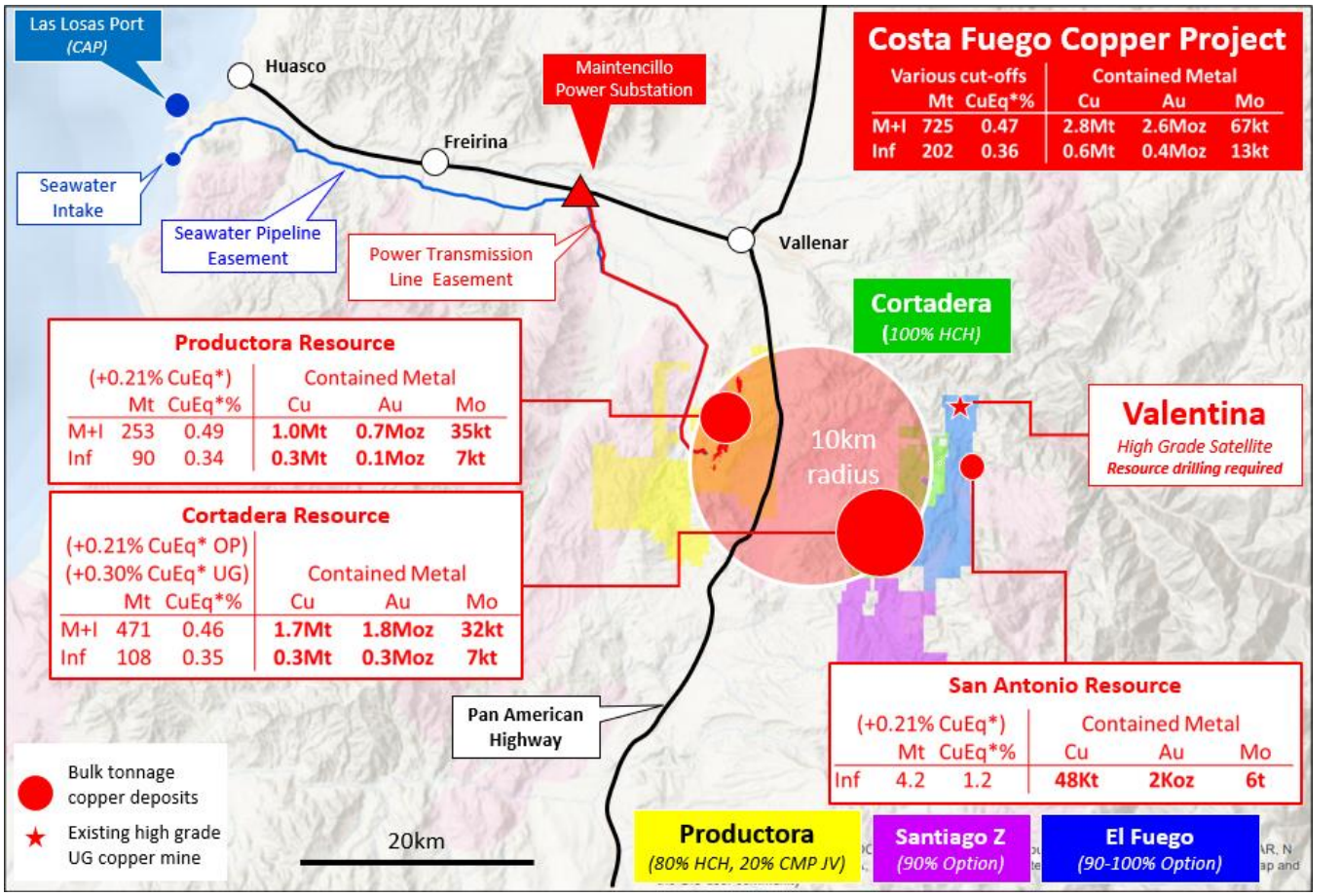

Figure 1. Location of Cortadera, Productora, San Antonio and Valentina in relation to coastal range infrastructure of Hot Chili's combined Costa Fuego copper-gold project, located 600km north of Santiago in Chile. Alice is included in the Productora Resource.

** 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 × 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 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

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

CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm)

Costa Fuego – Weighted recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag

CuEq(%) = Cu(%) + 0.52 x Au(g/t) + 0.00039 x Mo(ppm) + 0.0027 x Ag(g/t)

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

Table 1. New Significant DD Results from Metallurgical Drilling at Productora/Alice

Hole_ID	Coordinates			Azim	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Moly	Cu Eq*
	North	East	RL				From	To	(m)	(%)	(g/t)	(ppm)	(%)
MET028	6822576	322851	790	270	-59	250.1	42	194	152	0.6	0.1	81	0.6
						Including	46	85	39	1.0	0.1	31	1.1
							226	250	23	0.8	0.0	26	0.9
MET025	6820931	323027	884	90	-60	280	23	267	244	0.7	0.2	144	0.8
						Including	177	248	71	0.8	0.2	204	1.0

** Copper Equivalent (CuEq) reported for the drillhole intersections 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 × Cu_recovery).*

The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

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

CuEq(%) = Cu(%) + 0.48 x Au(g/t) + 0.00026 x Mo(ppm)

For Productora, significant intersections are calculated above a nominal cut-off grade of 0.2% Cu. Where appropriate, significant intersections may contain up to 30m down-hole distance of internal dilution (less than 0.2% Cu). Significant intersections are separated where internal dilution is greater than 30m down-hole distance. The selection of 0.2% Cu for significant intersection cut-off grade is aligned with marginal economic cut-off grade for bulk tonnage polymetallic copper deposits of similar grade in Chile and elsewhere in the world. Down-hole significant intersection widths are estimated to be at or around true-widths of mineralisation.

