



## ASX Announcement

Monday 23<sup>rd</sup> April 2018

# Strong Historical Result of 7.5m grading 10.4% Copper Highlights San Antonio Potential

## *30m Wide Main Lode Confirmed to Continue at Depth Below San Antonio*

### ASX CODE

HCH

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### Highlights

#### Historical Underground Face Sampling Data Compiled for San Antonio

##### 60 Level (60m from surface) historical underground face channel sample results

- 7.5m grading 10.4% Copper
- 8.5m grading 2.3% Copper, and
- 9m grading 2.0% Copper

##### 90 Level (90m from surface) historical underground face channel sample results

- 24.6m grading 2.2% Copper
- 24.7m grading 1.7% Copper
- 24.7m grading 1.8% Copper
- 12.3m grading 2.4% Copper, and
- 12.3m grading 2.0% Copper

#### Mapping Outlines 6km Long Multi-Deposit Corridor at El Fuego

- Compilation of surface results and detailed mapping has confirmed the presence of **outcropping porphyry copper mineralisation in several locations along a 6km corridor** within the Company's new El Fuego copper project in Chile
- **Surface results up to 5.4% copper and 1.1g/t gold returned from mapping of the Valentina high grade mine area and extensions**
- **Two potentially large, blind porphyry copper centres** have been identified between the high grade San Antonio and Valentina copper mines





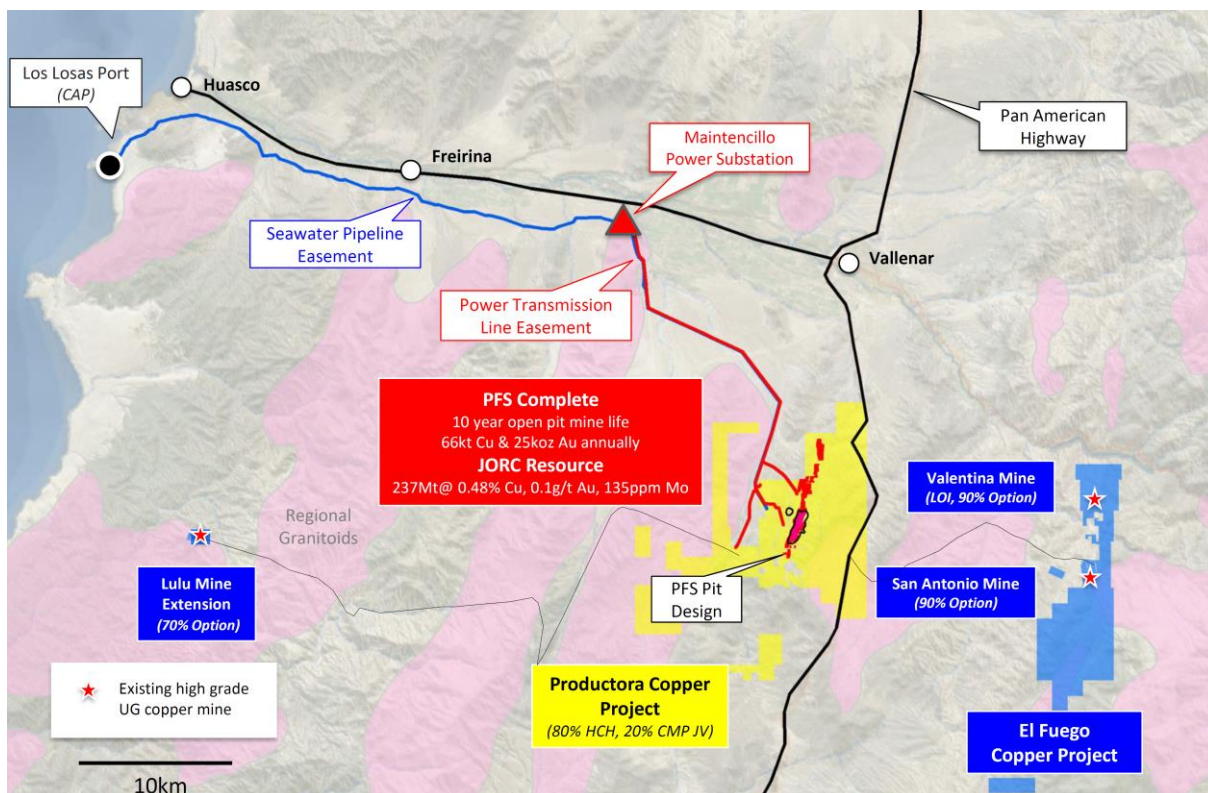
Exploration momentum is building for Hot Chili Limited (ASX code HCH) (“Hot Chili” or “Company”) as the Company prepares to drill test a suite of shallow, high grade copper opportunities within the Company's new El Fuego copper project in Chile (Figure 1).

Historical data being compiled for the San Antonio underground mine has outlined a standout high grade resource development opportunity which has far exceeded the Company's expectations.

**Importantly, Hot Chili has now confirmed that the San Antonio Main Lode continues and is open below 90m depth.** The continuation of the Main Lode has been discovered by lease miners (operating under a capped 50,000tpa arrangement) to be lying west of where historical development on the 150m depth level was previously unsuccessful at locating the continuation of the mine.

**With historical underground face results of 7.5m grading 10.4% copper (horizontal channel sample), San Antonio's pedigree and potential scale is only now becoming apparent.**

Detailed mapping and surface sampling by Hot Chili has outlined a 6km long multi-deposit corridor featuring two high grade copper mines (San Antonio and Valentina), and now confirmation of outcropping porphyry copper mineralisation across two potentially large blind porphyry centres.

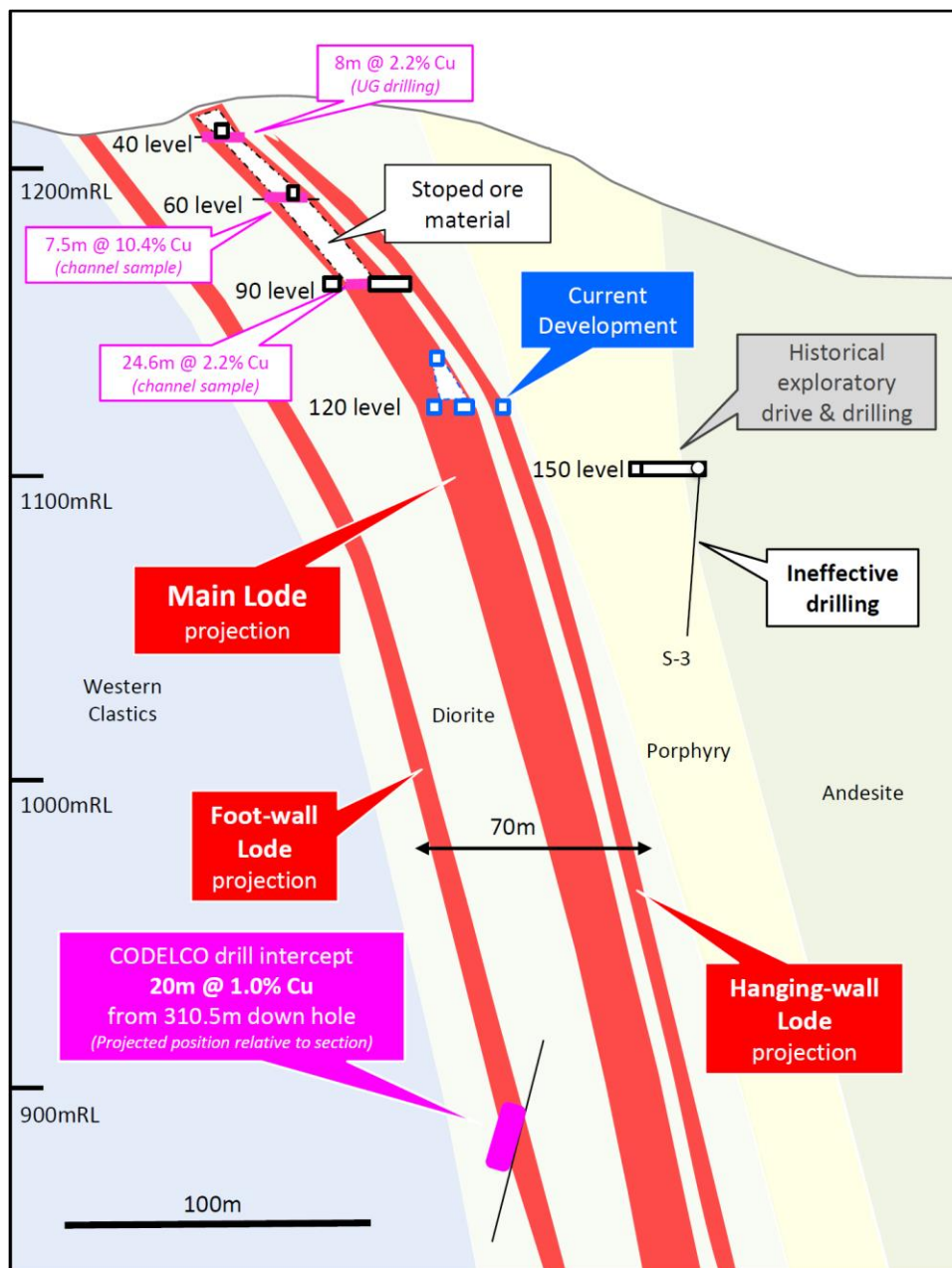


**Figure 1 The new consolidated high grade El Fuego copper project in relation the Company's existing large-scale Productora copper project.**

