



Quarterly Report

Period Ending March 31 2020

Highlights

- **Hot Chili has continued to deliver world-class copper-gold drilling results during the first quarter of 2020 from its Cortadera copper-gold discovery in Chile**
- **Record drill results from key extensional areas have demonstrated the discovery is open and growing rapidly towards a Tier – 1 status**
- **Significant drill results at Cortadera during the quarter include:**

CRP0029D (70m step -out, northern expansion hole)

649m grading 0.4% copper & 0.1g/t gold* from 330m downhole

including 440m grading 0.5% copper & 0.2g/t gold

ending in mineralised porphyry

CRP0040D (100m step-out, southern expansion hole)

542m grading 0.5% copper & 0.2g/t gold* from 422m downhole

including 218m grading 0.7% copper & 0.2g/t gold

CRP0042D (250m step-out, southern depth expansion hole)

82m grading 0.3% copper & 0.1g/t gold* from 498m downhole

Temporarily suspended at 616m, planned to extend to 1,200m depth

Hole ending in the contact margin of the host porphyry

- Twelve-month extension to the remaining payment schedule for the 100% acquisition of the Cortadera copper-gold project in Chile successfully secured
- Acceptance (on a non-binding basis) of an offer from the Chilean government agency *Empresa Nacional de Minería* (ENAMI) for the lease mining and processing of ore from the Company's Productora copper-gold project. Hot Chili is progressing quickly towards a formal agreement that will enable first revenue from the Company's projects
- Drilling operations temporarily suspended owing to the global Coronavirus pandemic with the Company utilising this time to accelerate preparations towards estimation of a large first resource for Cortadera
- Geological and resource modelling workstreams are well underway in parallel with a metallurgical testwork programme and internal scoping studies to assess various large combined copper-gold production scenarios
- **Hot Chili aiming to define a long-life, open pit and underground bulk mine development blueprint, following completion of a new and enlarged resource base expected in the coming months**

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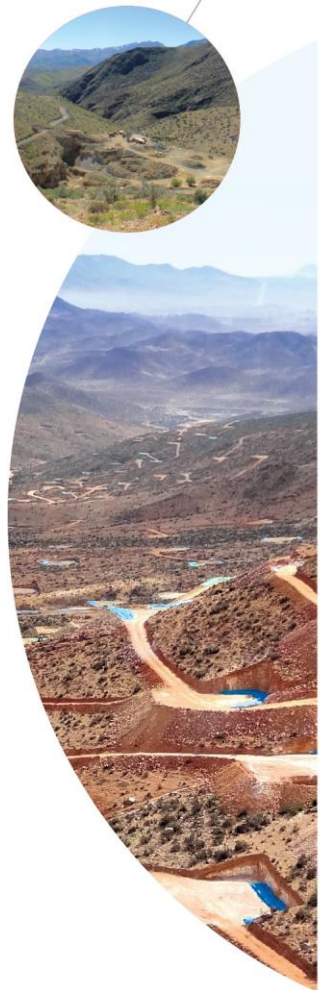
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Summary of Activities

Expansion Drilling at Cortadera Adds Significant Growth

In late 2019, The Company commenced its expansion phase of drilling at the Cortadera copper-gold porphyry discovery.

The expansion drilling programme aimed to complete eight diamond drill holes across key extensional areas of the discovery in advance of completing a first large resource estimate for Cortadera.

In response to the rapidly developing Coronavirus global pandemic, Hot Chili temporarily suspended its drilling operations in Chile at the beginning of March. The Directors' of Hot Chili moved swiftly to ensure the health and safety of staff, contractors and consultants in addition to preserving the Company's funds.

Prior to the temporary suspension of drilling activities, the Company was able to complete two successful expansion drill holes (CRP0029D and CRP0040D), with a third hole (CRP0042D) suspended at 616m (planned depth of 1,200m).

CRP0029D and CRP0040D have confirmed significant extensions to bulk tonnage copper-gold mineralisation across Cuerpo 3 (the largest porphyry discovered to date at Cortadera).

These results included:

- CRP0029D: 649m grading 0.4% copper and 0.1g/t gold from 330m depth down-hole, **including 440m grading 0.5% copper and 0.2g/t gold**
- CRP0040D: 542m grading 0.5% copper and 0.2g/t gold from 422m depth down-hole, **including 218m grading 0.7% copper and 0.2g/t gold.**

CRP0042D was temporarily suspended in mineralised porphyry at 616m depth, having intersected mineralised skarn and mineralised porphyry dykes from a depth of approximately 480m down-hole. CRP0042D is planned to be completed to a depth of 1,200m upon re-commencement of drilling with initial results returning:

- CRP0042D: 82m grading 0.3% copper and 0.1g/t gold from 498m depth down-hole, **ending in the contact margin of the host porphyry**

These new expansion drilling results confirm that the bulk tonnage high grade core discovered at Cuerpo 3 is continuing to expand, in size and importance, as a key value driver in the development potential of Cortadera.

The Company considers that Cortadera's potential size and significance is only just beginning to be revealed, with further drilling likely to cement Cortadera as one of the most significant copper-gold porphyry discoveries of recent time.

