



Quarterly Report

Period Ending December 31st 2019

Highlights

- The Cortadera copper-gold discovery in Chile has continued to exceed the Company's expectations, with the discovery having now recorded five of the world's best copper-gold drill results (reported globally since January 2018) in as many months
- Drilling has confirmed bulk tonnage high grade from near-surface and at depth with drill hole CRP0020D delivering one of the best Cu-Au drill results of 2019
- Significant drill results at Cortadera during the quarter include:
 - 972m grading 0.5% copper & 0.2g/t gold from surface
including 412m grading 0.7% copper & 0.3g/t gold
 - 649m grading 0.4% copper & 0.1g/t gold from 330m depth to end of hole
including 440m grading 0.5% copper & 0.2g/t gold
 - 80m grading 0.8% copper & 0.3g/t gold from surface
26m grading 1.7% copper & 0.7g/t gold
 - 596m grading 0.5% copper & 0.2g/t gold from 328m down-hole
including 184m grading 0.7% copper & 0.3g/t gold
 - 168m grading 0.4% copper & 0.1g/t gold from 44m down-hole depth, and 334m grading 0.5% copper & 0.2g/t gold from 654m to end of hole
including 54m grading 0.7% copper & 0.2g/t gold at end of hole
- The Company's 2020 drilling campaign is now underway with two drill rigs in operation in advance of a large first resource estimate at Cortadera, set to be complete in the first half of this year
- Continued strong in-bound interest by large domestic and international groups in the Cortadera discovery with further site visits undertaken and being planned

ASX CODE

HCH

Contact

Mr Christian Easterday
Managing Director

E: admin@hotchili.net.au

www.hotchili.net.au





Summary of Activities

Cortadera - A Leading Global Copper-Gold Discovery

During the quarter, Hot Chili delivered a further three record copper-gold drill results, consolidating the Company's Cortadera project in Chile as one of the most significant copper-gold discoveries of recent time.

Over the second half of 2019 Cortadera has delivered 5 of the top 25 copper-gold drill results reported globally since January 2018 as displayed on table 1. This included a stunning near-1 km drilling intersection from surface in Diamond (DD) drill hole CRP0020D (972m grading 0.5% copper and 0.2g/t gold, including 412m grading 0.7% copper and 0.3g/t gold) which was one of the best copper-gold drill results reported globally in 2019.

**Table 1 SNL List of Best 25 Cu-Au Drill Intercepts Since January 2018
(Ordered by Width of Drill Intersection)**

Project Name	Company	Country	Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au%
Altar	Aldebaran Resources Inc	Argentina	ALD-18-209	482	1,537	1,055	0.5	0.2
Cascabel	SolGold Plc	Ecuador	CSD-18-067	886	1,914	1,028	0.7	0.9
Cascabel	SolGold Plc	Ecuador	CSD-18-043	600	1,574	974	0.5	0.4
Cortadera	Hot Chili Limited	Chile	CRP0020D	surface	972	972	0.5	0.2
Cascabel	SolGold Plc	Ecuador	CSD-18-041-D1-D2	926	1,779	853	0.5	0.6
Cascabel	SolGold Plc	Ecuador	CSD-18-069	740	1,592	852	0.8	0.6
Timok	Zijin Mining Group Company Limited	Serbia	TC170187	1,354	2,202	848	0.8	0.2
Cortadera	Hot Chili Limited	Chile	CRP0011D	112	960	848	0.4	0.2
Cascabel	SolGold Plc	Ecuador	CSD-18-042	278	1,124	846	0.7	0.5
Cascabel	SolGold Plc	Ecuador	33-D1	736	1,560	824	0.5	0.4
AntaKori	Regulus Resources Inc	Peru	AK-19-034	165	985	820	0.5	0.2
Winu	Rio Tinto	Australia	WINU0006	46	809	763	0.4	0.7
Cortadera	Hot Chili Limited	Chile	CRP0013D	204	954	750	0.6	0.2
Winu	Rio Tinto	Australia	WINU0006	68	809	741	0.5	0.5
AntaKori	Regulus Resources Inc	Peru	AK-18-014	5	719	714	0.7	0.4
Cascabel	SolGold Plc	Ecuador	CSD-18-068	1,004	1,668	664	0.9	1.0
Cortadera	Hot Chili Limited	Chile	CRP0029D	330	979	649	0.4	0.1
AntaKori	Regulus Resources Inc	Peru	AK-18-021	127	746	619	0.7	0.4
AntaKori	Regulus Resources Inc	Peru	AK-19-031	4	614	610	0.8	1.0
Cortadera	Hot Chili Limited	Chile	CRP0017D	328	924	596	0.5	0.2
Timok	Zijin Mining Group Company Limited	Serbia	TC170177	1,310	1,867	557	1.0	0.2
Kwanika	Kwanika Copper Corporation	Canada	K-180	33	547	514	0.6	0.8
Cascabel	SolGold Plc	Ecuador	CSD-18-042	620	1,124	504	0.9	0.6
Kwanika	Kwanika Copper Corporation	Canada	K-182	25	525	500	0.7	0.8
AntaKori	Regulus Resources Inc	Peru	AK-18-026	641	1,114	473	1.2	0.2

Source- Regulus Resources (TSXV. REG) November 2019 Corporate Presentation (slide 10) as per SNL financial, SNL search criteria include: >450 m interval, primarily copper interval & reported after Jan 1, 2018. Only longest reported interval considered. Results ordered by down-hole width of drill intersection and addition of CRP0029D result.



Drilling Focussed on Bulk Tonnage, High Grade Growth

Diamond drilling activities continued to focus on expanding the size of the recently discovered bulk tonnage, high grade zone located at approximately 350m depth on the largest porphyry discovered to date at Cortadera - Cuerpo 3.

Reported during the quarter, DD drill holes CRP0017D, 18D, 19D and 20D were all successful in intersecting the high grade zone at Cuerpo 3, which has grown to include a large, vertically extensive high grade core.

The average grade of all drill intersections through the Cuerpo 3 high grade zone ranges between 0.7% to 1% copper and 0.3 to 0.5g/t gold. The extents of the high grade zone still remain largely open laterally and at depth within Cuerpo 3, which is already approximately 600m long, 250m wide and confirmed over 1,000m vertically from surface.

Late in the quarter a second drill rig commenced a shallow Reverse Circulation (RC) drilling programme focussed on testing near-surface, bulk tonnage, high grade potential at Cortadera.

Thirteen shallow Reverse Circulation (RC) drill holes (average depth of 130m) were completed, with the Company releasing initial results which included an intersection from Cuerpo 2 (the second largest porphyry at Cortadera) of 80m grading 0.8% copper and 0.3g/t gold from surface, including a high grade chalcocite zone of 26m grading 1.7% copper and 0.7g/t gold from a down-hole depth of 54m

High grade zones related to chalcocite enrichment have been drill confirmed at Cuerpo 1, 2 and 4, from surface and from shallow depth, with drill intersection copper grades ranging between 0.7% - 1.6% and gold grades ranging between 0.3 - 0.7g/t.