## Lease Miners Successfully Locate Depth Continuation of San Antonio Main Lode

Hot Chili has now received updated development drive information which confirms the continuation of the Main Lode of the San Antonio mine below the 90 Level (90m from surface).

Underground lease miners (under a capped arrangement) have been successful in locating the direct continuation of the Main Lode 120m from surface. Previous historical development and close-out drill holes at the base of the mine are now considered ineffective as displayed on Figure 2.



**Figure 2 Schematic cross section of the San Antonio Mine and projected extensions to high grade copper and gold mineralisation.**



It is now apparent that historical development and close-out drilling on the 150 Level (150m from surface) appears to have been located some 30m too far east.

This is a significant new development given the sizeable widths and grade of the Main Lode on the 60 and 90 Level which is **now confirmed as open and untested**.

### Historical Data Indicates Strong Continuity of Grade and Width at San Antonio

Compilation of remaining historical underground information recently obtained for the San Antonio underground copper mine has continued to demonstrate continuity of grade and width, providing strong encouragement for large extensions to existing mineralisation and identified parallel lodes.

Historical underground face sampling data has provided a detailed insight into high grade copper distribution within the deposit which will aid in effective drill testing of direct extensions to a deposit which remains largely untested at depth and along strike.

**Hot Chili now considers the resource potential of the San Antonio mine area to be many multiples of the reportedly 2Mt grading 2% copper and 0.3g/t gold which has been historically exploited from the mine.**

Table 1 Outlines selected significant historical underground face sample results in addition to historical drill results (see ASX announcement dated 18<sup>th</sup> April 2018) from the **60 Level (60m from surface)** of San Antonio, which include:

**Table 1. 60 Level Selected Historical Underground Results**

UG Face Channel Results	UG Drilling results
<b>7.5m grading 10.4% Cu</b>	<b>12m grading 2.9% Cu</b> (including 5m grading 4.3% Cu)
<b>8.5m grading 2.3% Cu</b>	<b>12m grading 2.6% Cu</b> (including 6m grading 3.2% Cu)
<b>9m grading 2.0% Cu</b>	<b>10m grading 2.2% Cu</b>
<b>6.1m grading 2.2% Cu</b>	<b>9m grading 2.4% Cu</b>

Table 2. Outlines selected significant historical underground face sample results in addition to historical drill results (see ASX announcement dated 18<sup>th</sup> April 2018) from the **90 Level (90m from surface)** of San Antonio, which include:

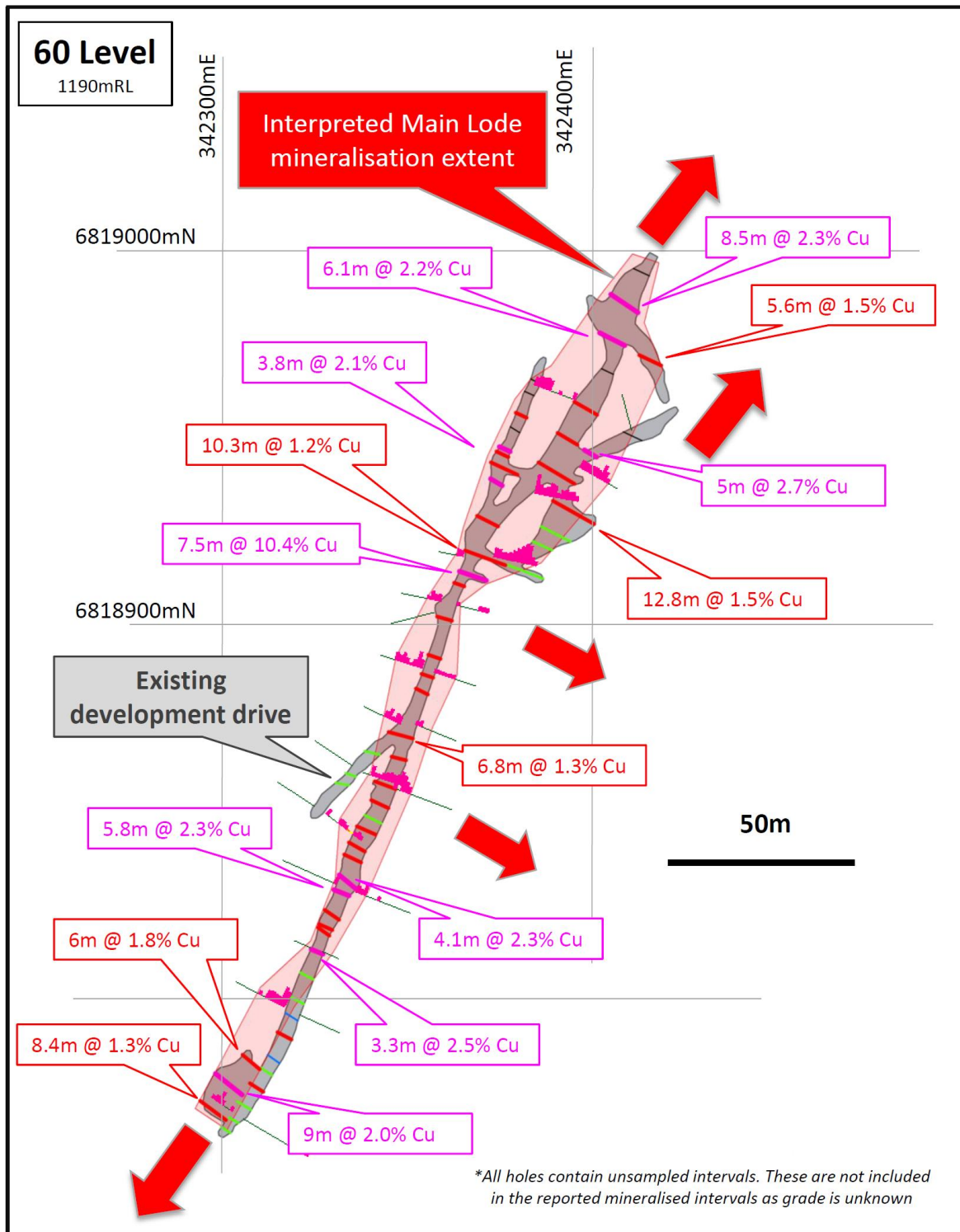
**Table 2. 90 Level Selected Historical Underground Results**

UG Face Channel Results	UG Drilling results
<b>24.6m grading 2.2% Cu</b>	<b>14m grading 3.1% Cu</b> (including 5m grading 5.5% Cu)
<b>24.7m grading 1.7% Cu</b>	<b>8m grading 3.1% Cu</b>
<b>24.7m grading 1.8% Cu</b>	<b>11m grading 2.5% Cu</b>
<b>12.3m grading 2.4% Cu</b>	<b>3m grading 3.0% Cu</b> (to end of hole)