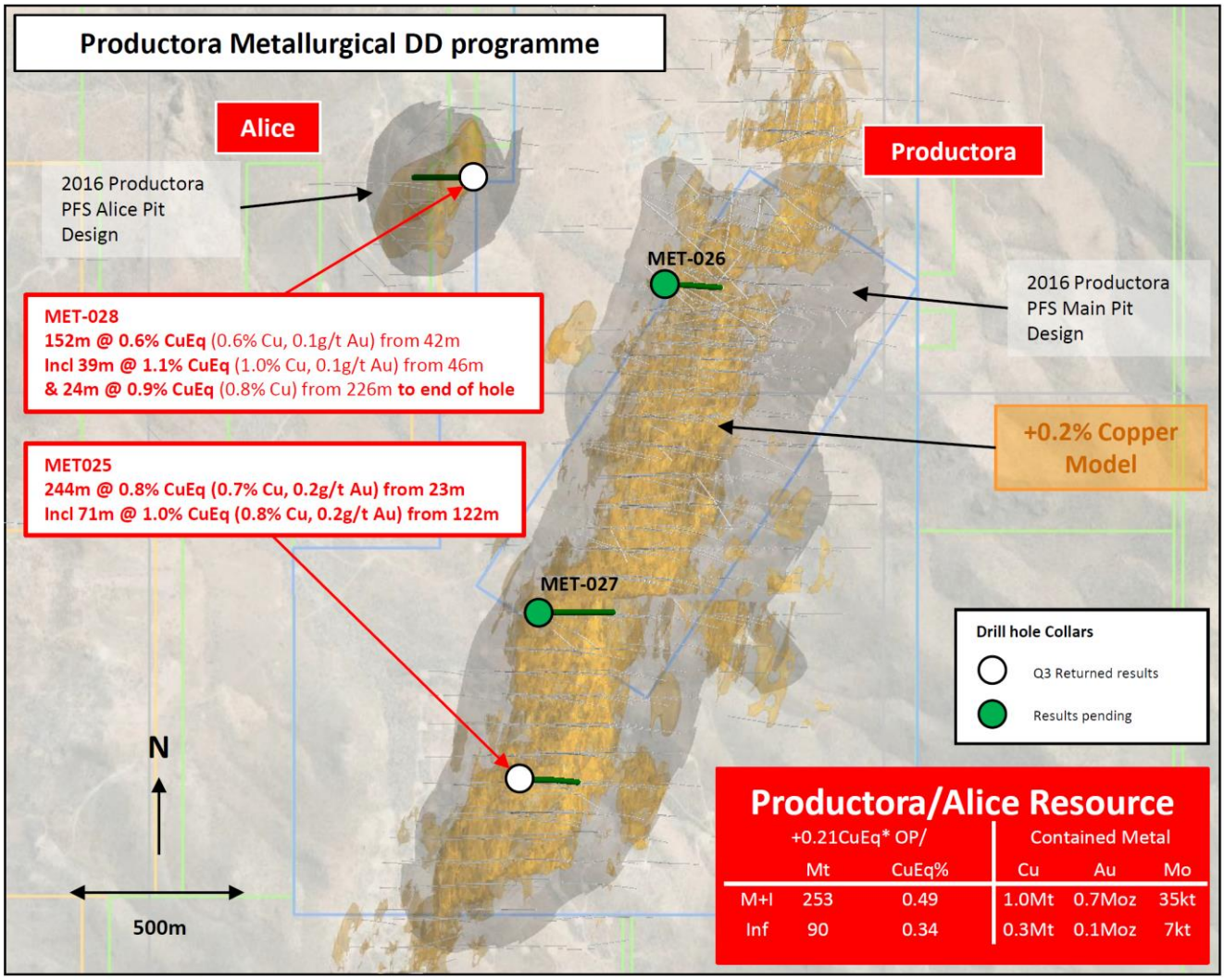

Figure 2. Location of PFS metallurgical diamond drillholes at Productora/Alice

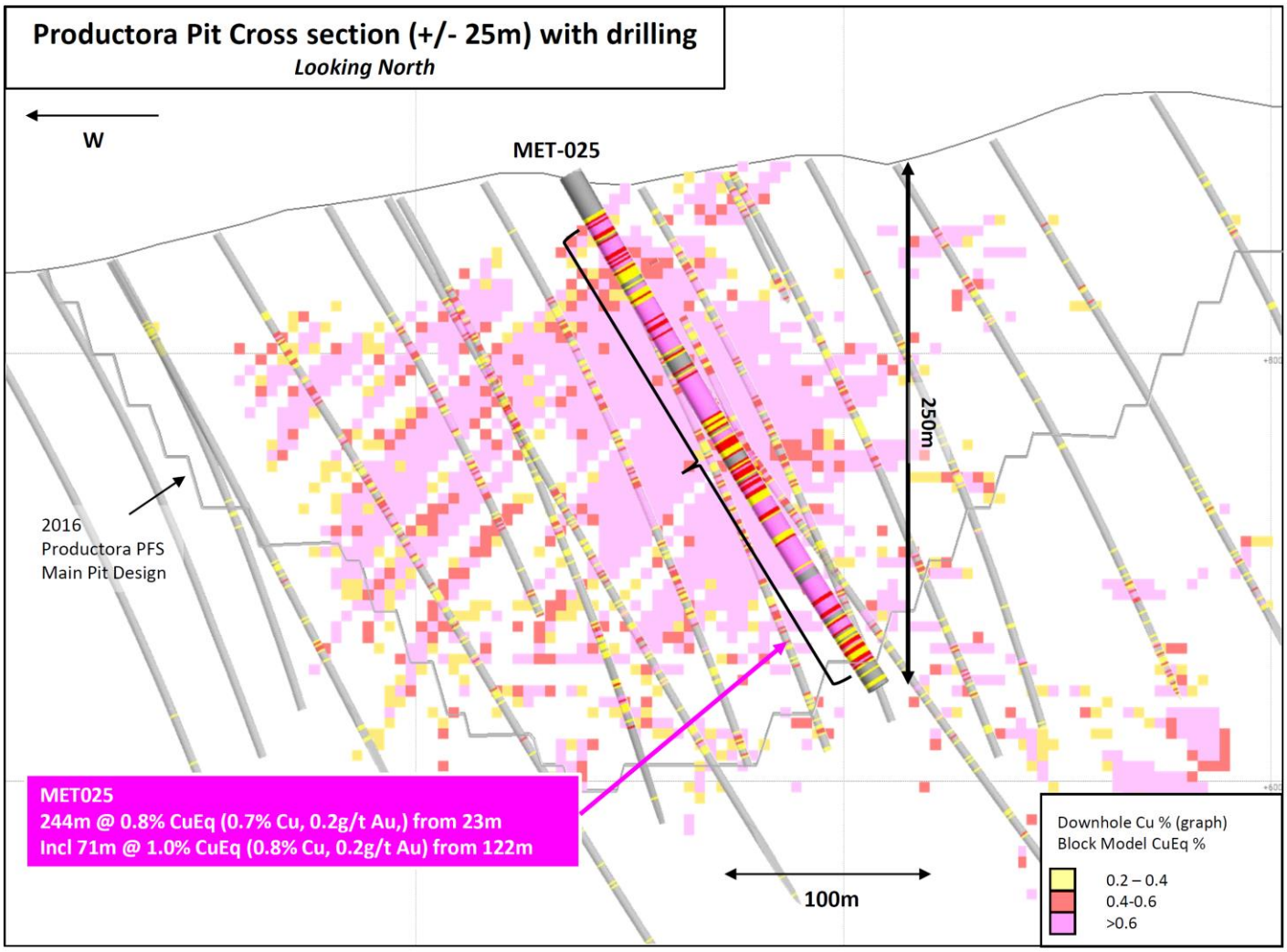

Figure 3. Cross section (looking north) showing the MET025 significant intersections in the Productora PFS open pit design. The highest-grade mineralisation is hosted in the tourmaline breccia unit with lower-grade material in the adjacent felsic volcanic wall-rock

