

**ASX CODE**

HCH

ContactMr Christian Easterday
Managing DirectorE: admin@hotchili.net.auwww.hotchili.net.au**ASX Announcement**

13 June 2019

Magnetic Survey Parameters and Significant Intercept Clarification

Further to the Hot Chili Limited (ASX code HCH) ("Hot Chili" or "Company") announcement dated 12 June 2019 and in particular the magnetic survey depicted in figures 1 and 2, the Company provides the following information:

The image used in figures 1 and 2 is a ground magnetic image "Pole Reduced upward continued 75 m" with the following survey parameters and data processing methodology used.

- Company & Date: Argali Geofisica E.I.R.L., April 2011
- Station Interval: approximate station spacing: 0.4 to 1.5 m
- Line Spacing: 50, 100 m
- Magnetic Declination: +0.6°, Magnetic Inclination: -27.8°
- Magnetic Field Strength (FT): 23730 nT
- Datum for processing: 23750 nT
- UTM Datum: Prov. South America 1956

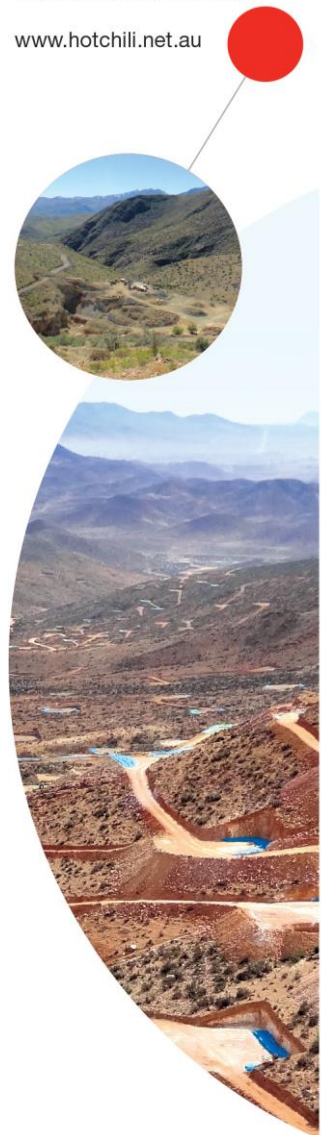
Reduction to the pole data processing technique calculates the total magnetic intensity data as if the inducing magnetic field had a 90° inclination, i.e. anomalies take approximately the same form that would be observed at the magnetic pole.

The ground magnetic data were inverted with the MAG3D code from the University of British Columbia, which attempts to create a 3D model of magnetic susceptibility that can fit the observed total field magnetic data.

The magnetic grid was inverted with a mesh size of 50m by 50m. Prior to inverting the data were upward continued 20 m and exported on 75m by 75 m centres.

The Company also provides the following information with regard to significant intercepts depicted in figure 3. These results have been released previously and the Company directs the reader to ASX announcement dated 2 February 2019, entitled "Purisima Option Secured" a copy of which is available on the ASX website at www.asx.com.au and the Company's website at www.hotchili.net.au.

The company confirms that it is not aware of any new formation 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.



Hot Chili Limited

ACN 130 955 725

First Floor, 768 Canning Highway, Applecross, Western Australia 6153

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009

F: +61 8 9315 5004

www.hotchili.net.au



For more information please contact:

Christian Easterday

Managing Director

T: +61 8 9315 9009

Email: christian@hotchili.net.au

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