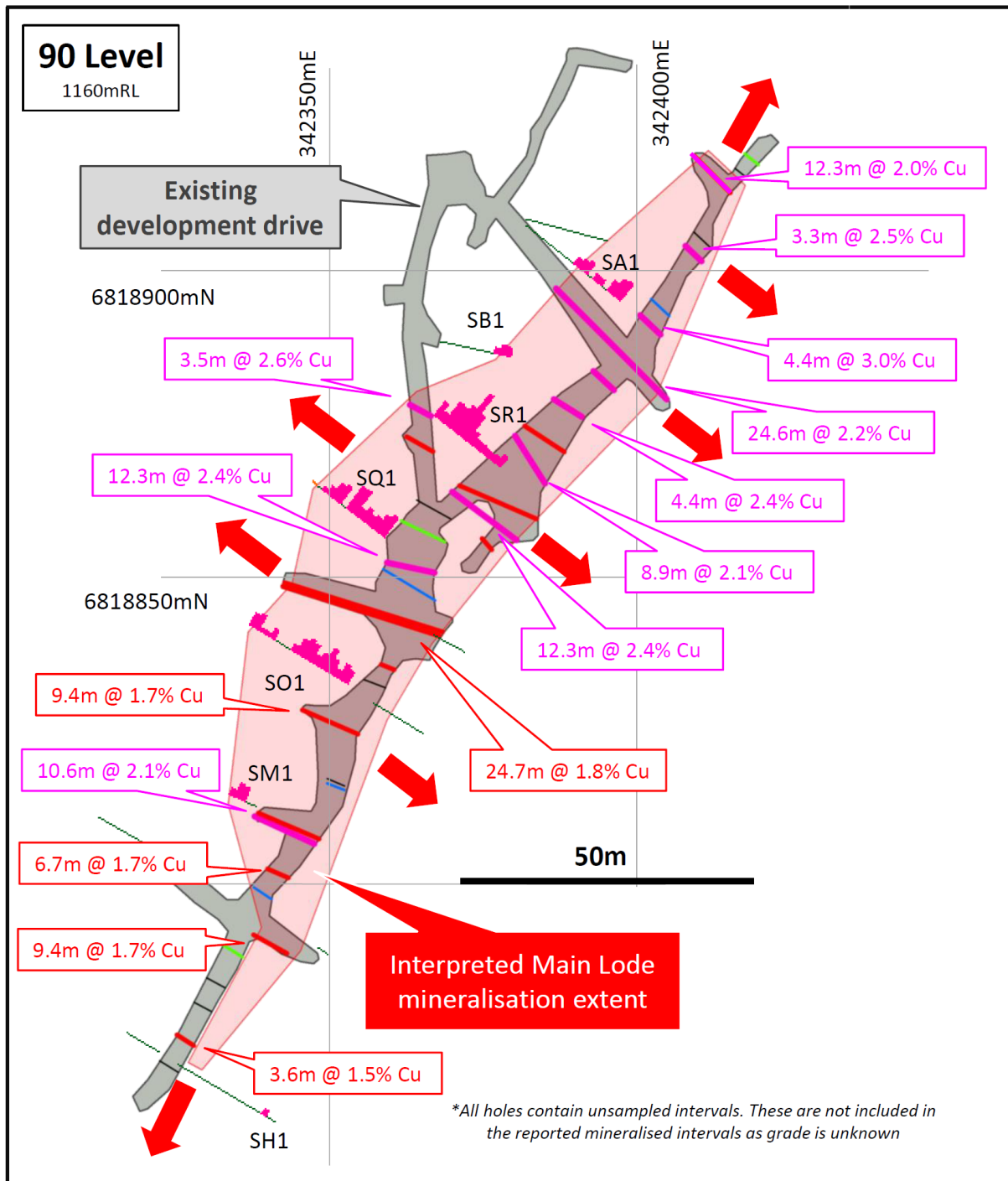




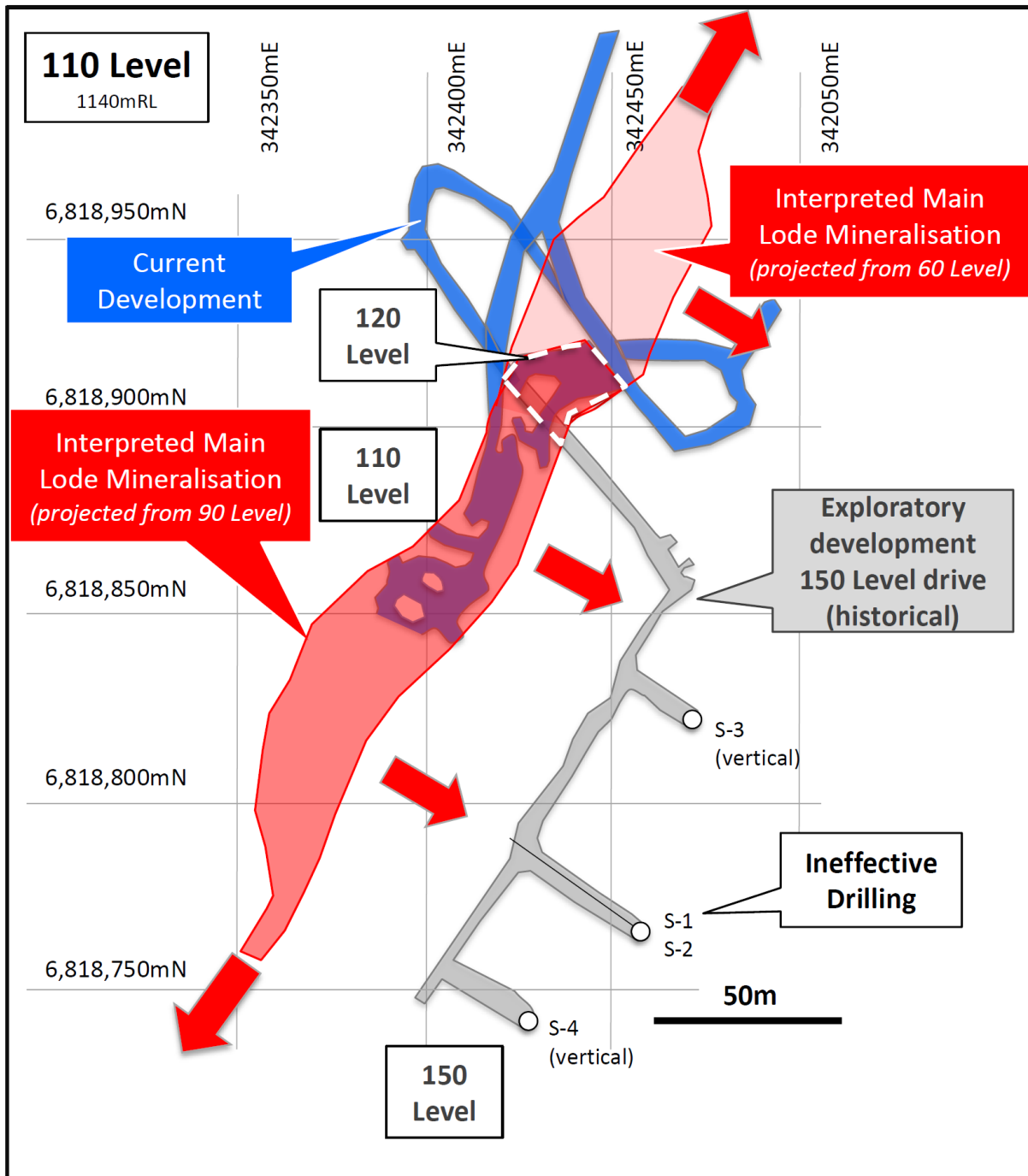
Figures 3, 4 and 5 display significant historical results in relation to the 60, 90 and 110 Levels of the San Antonio mine (Main Lode Only, not including parallel lodes), respectively.