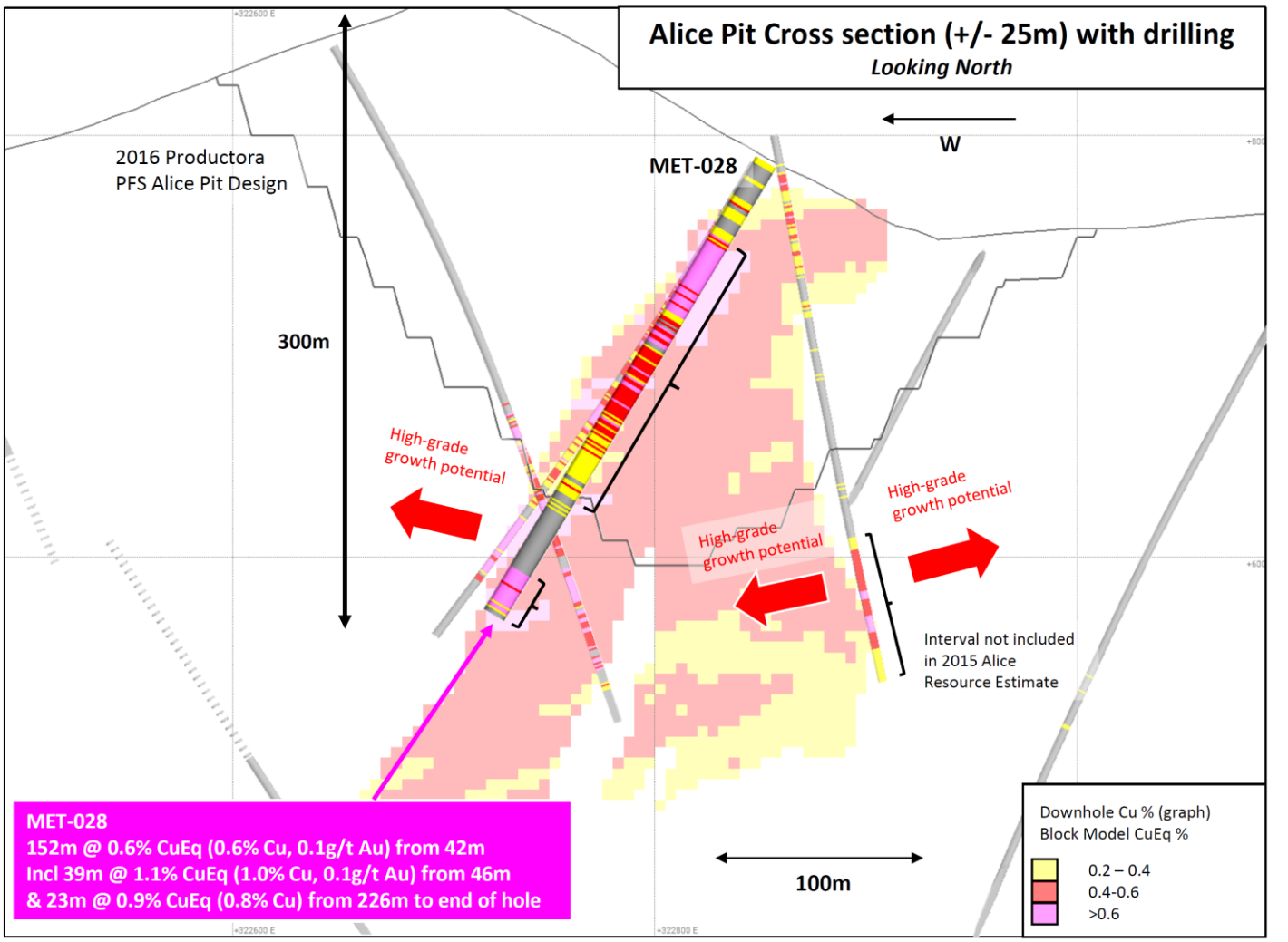

Figure 4. Cross section (looking north) showing the MET028 significant intersections in the Alice PFS open pit design. High grade mineralisation is associated with felsic porphyry hosted limonites (within weathered rock) and intensely sericite altered felsic porphyry (within fresh rock)

Table 2. New Significant RC Results at Valentina

Hole_ID	Coordinates			Azim	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Moly	Cu Eq*
	North	East	RL				From	To	(m)	(%)	(g/t)	(g/t)	(ppm)	(%)
VAP0027	6823595	342875	934	28	-67	100	46	49	3	1.3	0.0	3.0	1	1.4
VAP0029	6823463	342933	943	265	-64	100	10	16	6	1.3	0.0	0.3	1	1.3
							23	25	2	1.1	0.0	0.8	1	1.1

** Copper Equivalent (CuEq) reported for the drillhole intersections 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 × Cu_recovery).*

The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

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

For San Antonio and Valentina, significant intersections are calculated above a nominal cut-off grade of 0.5% Cu, with a minimum estimated true thickness of 1.5m. These parameters are aligned with marginal economic cut-off grades for narrow, high-grade polymetallic copper deposits of similar grade in Chile and elsewhere in the world. Down-hole significant intersection widths are estimated to be at or around 70 per cent of true-widths of mineralisation.