Drilling is continuing to grow the discovery, but importantly is providing strong encouragement for both open pit and underground, high grade, development options.

First Step-Out Hole Commences Expansion of Cortadera

The Company commenced its expansion DD drill programme at Cortadera late in the quarter and completed its first step-out DD drill hole (CRP0029D) prior to Christmas.

On the 20th January, Hot Chili delivered another record result for CRP0029 comprising 649m intersection grading 0.4% copper and 0.1g/t gold from 330m depth down-hole, which included a 440m wide zone grading 0.5% copper and 0.2g/t gold.

Importantly, CRP0029D ended in mineralised porphyry and has confirmed a significant 70m extension of significant mineralisation along the northern contact of the largest porphyry discovered to date at Cortadera -Cuerpo 3.

CRP0029D is the first of eight diamond holes planned to expand the size of the existing discovery, a key focus for Hot Chili in advance of completing a first resource estimate for Cortadera within the first half of 2020.



2020 Drilling Programme Underway

The Company's 2020 drilling campaign at Cortadera kicked-off in early January with the commencement of platform and access clearing activities, following regulatory approval late last year for access to construct a further 39 new drill platforms.

Two drill rigs are currently in operation and focussed across two key areas of growth at Cortadera:

1. Continued expansion of the existing Cortadera discovery in both size and grade

The Company's second deep expansion DD drill hole (CRP0038D) is advancing well and currently at a depth of 370m down-hole. The hole is planned to be drilled to a down-hole depth of 1,000m over the coming fortnight.

Double-shift DD drilling activities will continue across large extents of Cuerpo 3 and Cuerpo 2 (the two largest porphyries discovered) which remain open.

2. First drill testing of two large growth targets adjacent to Cortadera

Reverse Circulation (RC) drilling is underway across the Cuerpo 3 North target which lies 500m north of Cuerpo 3. The Company plans to initially complete several deep RC holes and potential diamond extensions over the coming month.

The Company then plans to complete first-pass scout drilling across the 1.5km long Cortadera North target, located 2km north of the Cortadera discovery. Additional shallow RC drilling is also scheduled across the shallow high grade chalcocite zones at Cortadera, following on from positive initial results released late in the quarter.

The following figures outline the location and significant results recorded to date including those outlined above and as previously announced to the Australian Securities Exchange.



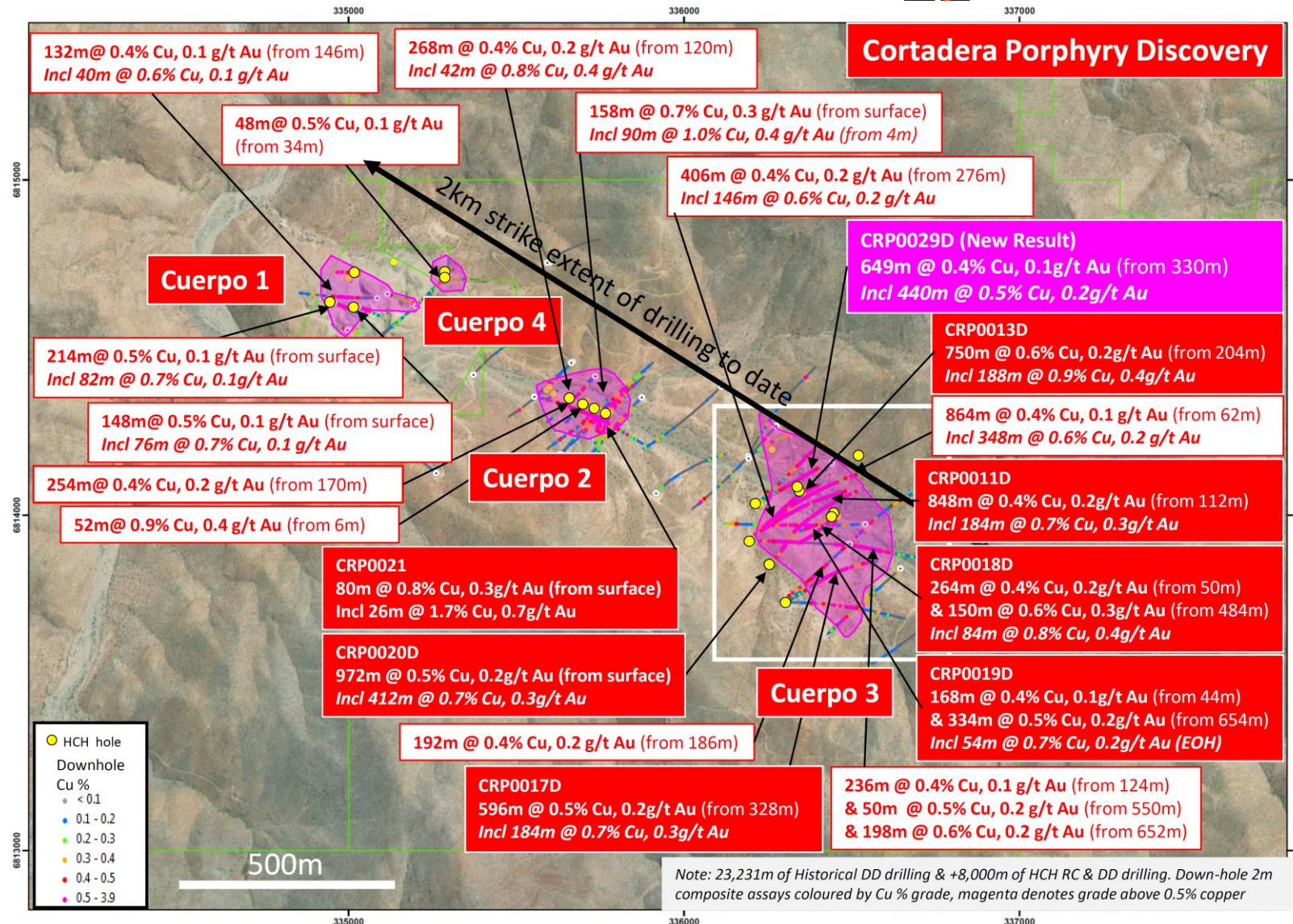


Figure 1 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 1, 2 and 3 tonalitic porphyry intrusive centres. Note the location of the inset plan area for Cuerpo3 associated with the following figures. The new HCH drilling intersection recorded in CRP0029D (magenta) and previously reported HCH drill intersections (Red) CRP0020D, CRP0019D, CRP0018D, CRP0017D, CRP0011D and CRP0013D are annotated.