**Figure 3 Significant historical face channel sample results and previously reported historical drilling across the 60 Level (60m from surface) of the San Antonio Main Lode.**



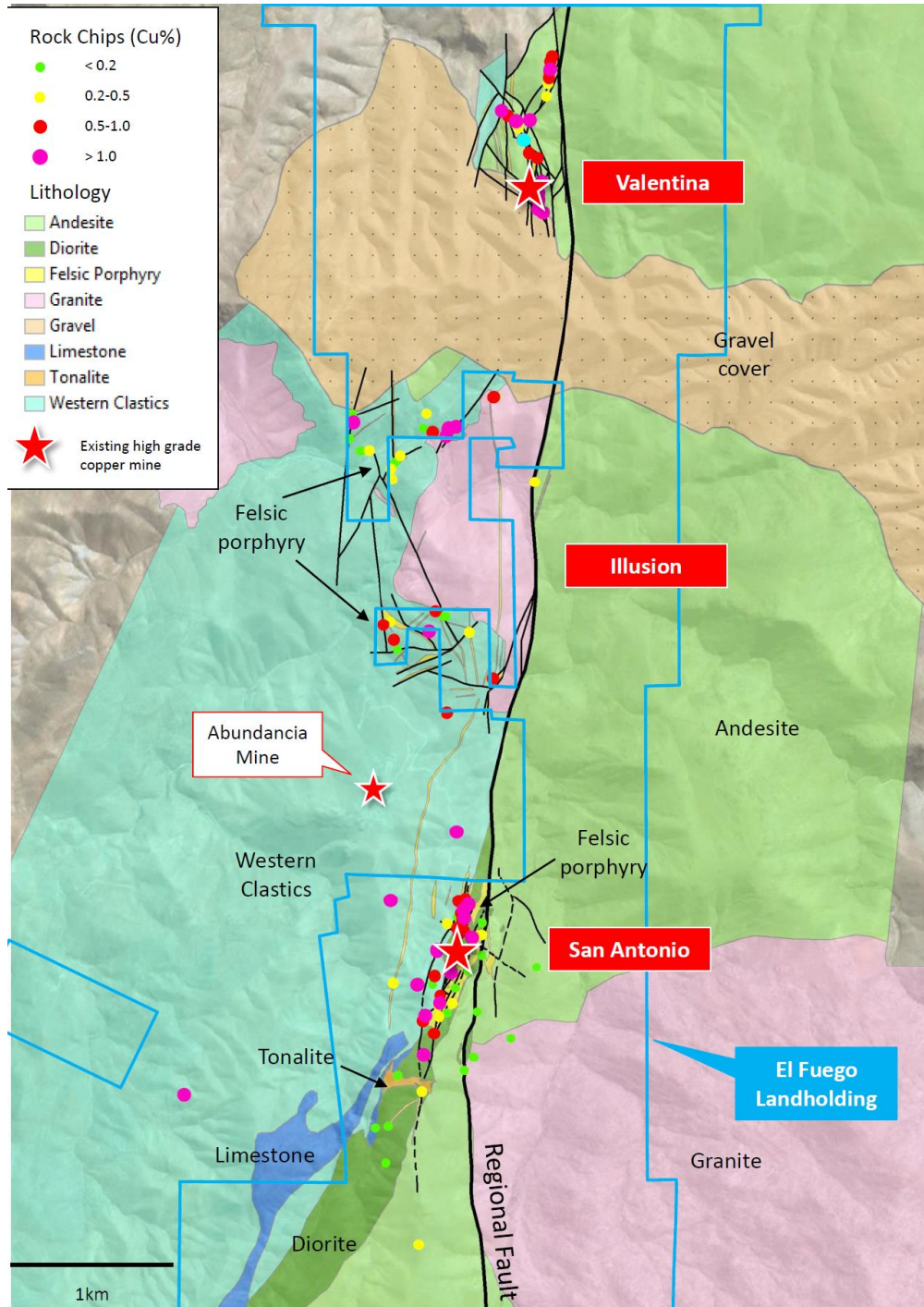
**Figures 4 Significant historical face channel sample results and previously reported historical drilling across the 90 Level (90m from surface) of San Antonio Main Lode.**



Figures 5 Location of current lease miners underground development (Level 110 and 120) in relation to the historical base of mine development (150 Level) which had previously not located the continuation of the mine.

## 6km Long Multi Deposit Corridor Outlined at El Fuego

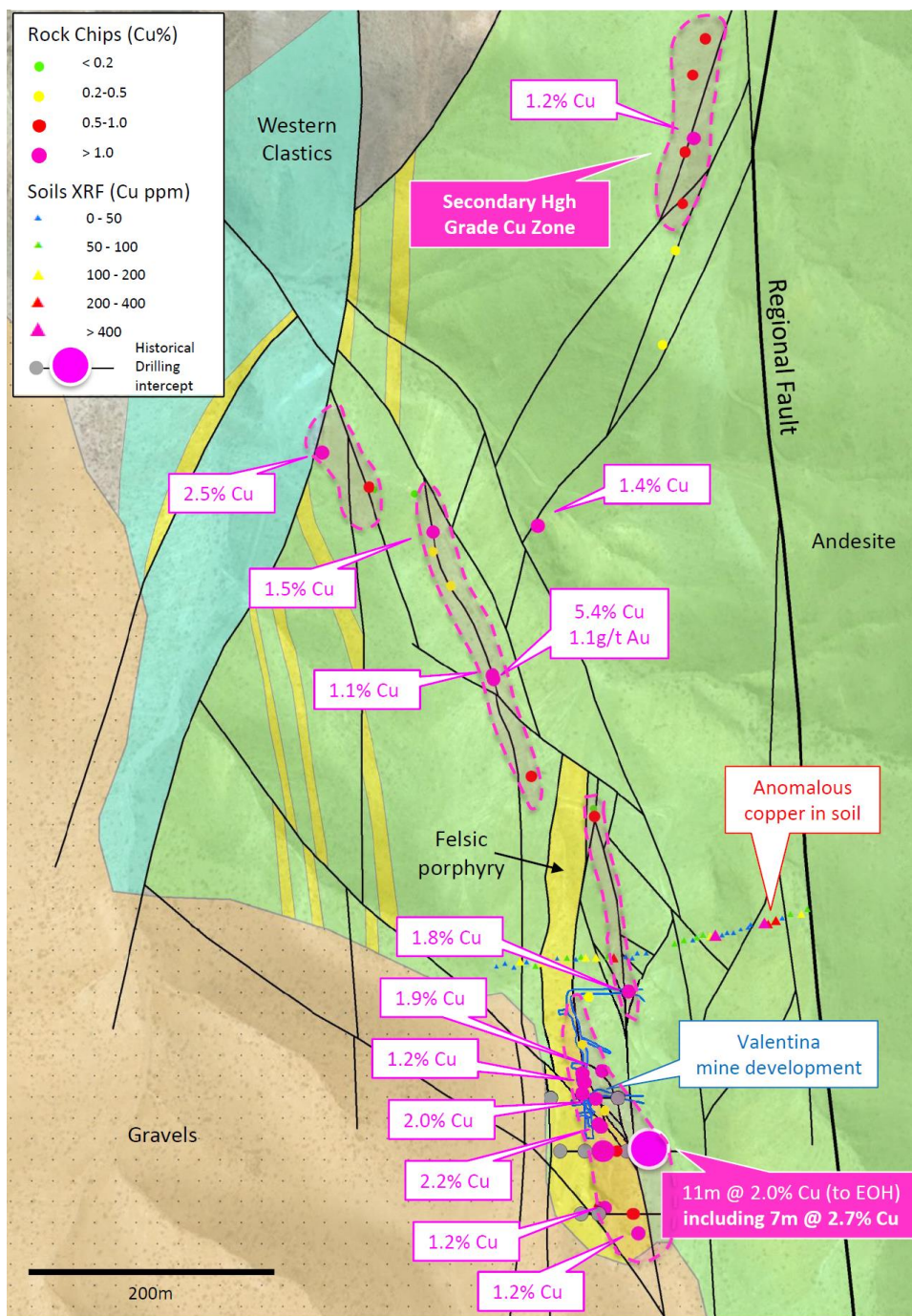
Hot Chili have compiled all information from its recent detailed mapping and sampling campaigns covering its El Fuego landholdings extending over a 6km corridor between the San Antonio and Valentina high grade copper mines as outlined on Figure 6.