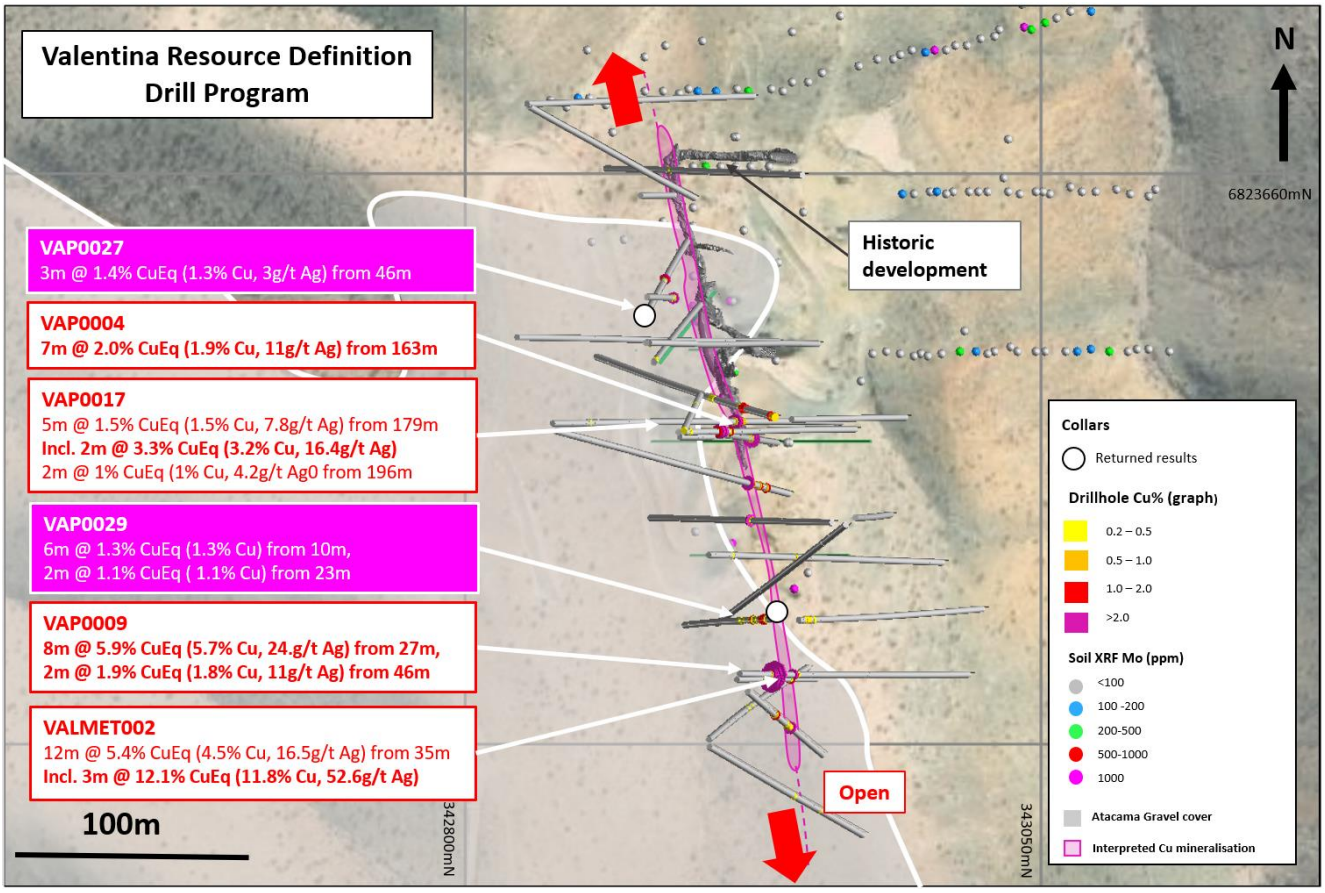

Figure 5. Location of drill holes and new significant drill results at the Valentina high grade copper deposit. Valentina is open at depth, as well as along strike to the north and to the south (underneath a 10 to 15m deep cover of gravel). New intersections in purple text boxes.

Table 3. New Significant RC Results at Santiago Z

Hole_ID	Coordinates			Azim	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Moly	Cu Eq*
	North	East	RL				From	To	(m)	(%)	(g/t)	(g/t)	(ppm)	(%)
SZP0002	6807370	334541	1264	280	-60	486	37	40	3	0.0	0.0	5.5	10	0.1
							80	83	3	0.1	0.0	6.3	7	0.1
SZP0003	333923	6807048	1296	119	-60	420	0	38	38	0.0	0.0	2.9	20	0.0
						Including	24	38	14	0.0	0.0	4.9	9	0.0
SZP0004	334193	6806731	1324	110	61	498	0	30	30	0.0	0.0	4.5	69	0.1
							178	184	6	0.1	0.0	2.5	37	0.1

** Copper Equivalent (CuEq) reported for the drillhole intersections 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 × Cu_recovery).*

The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

Santiago Z[1] – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag.
CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

[1]Note Santiago Z assumes recoveries from the nearby Cortadera Porphyry deposit, as no metallurgical testwork has been completed at Santiago Z.

For Santiago Z, significant intersections are calculated above a nominal cut-off grade of 2.5ppm Ag, with a minimum estimated true thickness of 3m. These parameters are suitable for reporting of an early stage, polymetallic exploration project. Down-hole significant intersection widths are estimated to be at or around 70 per cent of true-widths of mineralisation.