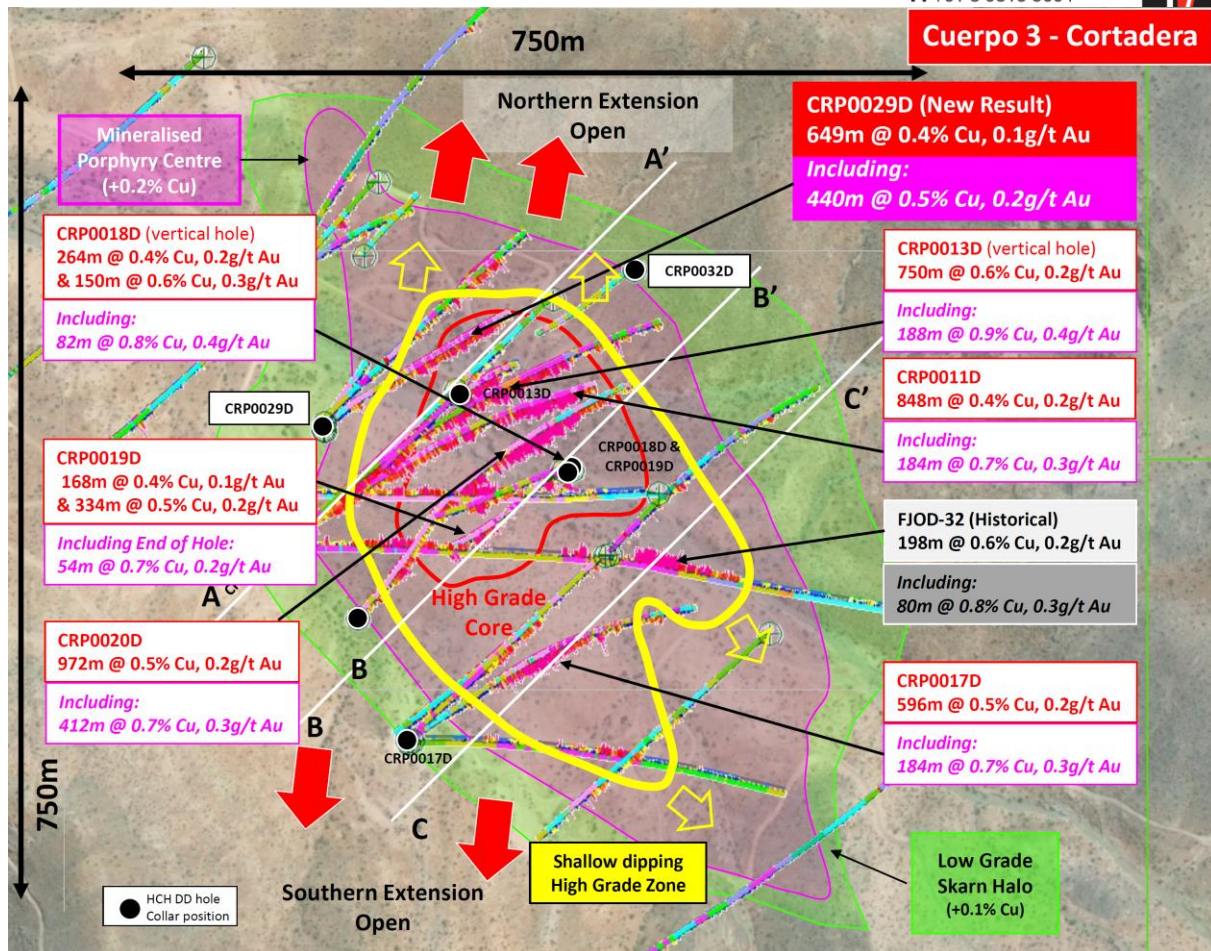


Figure 2 Plan view of Cuerpo 3 - the Main porphyry of the four porphyry centres discovered to date at Cortadera. The plan displays the location and basic geology of the mineralised tonalitic host porphyry in relation to the location of significant new results released for CRP0029D, CRP0020D, CRP0018D, CRP0019D, CRP0017D, CRP0011D and CRP0013D. Note the growing extent of the modelled higher grade copper zone (solid yellow isosurface) and the location of vertically extensive high grade core (solid red isosurface). As announced to ASX on 20th January 2020.