**Figure 6 Consolidated geological interpretation and rock chip results across the San Antonio and Valentina corridor.**

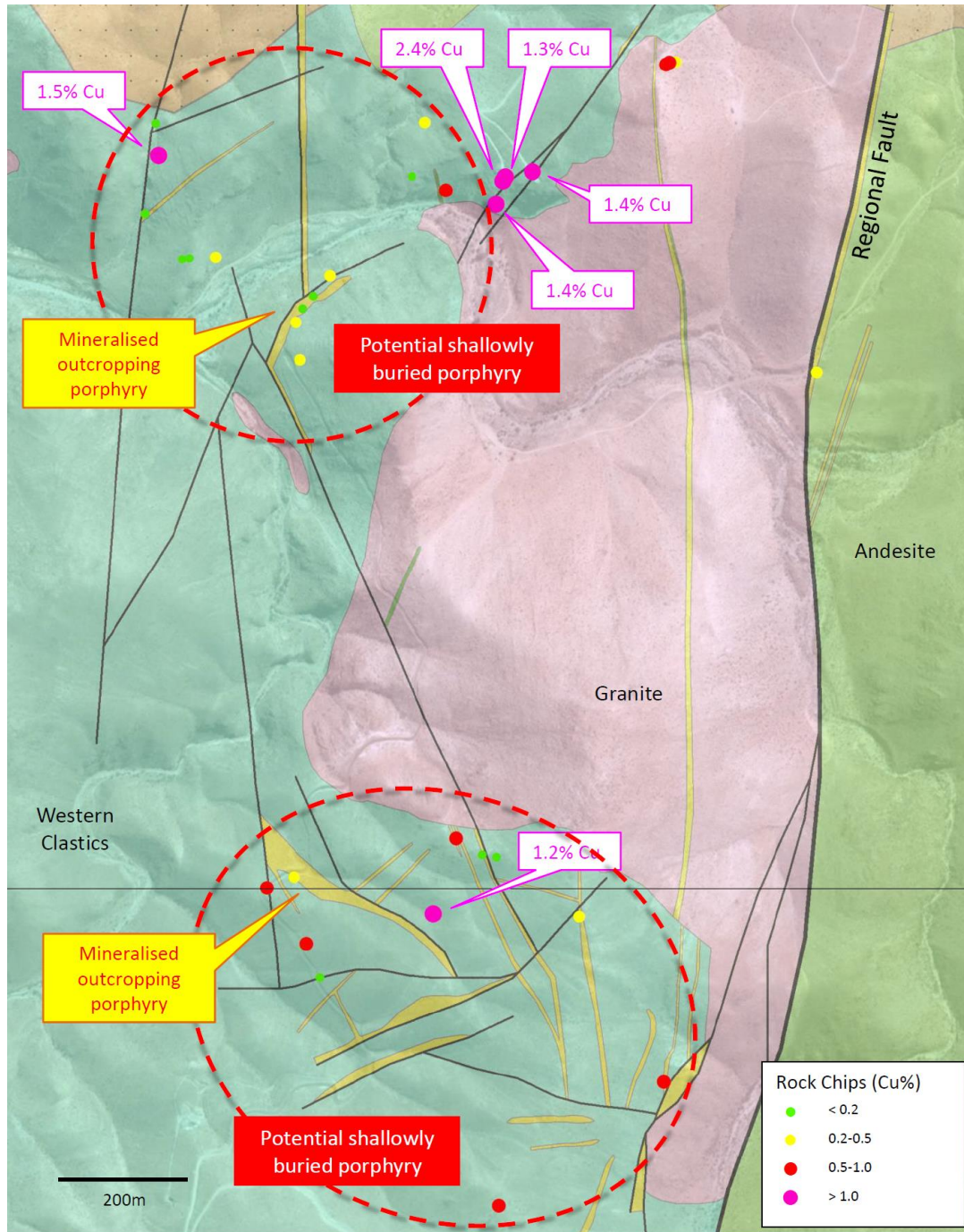


High grade surface rock chip results have continued to outline strong potential for the Valentina mine area and extensions, recording results up to 5.4% copper and 1.1% gold as displayed on Figure 7. The Valentina mine area remains a priority for first drill testing given historical end-of-hole drilling intercepts of 11m grading 2.0% copper (including 7m grading 2.7% copper) from 120m down-hole, which have not been followed-up (see ASX announcement dated 14<sup>th</sup> March 2018).



**Figure 7 Recent significant surface rock chip results and interpreted geology and structure of the San Antonio landholding, El Fuego copper project.**

Mapping in an area named “Illusion” (located between San Antonio and Valentina on Figure 8) has recognised and sampled outcropping porphyry copper mineralisation from a series of radially arranged porphyry dykes. The felsic porphyry dykes intrude a thick sequence of clastic sediments along the western margin of a granitoid contact and are associated with high grade narrow copper manto mineralisation.



**Figure 8** Recent significant surface rock chip results and interpreted geology and structure of the Illusion area, located between the San Antonio and Valentina copper mines.





The pattern of the mapped dyke swarms is interpreted to be potentially related to two underlying (blind) porphyry centres as displayed above on Figure 8. This target model is supported by litho-chemical analysis of alteration which has identified potassic alteration at surface from the southern interpreted target porphyry centre.

Confirmation of mineralised porphyry copper dykes at Illusion as well as 750 south of San Antonio, where the Company earlier reported a rock chip result of 2.8g/t gold and 0.1% copper from 20m wide felsic dyke (see ASX announcement dated 18<sup>th</sup> April 2018), significantly enhances the discovery potential of this 6km corridor. Even greater potential exists when combined with several large geochemical soil anomalies detected to the south of San Antonio.

### **Further Results Expected in the Coming Weeks**

Exploration surface sampling programmes are continuing across priority areas at El Fuego ahead of a second campaign of detailed mapping which is planned to extend coverage southwards from San Antonio in May.

In addition, Hot Chili is in discussions with lease miners at San Antonio to commence coordinated face sampling in conjunction with new underground development. The collection of this information will aid greatly with the commencement of resource definition sampling programmes and provide direct access to the extensions of the underground mine.

Drilling design is being finalised for the San Antonio mine area in advance of preparation of environmental applications for access and drilling. Regulatory applications are anticipated to be submitted in the coming week.

The Company looks forward to releasing further updates on its exploration progress in advance of planned drilling across what is shaping to be an exciting line-up of high grade targets.

### **For more information please contact:**

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**Table 3 Historical underground face channel samples recorded from the 60 and 90 Level of the San Antonio underground copper mine.**

UG Level	Sample ID	Mid Point Coordinates			Length (m)	Copper (% Cu)
		North	East	Level		
60 Level	M-24	6818780	342311	1190	3.6	0.9
60 Level	60-S-3	6818784	342312	1190	3.9	0.5
60 Level	M-25	6818790	342315	1190	4.1	1.6
60 Level	60-S-4	6818795	342317	1190	4.1	0.3
60 Level	M-26	6818799	342319	1190	4.1	0.7
60 Level	60-S-5	6818806	342321	1190	4.1	0.6
60 Level	60-S-6	6818813	342324	1190	<b>3.3</b>	<b>2.5</b>
60 Level	60-S-7	6818818	342326	1190	3.7	1.9
60 Level	M-27	6818819	342326	1190	4.1	1.5
60 Level	60-S-8	6818823	342328	1190	4.6	1.5
60 Level	M-28	6818829	342331	1190	<b>4.1</b>	<b>2.3</b>
60 Level	60-S-9	6818832	342332	1190	<b>5.8</b>	<b>2.3</b>
60 Level	M-29	6818838	342334	1190	5.1	1.3
60 Level	60-S-10	6818841	342335	1190	5	1.47
60 Level	M-30	6818845	342337	1190	5.6	1.5
60 Level	60-S-11	6818848	342339	1190	5.1	1
60 Level	60-S-12	6818852	342341	1190	5.3	1.3
60 Level	M-33	6818858	342331	1190	3.6	0.9
60 Level	60-S-14	6818860	342333	1190	3	0.6
60 Level	60-S-13	6818857	342343	1190	5.9	1.9
60 Level	M-34	6818866	342339	1190	4.2	1
60 Level	M-32	6818865	342346	1190	3.9	1.7
60 Level	60-S-15	6818871	342347	1190	<b>6.8</b>	<b>1.3</b>
60 Level	M-35	6818883	342353	1190	3.5	1.5
60 Level	60-S-16	6818887	342354	1190	3.7	1.8
60 Level	M-36	6818892	342356	1190	3.3	1.3
60 Level	M-37	6818902	342359	1190	<b>4.8</b>	<b>1.7</b>
60 Level	M-38	6818912	342362	1190	2.7	1.2
60 Level	60-C-1?	6818914	342366	1190	<b>7.5</b>	<b>10.4</b>
60 Level	60-C-7	6818917	342377	1190	10.8	0.85
60 Level	M-39	6818919	342370	1190	<b>10.3</b>	<b>1.2</b>
60 Level	M-40	6818929	342371	1190	5.9	1.2
60 Level	M-41	6818922	342385	1190	5.2	0.8
60 Level	M-42	6818925	342389	1190	9.1	0.8
60 Level	60-C-6	6818931	342393	1190	<b>12.8</b>	<b>1.47</b>
60 Level	M-45	6818939	342373	1190	3.4	2
60 Level	60-C-8	6818943	342375	1190	<b>8.1</b>	<b>1.52</b>
60 Level	60-C-2	6818947	342374	1190	3.3	1.67