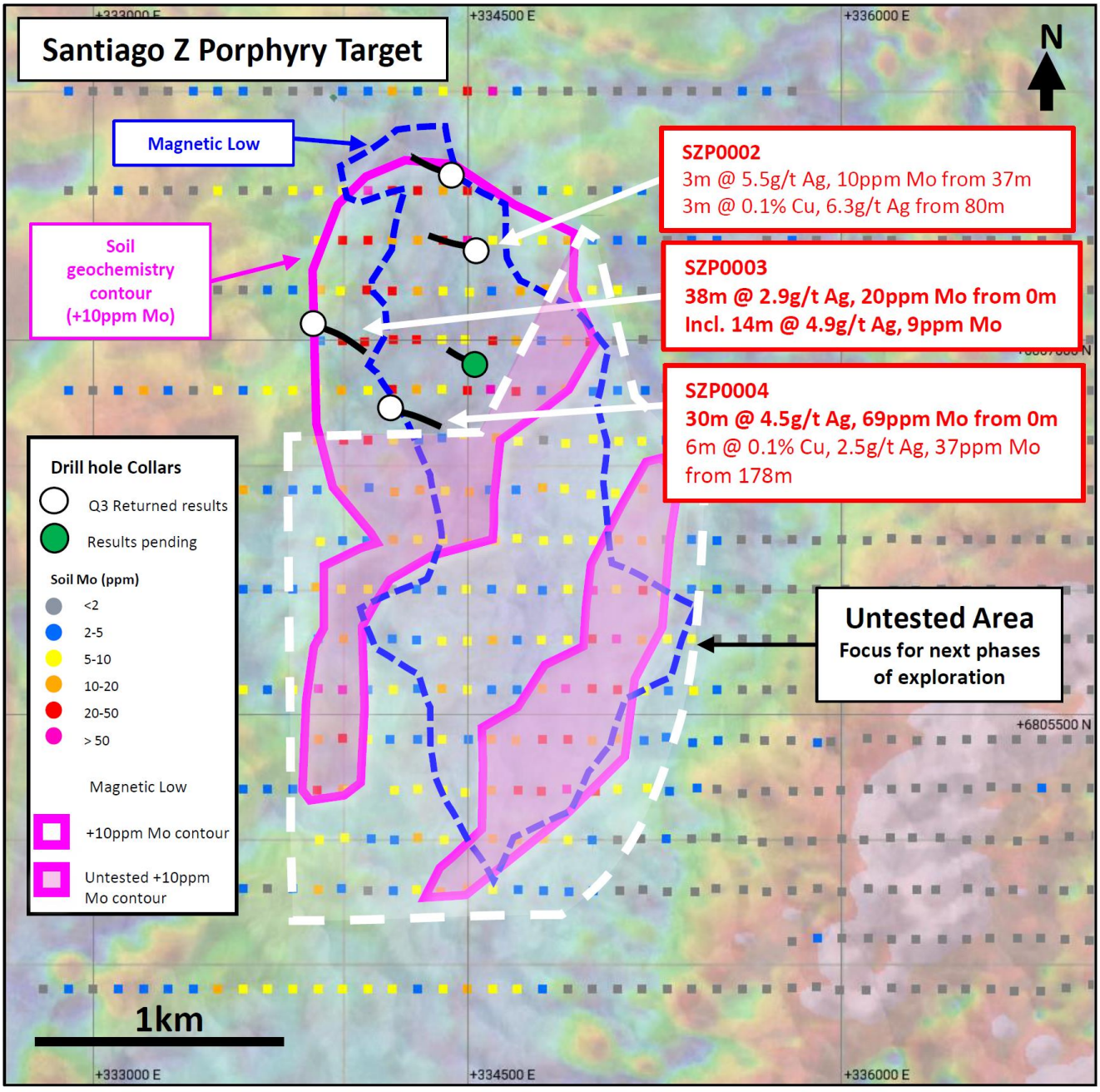

Figure 6. Location of drill holes and new significant drill results at the Santiago Z exploration target. Phase Two drilling is currently being planned to intersect high-potential exploration targets in the untested area to the south of the Phase One drillholes.

Qualifying Statements

Costa Fuego Combined Mineral Resource (Reported 31st March 2022)

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

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

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

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

** Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: CuEq% = ((Cu% × 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 × 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 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

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

CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm)

Costa Fuego – Weighted recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag

CuEq(%) = Cu(%) + 0.52 x Au(g/t) + 0.00039 x Mo(ppm) + 0.0027 x Ag(g/t)

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

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

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

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

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

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 × 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 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

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

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

Forward Looking Statements
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Appendix 1. JORC Code Table 1 for Santiago Z

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.*	*A 200 x 100m grid spacing soil program with a total of 686 samples were taken along the Santiago Z leases and 17 rocks chip samples. All these samples were scanned using an Olympus "Vanta" portable XRF and magnetic susceptibility with a portable KT-10 equipment. Each sample underwent subsequent multielement analysis by ALS laboratories.* *ALS Soil sample preparation included drying samples at <60°C/140°F, then sieving samples to -180 micron (80 mesh).* *ALS method ME-MS61 was used for each sample which involves a 4-acid digestion (Hydrochloric-Nitric-Perchloric-Hydrofluoric) followed by ICP-MS determination. Each soils sample was also submitted for gold analysis by method Au-ICP21 (30g Fire Assay ICP-AES finish).* *Geological descriptions including lithology, texture and alteration were collected for each soil sample point and recorded in excel files that after were uploaded into AcQuire.* *In addition, and parallel with the soil sampling program, surface mapping was carried out at Santiago Z , at a scale 1: 2,500, where the mapping mainly focusing on lithological features, major structures and mineralisation controls in order to define target areas.* *Drilling undertaken by Hot Chili Limited ("HCH" or "the Company") has been completed using the Reverse Circulation (RC) methodology. Drilling has been carried out under Hot Chili (HCH) supervision by an experienced drilling contractor (BlueSpec Drilling).* *RC drilling at Santiago Z produced a 1m bulk sample and representative 1m with sample weights averaging 3 kg.* *Geological logging was completed, and mineralised sample intervals were determined by the geologists to be submitted as 1m 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 1m split samples are then submitted to the laboratory for analysis.* *RC samples were crushed and split at the laboratory, with up to 1kg 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 purposes for this style of deposit and mineralisation.*
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 (130 to 140mm diameter) ensuring minimal contamination during sample extraction.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *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*	*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),*