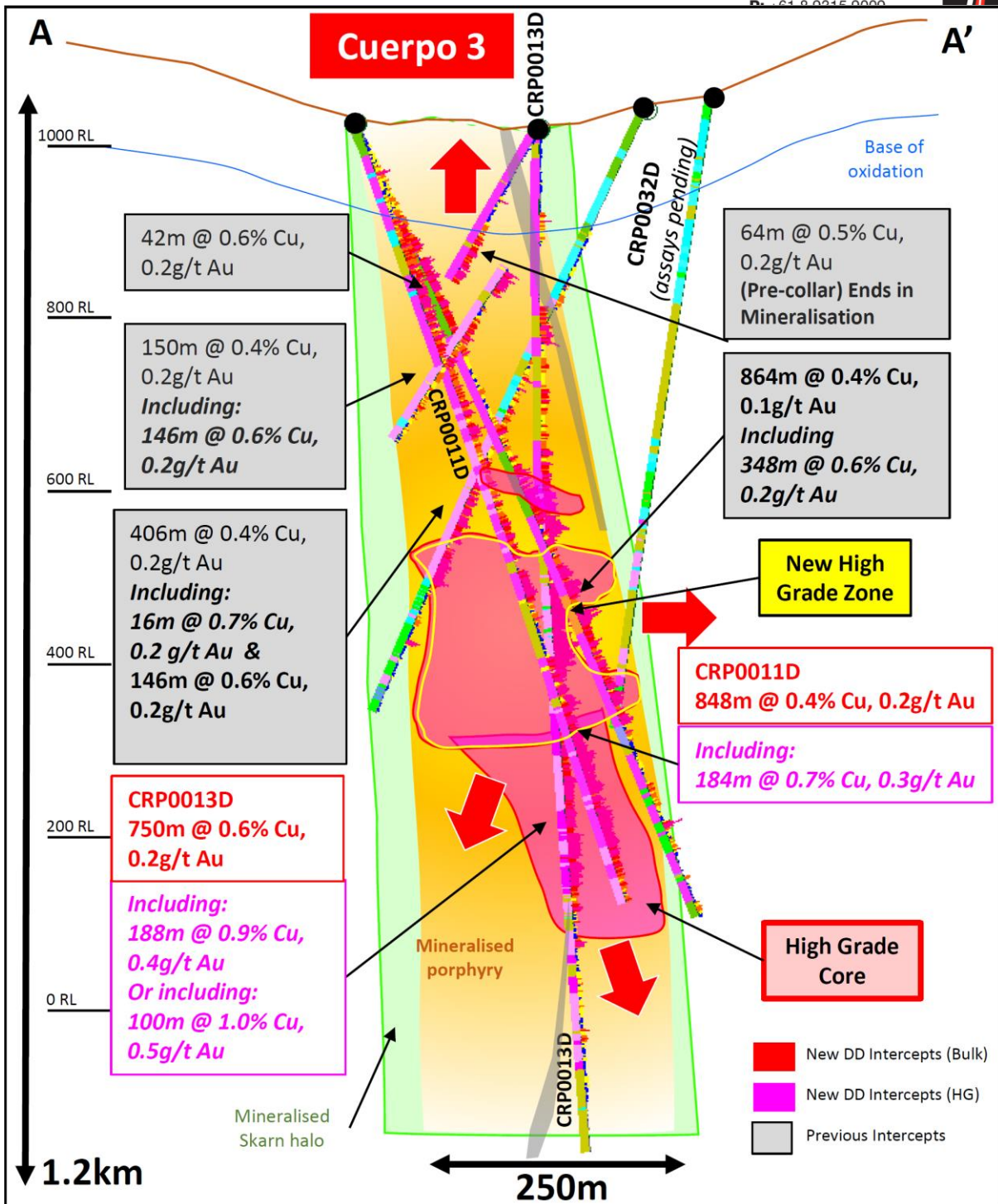


Figure 3 Type Section A displaying historical DD drill results and an interpretation of Cuerpo 3 - the main host tonalitic porphyry intrusion at Cortadera. Note the location of hole CRP0013D and CRP0011D in relation to the high grade zone which sits above a vertically extensive high grade core at Cuerpo 3. The new result from CRP0029D lies along strike, 70m northwest of Section A as displayed in figure 2. As announced to ASX on 20th January 2020.

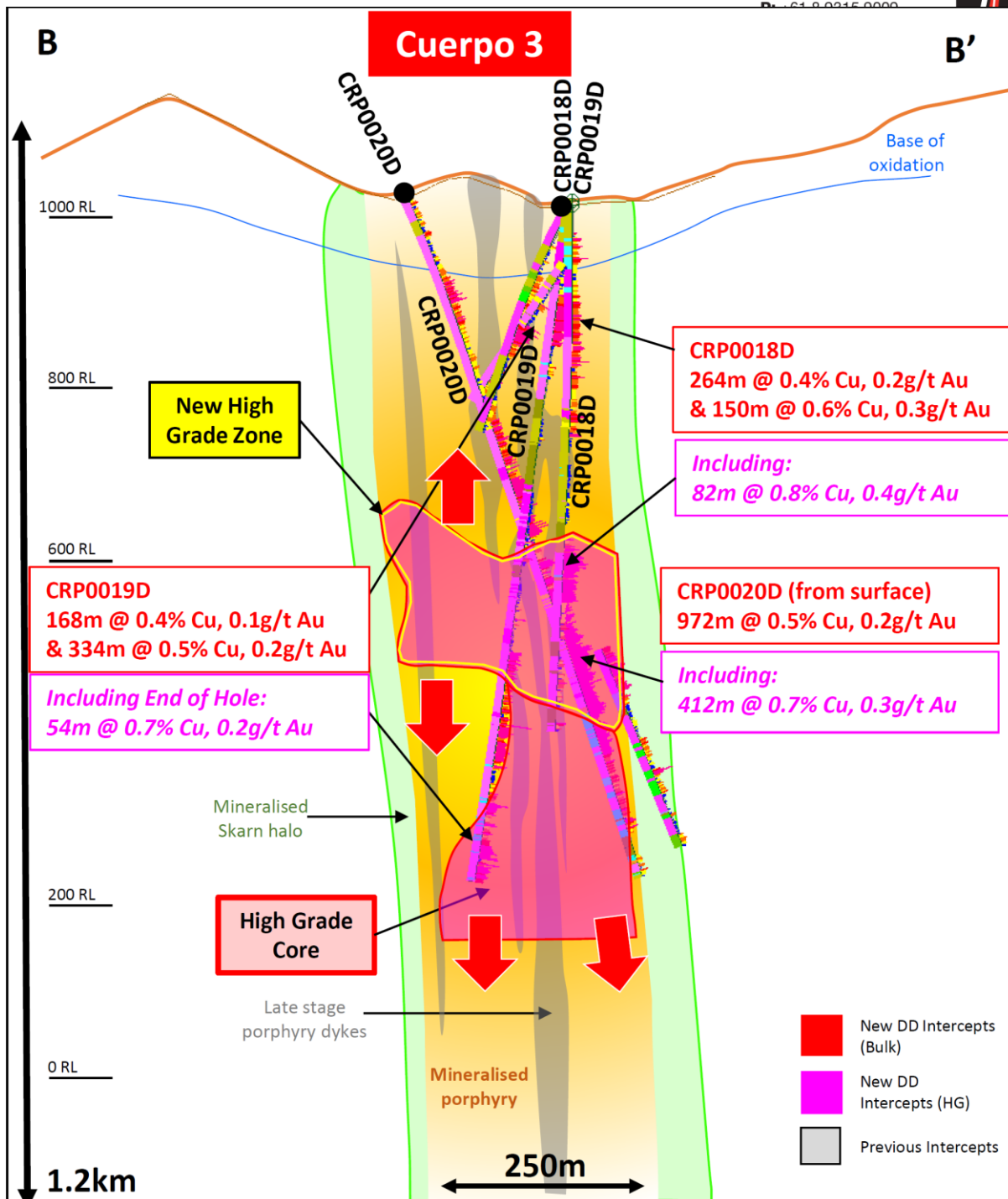


Figure 4 Type Section B displaying historical new DD drill results and an interpretation of Cuerpo 3 - the main host tonalitic porphyry intrusion at Cortadera. Note the location hole CRP0020D which has recorded a record drilling intersection from surface in addition to the widest high grade Intersection recorded to date at Cortadera. As announced to ASX on 20th January 2020.