UG Level	Sample ID	Mid Point Coordinates			Length	Copper
		North	East	Level		
60 Level	M-47	6818948	342375	1190	2.7	2.1
60 Level	60-C-3	6818953	342378	1190	3.4	1.82
60 Level	M-48	6818957	342379	1190	3.1	1.6
60 Level	60-C-4	6818963	342381	1190	2.6	0.12
60 Level	M-49	6818967	342383	1190	2.9	0.1
60 Level	M-46	6818942	342389	1190	<b>11.4</b>	<b>1.1</b>
60 Level	M-51	6818947	342398	1190	<b>4.5</b>	<b>2.7</b>
60 Level	M-50	6818951	342391	1190	<b>5.7</b>	<b>1.9</b>
60 Level	M-53	6818959	342397	1190	<b>7.1</b>	<b>1.9</b>
60 Level	M-52	6818952	342409	1190	5.7	0.2
60 Level	M-54	6818969	342402	1190	3.9	0.2
60 Level	M-56	6818973	342414	1190	5.6	1.5
60 Level	M-55	6818978	342404	1190	<b>6.1</b>	<b>2.2</b>
60 Level	M-57	6818987	342407	1190	<b>8.5</b>	<b>2.3</b>
60 Level	M-58	6818996	342411	1190	4.9	0.2
60 Level	60-A-1	6818770	342296	1190	<b>8.4</b>	<b>1.3</b>
60 Level	60-A-2	6818777	342300	1190	<b>9</b>	<b>2</b>
60 Level	60-A-3	6818783	342306	1190	<b>6</b>	<b>1.8</b>
60 Level	M-22	6818765	342299	1190	2.9	0.6
60 Level	60-S-1	6818767	342301	1190	2.8	1
60 Level	M-23	6818771	342304	1190	4.2	0.7
60 Level	60-S-2	6818776	342308	1190	4.1	1.4
90 Level	M-14	6818872	342365	1160	5.1	2
90 Level	M-11	6818861	342367	1160	8.4	0.1
90 Level	90-11	6818863	342377	1160	<b>13</b>	<b>1.9</b>
90 Level	90-12	6818878	342365	1160	<b>3.5</b>	<b>2.6</b>
90 Level	M-20	6818915	342413	1160	<b>12.3</b>	<b>2</b>
90 Level	M-21	6818918	342418	1160	2.7	0.7
90 Level	90-15	6818892	342402	1160	<b>4.4</b>	<b>3</b>
90 Level	M-17	6818890	342395	1160	<b>24.6</b>	<b>2.2</b>
90 Level	M-19	6818903	342409	1160	<b>3.3</b>	<b>2.5</b>
90 Level	M-18	6818895	342403	1160	4	0.3
90 Level	M-6	6818818	342351	1160	3	0.1
90 Level	90-6	6818817	342351	1160	3	0.5
90 Level	90-7	6818834	342357	1160	3.7	0.1
90 Level	M-7	6818827	342352	1160	<b>9.4</b>	<b>1.7</b>
90 Level	M-4	6818803	342342	1160	2.9	1.6
90 Level	90-4	6818799	342339	1160	3.3	0.5
90 Level	M-5	6818810	342344	1160	<b>10.6</b>	<b>1.4</b>
90 Level	90-5	6818810	342344	1160	<b>10.6</b>	<b>2.1</b>





UG Level	Sample ID	Mid Point Coordinates			Length (m)	Copper (% Cu)
		North	East	Level		
90 Level	M-12	6818856	342375	1160	2.8	1.6
90 Level	M-10	6818852	342363	1160	<b>7.7</b>	<b>2.4</b>
90 Level	90-10	6818858	342365	1160	6.8	0.9
90 Level	M-13	6818861	342375	1160	<b>12.3</b>	<b>2.4</b>
90 Level	M-9	6818845	342360	1160	<b>24.7</b>	<b>1.7</b>
90 Level	M-8	6818836	342359	1160	3.3	1.8
90 Level	(Unknown)	6818850	342363	1160	10.4	0.3
90 Level	90-8	6818844	342360	1160	<b>24.7</b>	<b>1.8</b>
90 Level	M-2	6818785	342331	1160	3.9	0.1
90 Level	90-2	6818781	342329	1160	3.9	0.1
90 Level	M-3	6818791	342340	1160	6.7	1.7
90 Level	90-3	6818790	342334	1160	3.3	0.8
90 Level	M-1	6818776	342326	1160	3.6	1.5
90 Level	90-1	6818771	342324	1160	3.1	0.1
90 Level	90-13	6818873	342385	1160	<b>7</b>	<b>1.4</b>
90 Level	M-15	6818870	342382	1160	<b>8.9</b>	<b>2.1</b>
90 Level	90-14	6818883	342394	1160	<b>4.4</b>	<b>2.4</b>
90 Level	M-16	6818878	342389	1160	<b>4.2</b>	<b>2.4</b>

Please see JORC Table 1 for notes relating to historical drilling information.

**Table 4 Table 1. Recently returned significant surface rock chip sample results from San Antonio, Illusion and Valentina- El Fuego copper project**

Project	Northing	Easting	RI	Cu %	Au g/t	Ag g/t	Sample Comments
San Antonio	6819022	342295	1210	1.2	0.0	3.9	1m wide mineralised shear zone / contact between andesite and sediments
San Antonio	6818882	342383	1194	1.2	0.0	2.3	Mineralised faulted contact between felsic volcanic and diorite units
San Antonio	6817952	342001	1319	0.1	2.8	0.7	A lot of quartz-carbonate veining through felsic dyke, possibly 20m wide
Illusion	6822127	342352	870	1.4	0.1	8.9	
Illusion	6822166	342364	902	2.4	0.1	5.5	Copper oxide in bedding parallel manto about 1.5m thick
Illusion	6822174	342368	908	1.3	0.0	0.6	Copper oxide in manto
Illusion	6822182	342413	927	1.4	0.0	0.0	
Illusion	6822208	341789	877	1.5	0.0	5.0	
Illusion	6820943	342248	1048	1.2	0.1	6.0	Copper oxide in manto zone about 1m thick
Valentina	6823475	342938	946	1.2	0.0	0.9	
Valentina	6823495	342911	924	1.2	0.1	1.1	Mineralised fault zone
Valentina	6823557	342909	920	1.2	0.0	4.7	



Project	Northing	Easting	RI	Cu %	Au g/t	Ag g/t	Sample Comments
Valentina	6823579	342905	896	2.0	0.0	2.9	Mineralised fault in mine access ramp
Valentina	6823601	342910	913	1.9	0.0	2.5	Mineralised fault zone
Valentina	6823914	342823	869	5.4	1.1	3.7	Strongly bleached andesitic rock
Valentina	6823599	342894	892	3.7	0.0	10.9	Chlorite-epidote sericite altered medium grained felsic volcanic
Valentina	6823592	342896	892	1.2	0.0	12.7	
Valentina	6823583	342894	891	1.1	0.0	12.9	Copper oxide related to fault zone with sinistral movement
Valentina	6824094	342687	846	2.5	0.0	1.6	Copper oxide in limestone
Valentina	6824036	342858	840	1.4	0.0	1.3	
Valentina	6824343	342982	864	1.3	0.0	1.7	Small historic working in footwall of regional fault

*Please see JORC Table 1 for notes relating to sampling methodology and assay technique*





## Qualifying Statements

### JORC Compliant Ore Reserve Statement

#### Productora Open Pit Probable Ore Reserve Statement – Reported 2<sup>nd</sup> March 2016

Ore Type	Reserve Category	Tonnage (Mt)	Grade			Contained Metal			Payable Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Oxide	Probable	24.1	0.43	0.08	49	103,000	59,600	1,200	55,600		
Transitional		20.5	0.45	0.08	92	91,300	54,700	1,900	61,500	24,400	800
Fresh		122.4	0.43	0.09	163	522,500	356,400	20,000	445,800	167,500	10,400
<b>Total</b>	<b>Probable</b>	<b>166.9</b>	<b>0.43</b>	<b>0.09</b>	<b>138</b>	<b>716,800</b>	<b>470,700</b>	<b>23,100</b>	<b>562,900</b>	<b>191,900</b>	<b>11,200</b>

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Note 2: Price assumptions: Cu price - US\$3.00/lb; Au price US\$1200/oz; Mo price US\$14.00/lb. Note 3: Mill average recovery for fresh Cu - 89%, Au - 52%, Mo - 53%. Mill average recovery for transitional; Cu 70%, Au - 50%, Mo - 46%. Heap Leach average recovery for oxide; Cu - 54%. Note 4: Payability factors for metal contained in concentrate: Cu - 96%; Au - 90%; Mo - 98%. Payability factor for Cu cathode - 100%.