	due to preferential loss/gain of fine/coarse material.	*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.*
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.*	*Detailed descriptions of RC chips were logged qualitatively for lithological composition, 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.* *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.*	*Soil samples at Santiago Z were collected at each sampling point, designated by the GPS coordinate WGS84 datum, and a hole with an area of 30x30cm was made, with a depth of 15 to 20 cm.* *The first 10 to 15 cm of organic matter and soil were removed, to recover a sample of 500 to 800 grams, which was then placed through a 2mm sieve, and finally all material that falls under the sieve is collected in a calico bag, which is pre-labelled corresponding to the designated point and label.* *At each sampling point, an excel spreadsheet was populated with the type of sample, for example Regolith, Colluvium or Alluvium.* *RC drilling was sampled at one 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 0.9kg to 4.5kg, but typically average 3kg.* *All HCH samples were submitted to ALS Coquimbo (Chile) for multi-element analysis. The sample preparation included:* *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.* *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 gold method is AuAA23 (Au by fire assay and AAS)* *Field duplicates were collected for RC drill samples at a rate of 1 in 50 drill meters. The procedure involves placing a second sample bag on the cone splitter to collect a duplicate sample.* *Insufficient data currently exists to review duplicate results.* *The selected sample sizes and sample preparation techniques are considered appropriate for this style of mineralisation for exploration purposes.*

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 soil samples collected at Santiago Z were scanned using a Olympus "Vanta" portable XRF and magnetic susceptibility with a portable KT-10 equipment.* *Routine QA/QC standards are used at the beginning and end of each XRF campaign (daily) file in addition to every 50 XRF measurements recorded. Standards have been selected to represent typical multi-element distribution for the style of deposit being analysed.* *Routine comparison of soil sample XRF and assay results is completed at the end of each soil geochemical campaign.* *Soil samples were also submitted to ALS for multielement analysis by ME-MS61 method. This method provides 48 element analysis at very low detection limits, suitable for mapping lithology from geochemistry. Analysis involves HNO_3-$HClO_4$-HF acid digestion, HCl leach, dissolving nearly all minerals, this is paired with ICP-MS and ICP-AES analysis. This technique is appropriate for this type of sample and is considered total.* *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 50 samples.* *Routine 'blank' material (unmineralised 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 samples were submitted at a rate of 1 in 50 metres.* *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.* *Umpire laboratory checks have been undertaken by HCH for other projects.*
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.*	*XRF data for soil samples is routinely analysed by company geologists in relation to standards and subsequent comparison to assay laboratory results of equivalent samples.* *A very high correlation has been noted for molybdenum assay laboratory results and molybdenum XRF results on HCH soil sample sites across multiple regional soil sampling campaigns in the Vallenar region of Chile.* *All assay results have been compiled and verified the database manager 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.*

		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 the database manager. *Visualisation and validation of drill data was undertaken in 3D through the use of Datamine and Leapfrog with no errors detected.* *Insufficient data currently exists to review field duplicate results.* *All retained 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.* *Downhole surveys 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.* *The topographic model used at Santiago Z is deemed adequate for topographic control.*
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.*	*A 200 x 100m grid spacing soil program with a total of 686 samples was taken across the Santiago Z leases. The soil sample lines were designed on E-W grid referencing a WGS84 zone 19S location. This sample spacing is considered appropriate for first pass soil geochemical sampling at Santiago Z, and multi-element anomalism is consistent across several soil sample lines giving confidence in its appropriateness.* *Drill spacing is not considered at the early stage of this exploration project.*
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 soil sample lines at Santiago Z were designed on E-W grid referencing a WGS84 zone 19S location.* *The orientation of the soil grid lines at Santiago Z were considered optimal to test the N-S orientation of the historical XRF molybdenum anomaly defined by Minera Fuego, in addition to regional geological maps and fault structures which dominantly trend NE-SW.* *RC drilling at Santiago Z has been designed to intersect near-perpendicular to the interpreted structural corridor.*
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.*	*A review of QA/QC assay results at Santiago Z in relation to standards and blanks has been undertaken and is considered to be accurate and acceptable. Comparison of XRF Mo results in relation to HCH assayed Mo results at Santiago Z has also shown a high degree of repeatability.*

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>The Santiago Z landholding comprises the following landholding
<table>
<tr><th>License ID</th><th>Option Agreement Terms</th><th>Comments</th></tr>
<tr><td>SANTIAGO Z</td><td rowspan="7">100% HCH Earn In (Arnaldo del Campo). 5 years term. USD 600,000 to be paid on year 3 – 22nd January 2024. 1.5% NSR</td><td rowspan="7"></td></tr>
<tr><td>PORFIADA I</td></tr>
<tr><td>PORFIADA II</td></tr>
<tr><td>PORFIADA III</td></tr>
<tr><td>PORFIADA IV</td></tr>
<tr><td>PORFIADA V</td></tr>
<tr><td>PORFIADA VI</td></tr>
<tr><td>CHILIS 1</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 2</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 3</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 4</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 5</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 6</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 7</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 8</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 9</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 10</td><td>100% Frontera SpA</td><td></td></tr>
<tr><td>CHILIS 11</td><td>100% Frontera SpA</td><td></td></tr>
</table></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 Santiago Z project included:

2011 to 2013 Minera Fuego regional mapping and soil sampling programmes undertaken as part of a generative exploration assessment of the Vallenar region in Chile</td></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>The Geology of the Santiago Z landholding is summarised as follows:

Lithologies mainly observed:
Lower Cretaceous fossiliferous limestones are observed principally in Porfiada I tenement. Alteration is mainly weak as jarosite-clays but strong clays-jarosite hematite alteration are also present near hydrothermal breccias
Lower Cretaceous andesites and volcanic breccias are observed in Porfiada II, III, IV and Santiago Z. In Porfiada II and III this sequence is interbedded with limestone and the alteration is mainly weak as epidote-chlorite clays
Porphyry intrusive stocks have been mapped in several locations by Minera Fuego geologists in Porfiada I. These were noted to be part of Complejo Plutonico Camarones (91 - 96Ma)</td></tr>
</table>

		• *In Porfiada IV and Santiago Z, the upper Cretaceous volcanic sequence is conformed by a lithic-crystal tuff and andesite lavas. Alteration is mainly associated with the propylitic suite, mostly epidote and chlorite, with carbonate veining and hematite-specularite* • *This sequence is intruded by an Upper Cretaceous Granodioritic-Dioritic intrusive. Alteration is mainly weak as epidote-chlorite* • *Tourmaline breccia bodies were observed in the Santiago Z. Those are clast supported with monomict angular clasts altered to K-feldspar.* *Structures:* • *Regional and local folds and Faults (NE, NNE, NS)* *Veining and hydrothermal breccias:* • *Most of the carbonate veins were observed in limestone* • *Hydrothermal breccias (on N30E trend) follow the stratigraphic sequence and are between 1 to 4 m thick and 50 to 500 m long. These were principally observed at Porfiada I with jarosite, hematite +- chrysocolla* • *The hydrothermal breccia trend is related to Las Cañas NNE regional fault. In Porfiada IV N70E trend is observed.* *Mineralisation:* *Two types of mineralisation are observed:* *1) Hydrothermal breccias (northern of Porfiada I tenement): Hydrothermal breccia with jarosite+- hematite matrix – Hydrothermal breccia with chrysocolla-clays+-jarosite matrix* *2) 2) Epidote-Skarn (Santiago Z tenement): – Old works for copper oxides were observed in the area. These works follow orientations trending approximately N10° to N25°E and are subvertical.*
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 are tabulated in this announcement.*
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.*	*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.* *Significant intersections are calculated above a nominal cut-off grade of 2.5ppm Ag, with a minimum estimated true thickness of 3m. These parameters are suitable for reporting of an early stage, polymetallic exploration project. Down-hole significant intersection widths are estimated to be at or around 70 per cent of true-widths of mineralisation. No top cuts have been considered in reporting of*

	The assumptions used for any reporting of metal equivalent values should be clearly stated	*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 the interpreted mineralisation trend.* *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.*
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.*
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.* *Soil sampling at Santiago Z was completed on a 200 x 100m grid, and samples were sieved to a -2mm fraction that was sent for analysis for ME-MS61 (48 element) and Au.* *The XRF readings (for Hot Chili samples) were taken by the Olympus "Vanta" portable XRF . The Minera Fuego data was a Niton XRF.* *Original data acquisition and processing of approximately 24,323 line kilometres of high resolution aeromagnetic and airborne gamma-ray spectrometric (AGS) data over the Vallenar survey block (Non-exclusive area number 4006) in Chile. evaluation and re-processing of this data was carried out by Fugro airborne Surveys (Fugro) in 2005.* *The original data was acquired by the World Geoscience Corporation (WGC) between January 10th and May 3rd, 1993. Details of this airborne survey are as follows:* *Aircraft - Cessna Titan 404* *Registration -N4489L* *Survey Speed -80 m/sec* *Data Acquisition System - PDAS-1000 digital acquisition system* *Magnetometer - Split-beam caesium vapour* *Resolution - 0.001 nanoTesla* *Cycle Rate - 5 Hz* *Nominal Sample interval - 16 m* *Gamma-Ray Spectrometer - 256 channel PGAM 1000* *NaI(Tl) Crystal Volume: - 33.56 liters* *Cycle rate: - 1 Hz* *Nominal sample interval:- 80 meters* *Positioning - NovAtel GPS* *GPS cycle rate - 1.0 Hz* *Navigation - Picodas PNAV* *Radar Altimeter - King* *Accuracy - 2%,* *Sensitivity - 1 ft, range 0 to 2500 ft,* *Cycle Rate - 10 Hz*

		Barometric Altimeter – Rosemount *Cycle Rate - 10 Hz*
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.*	*Additional work currently being planned at Santiago Z includes but is not limited to further detailed litho-structural mapping, additional extensional and in-fill soil geochemistry, geophysical survey (IP/MT) and phase-two exploration drilling.*