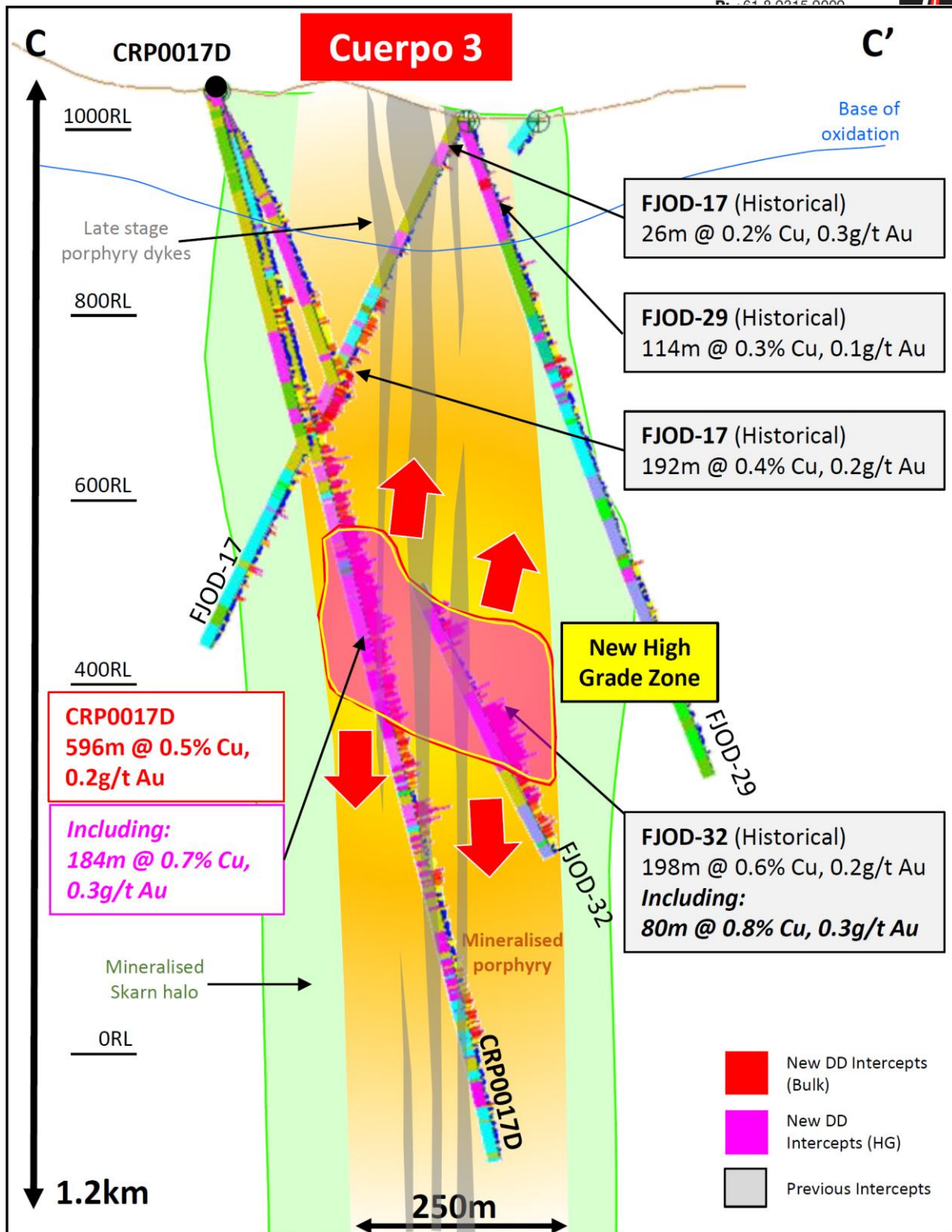


Figure 5 Type Section C displaying historical DD drill results and an interpretation of Cuerpo 3 - the main host tonalitic porphyry intrusion at Cortadera. Note the location hole CRP0017D, the new high grade zone and a distinct increase in grade below 400m vertical. CRP0017D results have significantly extended the high grade zone. As announced to ASX on 20th January 2020.

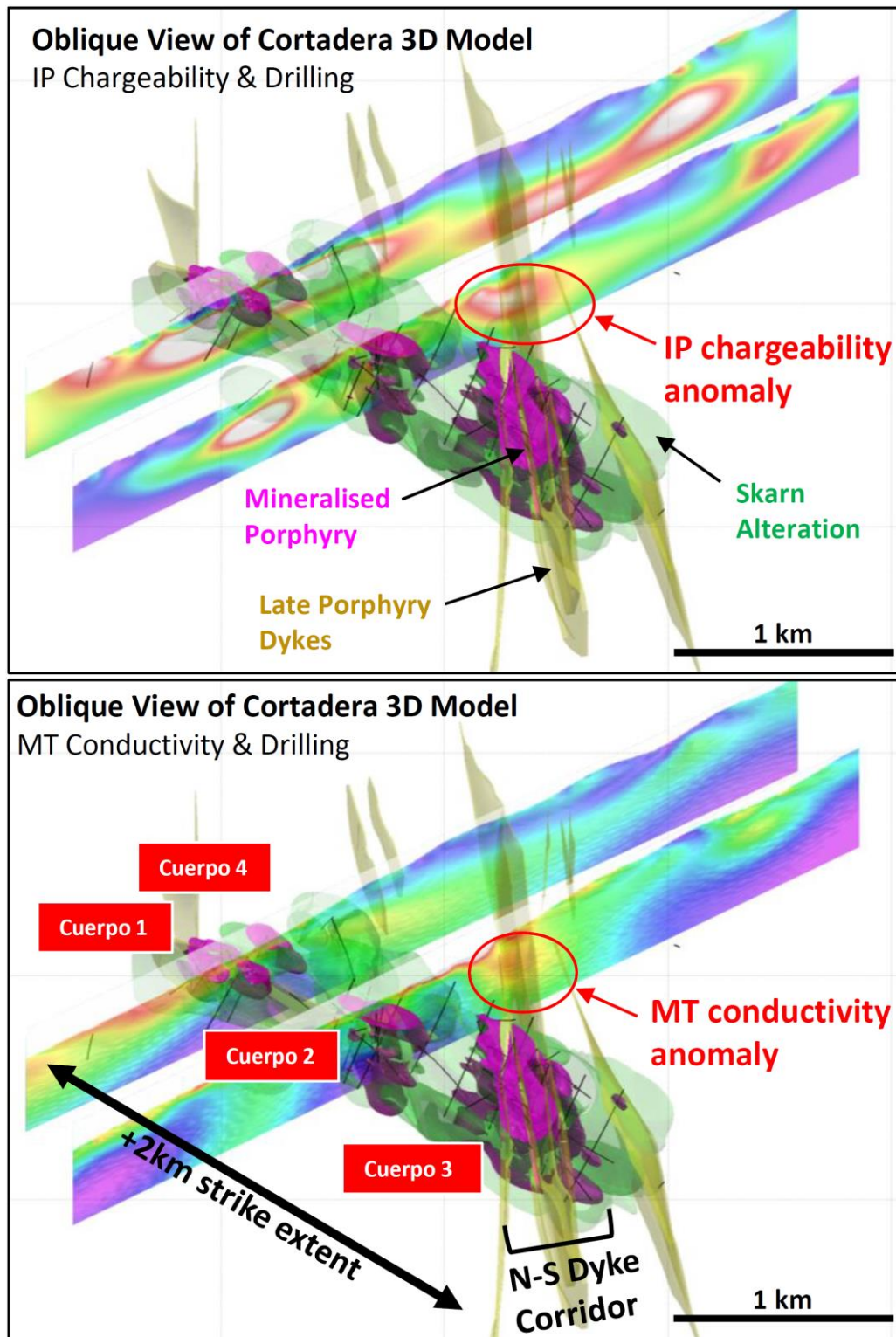


Figure 6. Oblique view of 3D geological model of Cortadera displaying the location of IP chargeability sections (MIMDAS survey lines) and MT conductivity sections. Note the location of the coincident anomaly, approximately 500m north and down-plunge from the main porphyry at Cortadera – Cuerpo 3.