### JORC Compliant Mineral Resource Statements

#### Productora Higher Grade Mineral Resource Statement, Reported 2<sup>nd</sup> March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	166.8	0.50	0.11	151	841,000	572,000	25,000
	Inferred	51.9	0.42	0.08	113	219,000	136,000	6,000
	<i>Sub-total</i>	<i>218.7</i>	<i>0.48</i>	<i>0.10</i>	<i>142</i>	<i>1,059,000</i>	<i>708,000</i>	<i>31,000</i>
Alice	Indicated	15.3	0.41	0.04	42	63,000	20,000	600
	Inferred	2.6	0.37	0.03	22	10,000	2,000	100
	<i>Sub-total</i>	<i>17.9</i>	<i>0.41</i>	<i>0.04</i>	<i>39</i>	<i>73,000</i>	<i>23,000</i>	<i>700</i>
Combined	Indicated	182.0	0.50	0.10	142	903,000	592,000	26,000
	Inferred	54.5	0.42	0.08	109	228,000	138,000	6,000
	<b>Total</b>	<b>236.6</b>	<b>0.48</b>	<b>0.10</b>	<b>135</b>	<b>1,132,000</b>	<b>730,000</b>	<b>32,000</b>

Reported at or above 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred.





Productora Low Grade Mineral Resource Statement, Reported 2<sup>nd</sup> March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	150.9	0.15	0.03	66	233,000	170,000	10,000
	Inferred	50.7	0.17	0.04	44	86,000	72,000	2,000
	<i>Sub-total</i>	<i>201.6</i>	<i>0.16</i>	<i>0.04</i>	<i>60</i>	<i>320,000</i>	<i>241,000</i>	<i>12,000</i>
Alice	Indicated	12.3	0.14	0.02	29	17,000	7,000	400
	Inferred	4.1	0.12	0.01	20	5,000	2,000	100
	<i>Sub-total</i>	<i>16.4</i>	<i>0.13</i>	<i>0.02</i>	<i>27</i>	<i>22,000</i>	<i>9,000</i>	<i>400</i>
Combined	Indicated	163.2	0.15	0.03	63	250,000	176,000	10,000
	Inferred	54.8	0.17	0.04	43	91,000	74,000	2,000
	<i>Total</i>	<i>218.0</i>	<i>0.16</i>	<i>0.04</i>	<i>58</i>	<i>341,000</i>	<i>250,000</i>	<i>13,000</i>

Reported at or above 0.1% Cu and below 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred. Metal rounded to nearest thousand, or if less, to the nearest hundred.

**Mineral Resource and Ore Reserve Confirmation**

The information in this report that relates to Mineral Resources and Ore Reserve estimates on the Productora copper projects were originally reported in the ASX announcements "Hot Chili Delivers PFS and Near Doubles Reserves at Productora" dated 2nd March 2016. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

**Competent Person's Statement- Exploration Results**

Exploration information in this Announcement is based upon work undertaken 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- Mineral Resources**

The information in this Announcement that relates to the Productora Project Mineral Resources, is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is a part time employee of Hot Chili, and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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' (the JORC Code 2012). Both Mr Macdonald and Mr Kirchner consent 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- *Ore Reserves***

The information in this Announcement that relates to Productora Project Ore Reserves, is based on information compiled by Mr Carlos Guzmán, Mr Boris Caro, Mr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA (NCL). Mr Caro is a former employee of Hot Chili Ltd, now working in a consulting capacity for the Company, and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Member of the Chilean Mining Commission. Mr Lorenzen is employed by Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr King is employed by AMEC Foster Wheeler (AMEC FW) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). NCL, Mintrex and AMEC FW have been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Ore Reserve estimate. Mr. Guzmán, Mr Caro, Mr Lorenzen and Mr King have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are 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'. Mr Guzmán, Mr Caro, Mr Lorenzen and Mr King consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

**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.



# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg 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.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg '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.</i></li> </ul>	<p>Hot Chili Limited ("Hot Chili" or the "Company") has undertaken surface chip sampling. Samples were taken by geologists from existing workings, or from surface outcrop. These samples were crushed and split at the laboratory, with ~1kg pulverised, with ~150g used for ICP-AES assay determination (for multi-elements including Cu). A 50g charge taken for fire assay fusion (for gold).</p> <p>The sampling techniques used are deemed appropriate for early stage exploration and this type of mineralisation.</p> <p>Drilling, underground development and historical mine production was compiled for the San Antonio project from historical documents. The standard protocols used by the various companies for drilling, sampling, spatial position, assay determination and QA/QC results (if any) are unavailable.</p> <p>Hot Chili Limited ("the Company") has not been able to verify the location, orientation, splitting or sampling methods, analytical technique or any QA/QC related to the reported drill hole samples.</p> <p>To the Company's best knowledge, the drilling results provided in this report were drilled by ENAMI circa 1968/69, by a small percussion machine, with pulverised material collected for each 1m sample length. Method or quality of sampling or splitting in the field or at the laboratory is unknown.</p> <p>The Company is not aware of any retained drilling samples, sample photographs or detailed logging that relate to the reported drilling or surface results.</p> <p>No geological logging data is available for the historic drilling.</p>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<p>To the Company's best knowledge, the drilling results provided in this report were drilled by ENAMI circa 1968/69, by a small percussion machine, with pulverised material collected for each 1m sample length.</p> <p>Drill size and specific drill method, as well as standard protocols used by previous companies is unknown.</p>

Criteria	JORC Code explanation	Commentary
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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.</i></li> </ul>	<p>Recovery, splitting method, sample condition, representivity of historic samples and any relationship between grade, recovery or sample weight is unknown and has not be verified by the Company.</p> <p>The standard protocols used by previous companies for drilling is unknown.</p> <p>The Company is not aware of any twinned drilling at the project.</p>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>All Hot Chili samples were logged using company logging standards.</p> <p>The Company is not aware of any retained historic drill samples, sample photographs or detailed logging that related to the reported drilling or surface results.</p> <p>The reported results are for historical context and exploration purposes only, and are not under consideration for any Mineral Resource, mining study or metallurgical study.</p> <p>The total length of the relevant mineralised interval(s) is provided in the main body of the report.</p>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<p>For the Hot Chili surface rock chips, the average weight of sample is typically 1.3kg, with all ranges of sample weighing between 0.3-3kg.</p> <p>All samples were submitted to ALS Coquimbo for multi-element analysis. The sample preparation included:</p> <p>Rock chip samples were crushed such that a minimum of 70% is less than 2mm, Samples were then split via rotatory splitter to achieve ~1kg split,</p> <p>This split was then pulverised such that a minimum of 85% passes 75um and 150g was used for analytical pulp (ICP-AES), also 30g was used for fire assay fusion (gold).</p> <p>Standard protocols used by previous companies for drilling is unknown.</p> <p>The Company has not been able to verify the historic location, orientation, splitting or sampling methods, analytical technique or any QA/QC related to the reported historic drill hole.</p>



Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<p>The reported results are for historical context and exploration purposes only, and are not under consideration for any Mineral Resource, mining study or metallurgical study.</p> <p>All Hot Chili samples were assayed by industry standard methods through commercial laboratories in Chile (ALS Coquimbo):</p> <p>150g pulps derived from sample preparation (outlines in the previous sections) were used for multi-element analysis. ALS method ME-ICP61 involves a 4-acid digestion (Hydrochloric-Nitric-Perchloric-Hydrofluoric) followed by ICP-AES determination.</p> <p>Samples that returned Cu grades &gt;10,000ppm were analysed by ALS “ore grade” method Cu-OG62, which is a 4-acid digestion, followed by AES measurement to 0.001%Cu</p> <p>Pulp samples were subsequently 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.</p> <p>Hot Chili did not submit any standards or blanks. The analytical laboratory (ALS) provided their own routine quality controls within their own practices. The results from their own validation were provided to Hot Chili.</p> <p>Historic drilling, underground development and mine production was compiled for the San Antonio project is from historical documents. The standard protocols used by the various companies for drilling, sampling, spatial position, assay determination and QA/QC results (if any) are unavailable.</p> <p>The Company has not been able to verify the historic location, orientation, splitting or sampling methods, analytical technique or any QA/QC related to the reported historic drill hole. The Company has yet to establish repeatability, bias or overall quality of these historic data set.</p>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<p>No verification of sampling or assaying has been undertaken in the Company as relate to the surface rock chip sampling programme, nor historic drilling programmes.</p> <p>The Company is not aware of any twinned drilling at the project.</p> <p>The Company is not aware of any retained historic samples, sample photographs or detailed logging that related to the reported drilling or surface soil results.</p> <p>No adjustments were made to the historical data as supplied to the Company. The Company is unable to verify if any adjustments were made to the data prior to receipt.</p> <p>Limited adjustments were made to the returned assay data for the Hot Chili rock chip samples;</p>

Criteria	JORC Code explanation	Commentary
		values that returned lower than detection level were set to the methodology's detection level and copper values were converted from ppm to %.
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<p>The location of Hot Chili samples was via handheld GPS in WGS84 UTM zone 19S.</p> <p>The method of historic coordinate capture for drill collars and surface sampling is unknown. The method of downhole survey is unknown.</p> <p>Drill collars and surface sample location were provided to the Company as part of a historic data compilation and appear to have been provided in the PSAD56 UTM coordinate system. These were transformed by the company to WGS84 UTM zone 19S via the following method (PSAD easting minus 184.13m, PSAD northing minus 375.38m). This shift is considered appropriate for the project location and early nature of exploration.</p>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<p>The surface rock chips sample spacing was variable due to the preliminary stages of exploration and outcrop occurrence.</p> <p>The historic drilling at the San Antonio project is very limited with no specific spacing.</p> <p>The reported results are for historical context and exploration purposes only, and are not under consideration for any Mineral Resource, mining study or metallurgical study.</p> <p>The historic drilling data (as provided in historic reports) was in equal lengths (1m). No adjustments were made to the historical data as supplied to the Company. The Company is unable to verify if any adjustments were made to the data prior to receipt.</p>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<p>A list of the historic drillhole(s) and orientations as reported with significant intercepts is provided in the main body of the report and in previous media releases.</p> <p>The location of the surface sampling is provided in images in the main body of the report.</p> <p>Considering the types of mineralisation at the projects and the drilling orientation, apparent sampling is considered to be adequate in its representation for exploration reporting purposes.</p>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<p>Hot Chili has strict chain of custody procedures that are adhered. 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.</p> <p>The standard protocols used by previous companies for either drilling or surface sampling is unknown.</p>

Criteria	JORC Code explanation	Commentary
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	None completed.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<p>Hot Chili, through its 100% owned subsidiary Sociedad Minera Frontera SpA ("Frontera"), executed a non-binding LOI with a private party to earn a 90% interest in the San Antonio copper-gold project over a four-year period. The proposed JV involves an Option agreement over 12 exploitation leases (~1,566ha), whereby full ownership of 90% of the mining rights of the project will be transferred upon satisfaction of a payment of US\$300,000 in 36 months and then a final payment of US\$6,700,000 in 48 months.</p> <p>Hot Chili, through its 100% owned subsidiary Sociedad Minera Frontera SpA ("Frontera"), executed a non-binding LOI with a private party to earn a 90% interest in the Valentina copper-gold project over a four-year period. The proposed JV involves an Option agreement over 2 exploitation leases (100ha), whereby full ownership of 90% of the mining rights of the project will be transferred upon satisfaction of a payment of US\$150,000 in 36 months and then a final payment of US\$4,000,000 in 48 months. In addition Frontera will commit to complete 1,500m of exploration drilling within the first 12 months of the Option period.</p> <p>Exploration by Frontera at San Antonio and Valentina shall be at its discretion and the owner will have the right to lease to any third party the exploitation of the mining rights with an annual cap of 50,000 tonnes of ore until exercise of the Option.</p> <p>Frontera also has other 100% owned leases around the project.</p> <p>The location of the leases in the JV Option, as well those 100% owned, are shown in images in the main body of the report.</p>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>The San Antonio project has been privately owned since 1953 and has been mined by several operators over this time via lease from the owners. Limited historic documents provided the following production data:</p> <p>1965-1972: produced 100,000t at ~2.5% Cu soluble (3%Cu total).</p> <p>1980: 30,000t of 3.0% Oxide and 25,000t at 2.0% Cu sulphide mineralisation</p> <p>1988-1995: ~399,000t at 1.6% Cu.</p> <p>The current owner has indicated that total historic production is approximately 2Mt of material</p>

Criteria	JORC Code explanation	Commentary
		<p>grading approximately 2% copper and 0.3 g/t gold. There is current small-scale mining activity at the project.</p> <p>The Valentina project has been privately owned since 1953. Minor surface mining has been undertaken by several operators over this time via lease from the owners.</p> <p>Historic drilling was undertaken in two periods; initially Chilean government company ENAMI (Empresa Nacional de Minería) completed 4 drill holes in 1993, and then a later drilling programme by company Minera Tauro (between 1998 and 2002) completed 4 further holes.</p> <p>There has been very limited exploration activity in areas beyond the San Antonio and Valentina mines.</p>
<b>Geology</b>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<p>Copper mineralisation at San Antonio is associated with a sequence of moderately east-dipping sandstone and limestone/andesite units which have seen extensive skarn alteration adjacent to a granitic contact along the projects eastern margin. The zone of skarn alteration has been recognised over a 2.5km strike extent within the Project.</p> <p>Andesite units host the majority of the mineralisation which was exploited underground at true widths ranging between 7m and 30m (10m average). Sulphide copper is associated with chalcopyrite, minor bornite, pyrrhotite and magnetite.</p> <p>Copper mineralization at Valentina is hosted in a NNW-trending fault corridor and associated NW and NNE-trending splay faults, mapped over a ~600m strike length. Several other NW to NNE-trending lines of narrow fault-hosted copper mineralisation are evident at surface. The host rocks show chlorite-epidote-albite alteration.</p> <p>Mineralization is evident in coherent to volcanoclastic andesitic rocks and feldspar porphyry dykes. Oxide mineralization was exploited underground at true widths of typically ~1-2m, with local blow-outs &gt;5m true width associated with fault intersections. Sulphide mineralization is also evident from drilling.</p>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> </ul> </li> </ul>	<p>Any quoted results in the main report body, from historic or previous company drilling or sampling programmes, has been provided for historic and qualitative purposes only.</p> <p>Any 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 the Company, c) unmineralised, d) unsampled or unrecorded, or e) not considered material.</p>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> <li>• 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.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>No top-cutting of high grade assay results has been applied, nor was it deemed necessary for the reporting of the Hot Chili rock chip sample.</p> <p>The drilling data (as provided) was in equal lengths (1m). No adjustments were made to the historical data as supplied to the Company. The Company is unable to verify if any adjustments were made to the data prior to receipt.</p> <p>No metal equivalent values have been reported.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• 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').</li> </ul>	<p>The relationship of mineralisation widths to the intercepts of any historic drilling or drilling undertaken by other previous companies is unknown. As such all significant intercepts shall be considered down hole lengths, true widths unknown.</p>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<p>Refer to figures in announcement.</p>

Criteria	JORC Code explanation	Commentary
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>It is not practical to report all exploration results as such unmineralised intervals. Low or non-material grades have not been reported. The location of all Hot Chili surface samples is provided in the supplied report diagrams.</p> <p>There has been selective sampling of historic holes where mineralisation is observed. The grades (or lack thereof) in unsampled material is unknown.</p> <p>The confidence in reported historic assays, results or drill productions is unknown.</p> <p>Any 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 the Company, c) unmineralised, d) unsampled or unrecorded, or e) not considered material.</p>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Available data from historic or previous exploration parties includes some soil sampling, geological mapping, and historic production figures.</p> <p>As yet, the Company has not been able to verify the location, orientation, sampling methods, analytical technique or any QA/QC related to the reported drill hole or surface samples.</p> <p>The Company has not been able to verify historic production data.</p>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<p>Potential work across the Project may include detailed geological mapping and surface sampling, ground or airborne geophysics as well as confirmatory, exploratory or follow-up drilling.</p>