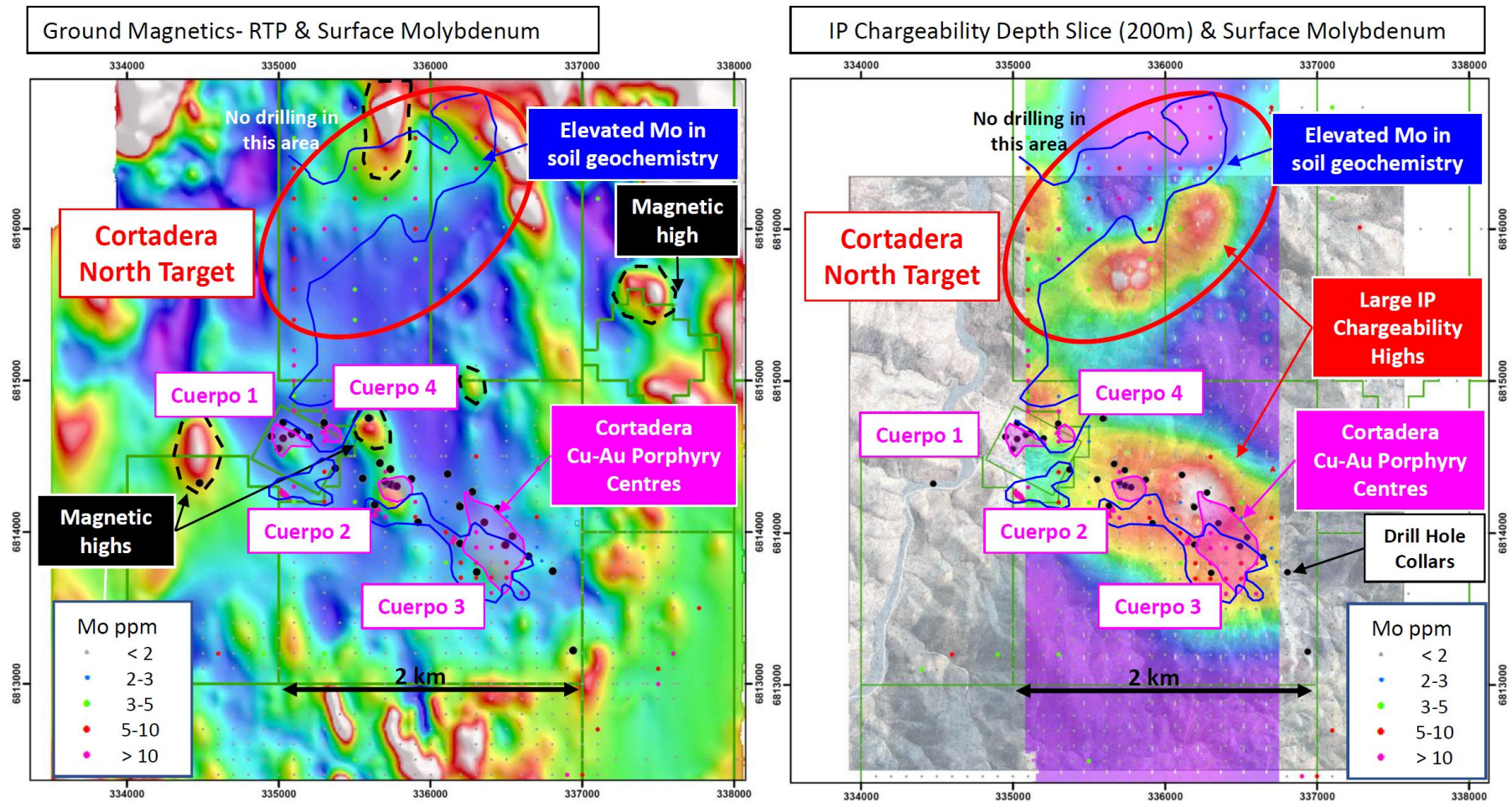


Figure 7. Plan view across the Cortadera discovery area displaying IP chargeability and Ground Magnetics in relation to surface soil molybdenum and the Cortadera North target

About Cortadera

Cortadera is a privately-owned, major copper-gold porphyry discovery located along the Chilean coastal range, where historical world-class discovery drill results were only publicly released by Hot Chili in February 2019.

Importantly, Cortadera lies 14km from the Company's large-scale Productora copper development and adjacent to the high grade El Fuego satellite copper projects, as displayed in Figure 5 below.

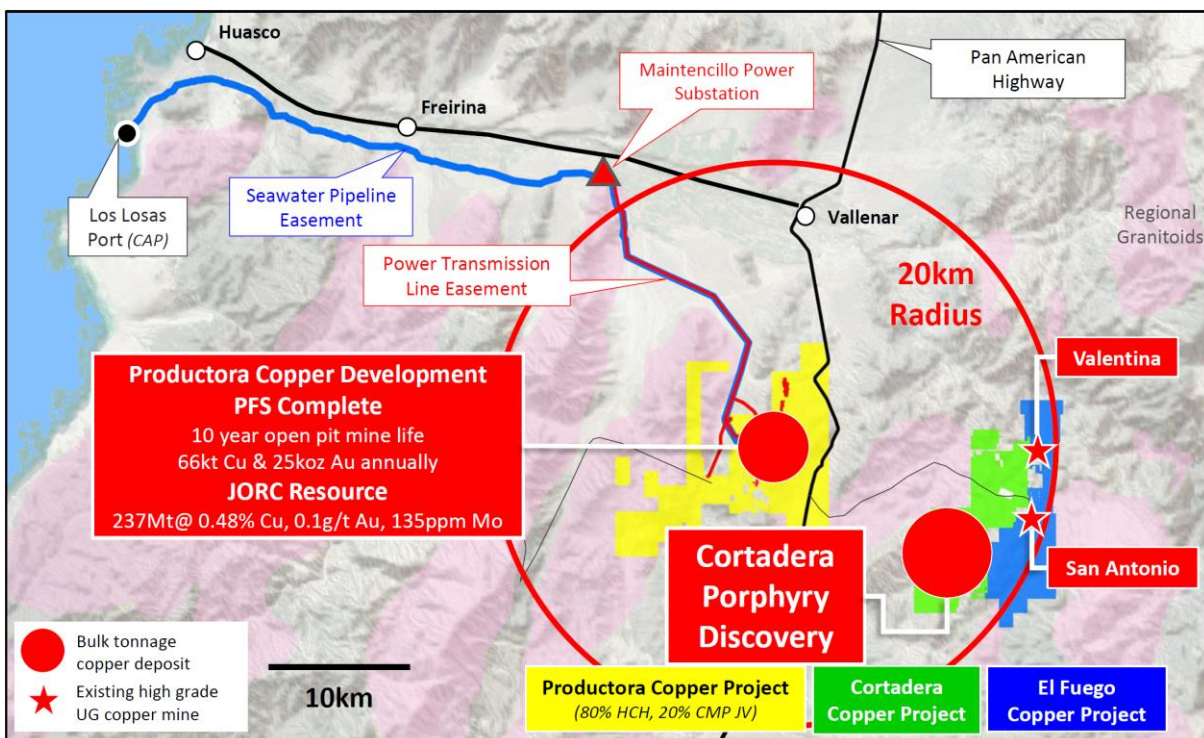


Figure 8 Location of the Cortadera discovery in relation to Productora and the consolidation of new growth projects and coastal range infrastructure access

On 22 February 2019, Hot Chili announced the execution of a formal Option Agreement to acquire a 100% interest in Cortadera. In early April, the Company commenced a confirmation drilling programme comprising 17 holes.

The drilling has confirmed and extended areas of surface enrichment and wide, higher-grade, copper-gold sulphide mineralisation at depth, which had not previously been closed off by 23,000m of historical diamond drilling.

Hot Chili's recent drill holes at Cuerpo 3 (the largest of the four porphyries discovered to date) include some of the worlds' stand-out copper-gold porphyry drill results reported in recent time. The Cuerpo 3 porphyry remains open to the north, south and at depth. Significant intersections include:



- 972m grading 0.5% copper and 0.2g/t gold from surface (including 412m grading 0.7% copper and 0.3g/t gold)
- 750m grading 0.6% copper and 0.2g/t gold from 204m down-hole depth (including 188m grading 0.9% copper and 0.4g/t gold)
- 848m grading 0.4% copper and 0.2g/t gold from 112m down-hole depth (including 184m grading 0.7% copper and 0.3g/t gold)
- 864m grading 0.4% copper and 0.1g/t gold from 62m down-hole depth (including 348m grading 0.6% copper and 0.2g/t gold),
- 649m grading 0.4% copper and 0.1g/t gold from 328m down-hole depth (including 440m grading 0.5% copper and 0.2g/t gold),and
- 596m grading 0.5% copper and 0.2g/t gold from 328m down-hole depth (including 184m grading 0.7% copper and 0.3g/t gold)

Cortadera is shaping up as a globally significant standalone copper-gold project which can utilise the Productora project resources, and leverage from a central processing and combined infrastructure approach along the coastline of Chile.

The Company's recent confirmation of a higher grade bulk tonnage underground development opportunity in combination with shallow, high grade bulk tonnage open pit source - places Cortadera in a unique position amongst potential large-scale global copper-gold developments.





Table 2 Significant Drill Results at Cortadera for the Quarter

Hole_ID	Coordinates			Azim	Dip	Hole Depth	Intersection		Interval (m)	Copper (% Cu)	Gold (g/t Au)	Silver (ppm Ag)	Molybdenum (ppm Mo)
	North	East	RL				From	To					
CRP0017D	6813739	336307	1066	75	-75	1,133.5	328	924	596	0.5	0.2	0.8	80
	<i>including</i>						430	614	184	0.7	0.3	1.3	6
CRP0018D	6813995	336449	1035	360	-90	763.2	56	320	264	0.4	0.2	0.5	18
							484	634	150	0.6	0.3	1.0	54
	<i>including</i>						496	578	82	0.8	0.4	1.5	50
CRP0019D	6813620	336260	1035	244	-81		44	212	168	0.4	0.1	0.4	37
	<i>including</i>						138	212	74	0.6	0.3	0.9	58
	&		to end of hole				654	988	334	0.5	0.2	0.9	191
	<i>including</i>						758	822	64	0.6	0.2	1.3	146
	<i>including</i>		to end of hole				934	988	54.1	0.7	0.2	1.3	256
CRP0020D	6813855	336256	989	45	-65	1036.6	0	972	972	0.5	0.2	0.9	49
	<i>including</i>						436	848	412	0.7	0.3	1.5	59
CRP0021	6814266	335790	989	220	-70	120.0	0	80	80	0.8	0.3	3.8	1
	<i>including</i>						54	80	26	1.7	0.7	2.6	3
CRP0029D	6814031	336225	1017	47	-73	979.2	330	979.2	649	0.4	0.1	0.8	101
	to end of hole					<i>including</i>	472	912	440	0.5	0.2	0.9	115

Note: Results for CRP0029 reported to ASX on 20th January 2020

Health, Safety, Environment and Quality

Hot Chili's sustainability framework ensures an emphasis on business processes that target long-term economic, environmental and social value. The Company is dedicated to continual monitoring and improvement of health, safety and the environmental systems.

The company is pleased to report that there were no incidents recorded for the quarter. Field operations during the period including geological reconnaissance activities, RC and diamond drilling, field mapping and sampling exercises at the Cortadera project.

The Company's HSEQ quarterly performance is summarised below:





Table 3. HSEQ Quarter 4 2019 Performance and Statistics

Item	PRODUCTORA		CORTADERA	
	October-December	Last 24 Months	October-December	Last 9 Months
LTI events	0	0	0	0
NLTI events	0	0	0	0
Days lost	0	0	0	0
LTIFR index	0	0	0	0
ISR index	0	0	0	0
Thousands of mh (1)	0	1.944	4.358	28.736
Environmental incidents	0	0	0	0
Headcount (2)	0	1.0	28.3	21.2

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

Tenement Changes During the Quarter

There were no changes to the Company's tenement holdings during the quarter.

Table 4. Current Tenement (Patente) Holdings in Chile

Cortadera Project

License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
Romero 1 al 31		100% Frontera SpA	31	100% (HCH) Option Agreement
MAGDALENITA 1/20		100% Frontera SpA	100	
ATACAMITA 1/82		100% Frontera SpA	82	
AMALIA 942 A 1/6		100% Frontera SpA	53	
PAULINA 10 B 1/16		100% Frontera SpA	136	
PAULINA 11 B 1/30		100% Frontera SpA	249	
PAULINA 12 B 1/30		100% Frontera SpA	294	
PAULINA 13 B 1/30		100% Frontera SpA	264	
PAULINA 14 B 1/30		100% Frontera SpA	265	
PAULINA 15 B 1/30		100% Frontera SpA	200	
PAULINA 22 A 1/30		100% Frontera SpA	300	
PAULINA 24 1/24		100% Frontera SpA	183	



License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
PAULINA 25 A 1/19		100% Frontera SpA	156	
PAULINA 26 A 1/30		100% Frontera SpA	294	
PAULINA 27A 1/30		100% Frontera SpA	300	
CORTADERA 1 1/200		100% Frontera SpA	200	
CORTADERA 2 1/200		100% Frontera SpA	200	
CORTADERA 41		100% Frontera SpA	1	
CORTADERA 42		100% Frontera SpA	1	
LAS CANAS 16		100% Frontera SpA	1	
LAS CANAS 1/15		100% Frontera SpA	146	
CORTADERA 1/40		100% Frontera SpA	374	
LAS CANAS ESTE 2003 1/30		100% Frontera SpA	300	
CORROTEO 1 1/260		100% Frontera SpA	260	
CORROTEO 5 1/261		100% Frontera SpA	261	
PURISIMA		100% Frontera SpA	20	100% (HCH) Option Agreement

Productora Project

License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
FRAN 1, 1-60	80% SMEA SpA		220	
FRAN 2, 1-20	80% SMEA SpA		100	
FRAN 3, 1-20	80% SMEA SpA		100	
FRAN 4, 1-20	80% SMEA SpA		100	
FRAN 5, 1-20	80% SMEA SpA		100	
FRAN 6, 1-26	80% SMEA SpA		130	
FRAN 7, 1-37	80% SMEA SpA		176	
FRAN 8, 1-30	80% SMEA SpA		120	
FRAN 12, 1-40	80% SMEA SpA		200	
FRAN 13, 1-40	80% SMEA SpA		200	
FRAN 14, 1-40	80% SMEA SpA		200	
FRAN 15, 1-60	80% SMEA SpA		300	
FRAN 18, 1-60	80% SMEA SpA		273	
FRAN 21, 1-46	80% SMEA SpA		226	
ALGA 7A, 1-32	80% SMEA SpA		89	
ALGA VI, 5-24	80% SMEA SpA		66	
MONTOSA 1-4	80% SMEA SpA		35	
CHICA	80% SMEA SpA		1	
ESPERANZA 1-5	80% SMEA SpA		11	
LEONA 2A 1-4	80% SMEA SpA		10	
CARMEN I, 1-50	80% SMEA SpA		222	
CARMEN II, 1-60	80% SMEA SpA		274	
ZAPA 1, 1-10	80% SMEA SpA		100	
ZAPA 3, 1-23	80% SMEA SpA		92	



License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
ZAPA 5A, 1-16	80% SMEA SpA		80	
ZAPA 7, 1-24	80% SMEA SpA		120	
CABRITO, CABRITO 1-9	80% SMEA SpA		50	
CUENCA A, 1-51	80% SMEA SpA		255	
CUENCA B, 1-28	80% SMEA SpA		139	
CUENCA C, 1-51	80% SMEA SpA		255	
CUENCA D	80% SMEA SpA		3	
CUENCA E	80% SMEA SpA		1	
CHOAPA 1-10	80% SMEA SpA		50	
ELQUI 1-14	80% SMEA SpA		61	
LIMARÍ 1-15	80% SMEA SpA		66	
LOA 1-6	80% SMEA SpA		30	
MAIPO 1-10	80% SMEA SpA		50	
TOLTÉN 1-14	80% SMEA SpA		70	
CACHIYUYITO 1, 1-20	80% SMEA SpA		100	
CACHIYUYITO 2, 1-60	80% SMEA SpA		300	
CACHIYUYITO 3, 1-60	80% SMEA SpA		300	
LA PRODUCTORA 1-16	80% SMEA SpA		75	
ORO INDIO 1A, 1-20	80% SMEA SpA		82	
AURO HUASCO I, 1-8	80% SMEA SpA		35	
URANIO, 1-70	0%	0%	350	25 year Lease Agreement
JULI 9, 1-60	80% SMEA SpA		300	
JULI 10, 1-60	80% SMEA SpA		300	
JULI 11 1/60	80% SMEA SpA		300	
JULI 12 1/42	80% SMEA SpA		210	
JULI 13 1/20	80% SMEA SpA		100	
JULI 14 1/50	80% SMEA SpA		250	
JULI 15 1/55	80% SMEA SpA		275	
JULI 16, 1-60	80% SMEA SpA		300	
JULI 17, 1-20	80% SMEA SpA		100	
JULI 19	80% SMEA SpA		300	
JULI 20	80% SMEA SpA		300	
JULI 21 1/60	80% SMEA SpA		300	
JULI 22	80% SMEA SpA		300	
JULI 23 1/60	80% SMEA SpA		300	
JULI 24, 1-60	80% SMEA SpA		300	
JULI 25	80% SMEA SpA		300	
JULI 27 1/30	80% SMEA SpA		150	
JULI 27 B 1/10	80% SMEA SpA		50	
JULI 28 1/60	80% SMEA SpA		300	
JULIETA 5	80% SMEA SpA		200	
JULIETA 6	80% SMEA SpA		200	



License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
JULIETA 7	80% SMEA SpA		100	
JULIETA 8	80% SMEA SpA		100	
JULIETA 9	80% SMEA SpA		100	
JULIETA 10 1/60	80% SMEA SpA		300	
JULIETA 11	80% SMEA SpA		300	
JULIETA 12	80% SMEA SpA		300	
JULIETA 13, 1-60	80% SMEA SpA		298	
JULIETA 14, 1-60	80% SMEA SpA		269	
JULIETA 15, 1-40	80% SMEA SpA		200	
JULIETA 16	80% SMEA SpA		200	
JULIETA 17	80% SMEA SpA		200	
JULIETA 18, 1-40	80% SMEA SpA		200	
ARENA 1 1-6	80% SMEA SpA		40	
ARENA 2 1-17	80% SMEA SpA		113	
ZAPA 1 - 6	80% SMEA SpA		6	

El Fuego Project

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
Santiago 21 al 36		90% Frontera SpA	76	90% (HCH) Option Agreement
Santiago 37 al 43		90% Frontera SpA	26	
Santiago A, 1 al 26		90% Frontera SpA	236	
Santiago B, 1 al 20		90% Frontera SpA	200	
Santiago C, 1 al 30		90% Frontera SpA	300	
Santiago D, 1 al 30		90% Frontera SpA	300	
Santiago E, 1 al 30		90% Frontera SpA	300	
Prima Uno		90% Frontera SpA	1	
Prima Dos		90% Frontera SpA	2	
Santiago 15 al 19		90% Frontera SpA	25	
San Antonio 1 al 5		90% Frontera SpA	25	
Santiago 1 AL 14 Y 20		90% Frontera SpA	75	
Mercedes 1 al 3		90% Frontera SpA	50	
CORTADERA 1	100% Frontera SpA		200	
CORTADERA 2	100% Frontera SpA		200	
CORTADERA 3	100% Frontera SpA		200	
CORTADERA 4	100% Frontera SpA		200	
CORTADERA 5	100% Frontera SpA		200	



Qualifying Statements

Competent Person's Statement- Exploration Results

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

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 was employed formerly by AMC Consultants (AMC), 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).

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'.

Forward Looking Statements

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

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

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Hot Chili Limited

ABN

91 130 955 725

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..6.....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(2,145)	(4,428)
(b) development	-	-
(c) production	-	-
(d) staff costs	(264)	(505)
(e) administration and corporate costs	(328)	(688)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest paid	-	-
1.6 Income taxes paid	-	-
1.7 GST	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(2,736)	(5,618)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(4,649)	(7,512)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6.....months) \$A'000
	(c) investments	-	-
	(d) other non-current assets- CHEN bond	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(4,649)	(7,512)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	400	17,100
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(906)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	400	16,194

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6.....months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,299	1,250
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,736)	(5,618)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,649)	(7,512)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	400	16,194
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	4,314	4,314

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,225	11,211
5.2	Call deposits	89	88
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,314	11,299

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	123
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors fees, salaries and superannuation

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	1,659
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Payment for drilling services (Blue Spec Sondajes – an M Black related entity) and office rental contracted on an arms-length basis.

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	2,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	240
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	2,410

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		There have been no changes to tenement holdings during the quarter – please refer to the Activities Report	NA	NA
10.2 Interests in mining tenements and petroleum tenements acquired or increased		There have been no changes to tenement holdings during the quarter – please refer to the Activities Report	NA	NA

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Date:31 January 2020.....
 (Company secretary)

Print name:Lloyd Flint.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position.

An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.