Figures 1, 2, 3, 4 and 5 display the location of recent significant intersections at Cortadera in plan and cross section view.





Drilling Commences Across Large Growth Targets

The Company's exploration team have completed multiple exploration work streams to enable drilling across several large targets (nearby to Cortadera main deposit area), which are considered to have the potential to deliver step-change growth.

Workstreams completed by the Company include surface geochemical programmes, litho-structural mapping, petrographic and geochronology sampling, geophysical review and modelling, and environmental studies related to regulatory applications for drilling.

Analysis of data collated from these workstreams has enabled the Company to design and commence drilling at the Cuerpo 3 North target, located just 500m north of the main porphyry.

Two deep Reverse Circulation (RC) pre-collars were completed across the Cuerpo 3 North target with both holes (CRP0041 and CRP0043) intersecting wide zones of skarn alteration in association with strong pyrite mineralisation above a large coincident chargeability and conductivity geophysical anomaly.

Diamond drill tails have been designed to extend both holes at depth and a further four deep RC holes are also planned to be drilled once operations recommence.

Key Resource Milestones on Track for Delivery

The Company is utilising the COVID-19 operational downtime to accelerate its preparations towards the estimation of a significant first resource for the Cortadera discovery.

Lead porphyry consultant Dr Steve Garwin has been appointed to guide the Company's resource estimation programme of work, with the Cortadera 4D geological model currently being updated to incorporate all drilling completed to date at the project. The 4D model is a key input into the resource estimation process, allowing robust integration of all geological inputs to guide mineralised porphyry domains.

Seequent is assisting with the Leapfrog geological modelling, while Mining Plus has been engaged to undertake the independent resource estimation. Wood Plc have been appointed to manage and coordinate metallurgical testwork and internal scoping study workstreams.

A preliminary metallurgical programme has been designed to test comminution and recovery using flotation and leach analysis for Cortadera. Sulphide metallurgical samples are currently being collected over several ore domains in preparation for the testwork which will be used to establish optimal grind size and recoveries for copper, gold, silver and molybdenum. Samples are expected to be transported from site shortly.

Oxide samples are also being collected for preliminary bottle roll leach testwork and acid digest analysis.

The Company anticipates the resource and metallurgical workstreams for Cortadera to be completed within the coming 4 months ahead of an assessment of various mine development scenarios later this year.





Twelve Month Extension for Cortadera Acquisition

Hot Chili has successfully secured a twelve-month extension to the remaining payment schedule for the 100% acquisition of the Cortadera copper-gold project in Chile.

Hot Chili and private Chilean mining group SCM Carola have executed an extension agreement that will now see the Company's remaining acquisition payments for Cortadera due in mid-July 2021 (US\$10 million) and mid-July 2022 (US\$15 million).

In consideration for the twelve-month extension Hot Chili will pay a fee of US\$2 million to SCM Carola on or before 15th July 2020.

The revised acquisition timetable significantly reduces the Company's funding requirements this year and provides Hot Chili more time to focus on the growth of the Cortadera discovery towards a large first resource estimate.

The extension agreement reinforces Hot Chili's strong relationship with SCM Carola and our commitment toward the rapid growth and development of Cortadera.

Hot Chili Accepts Mining & Processing Offer from ENAMI

Hot Chili has accepted (on a non-binding basis) an offer from the Chilean government agency Empresa Nacional de Minería (ENAMI) for the lease mining and processing of ore from the Company's Productora copper-gold project in Chile.

Formal agreement will be a win-win for Hot Chili and its key local and government stakeholders, and is expected to see the Company announce first production and revenue from its assets in Chile this year while safeguarding 400 jobs at ENAMI's Vallenar plant.

ENAMI's offer is supported by Hot Chili's joint venture partner at Productora - Compañía Minera del Pacífico (CMP) and the formal agreement is expected to be ready for review and execution within the coming weeks subject to acceptance of appropriate terms and conditions.

ENAMI has offered Sociedad Minera El Águila Limitada (SMEAL - 80% HCH, 20% CMP) the following terms, subject to execution of a formal agreement:

1. An intention to lease, for a period of two years the mining concession "La Productora 1-16" (hereinafter the "Concession") under terms and conditions to be agreed by both parties
2. ENAMI may sublet sectors of the Concession to third parties, who will exploit the site and deliver their production to the ENAMI plant in Vallenar
3. Considering existing underground mine developments and the average grade of historical production by ENAMI from Productora, ENAMI estimate production of 10,000 tonnes per month could be achieved quickly with grades of 1% copper
4. A royalty of 10% for the sale value of the minerals extracted from the Concession



5. The payment of an additional bonus of US\$2 per tonne of copper ore purchased at the Vallenar Plant

Agreement to the ENAMI offer will reinforce Hot Chili's commitment to social responsibility for the government and local community of Vallenar, while also providing cash flow and additional bulk mining reconciliation data for high grade resources at Productora.

At a current copper price of US\$2.15/lb the potential mining and processing agreement is estimated to represent approximately US\$400,000 to US\$500,000 in annual payments to Hot Chili for its 80% interest in SMEAL. The royalty component of the ENAMI offer provides further payment upside in the event of higher copper price or higher copper ore grades.

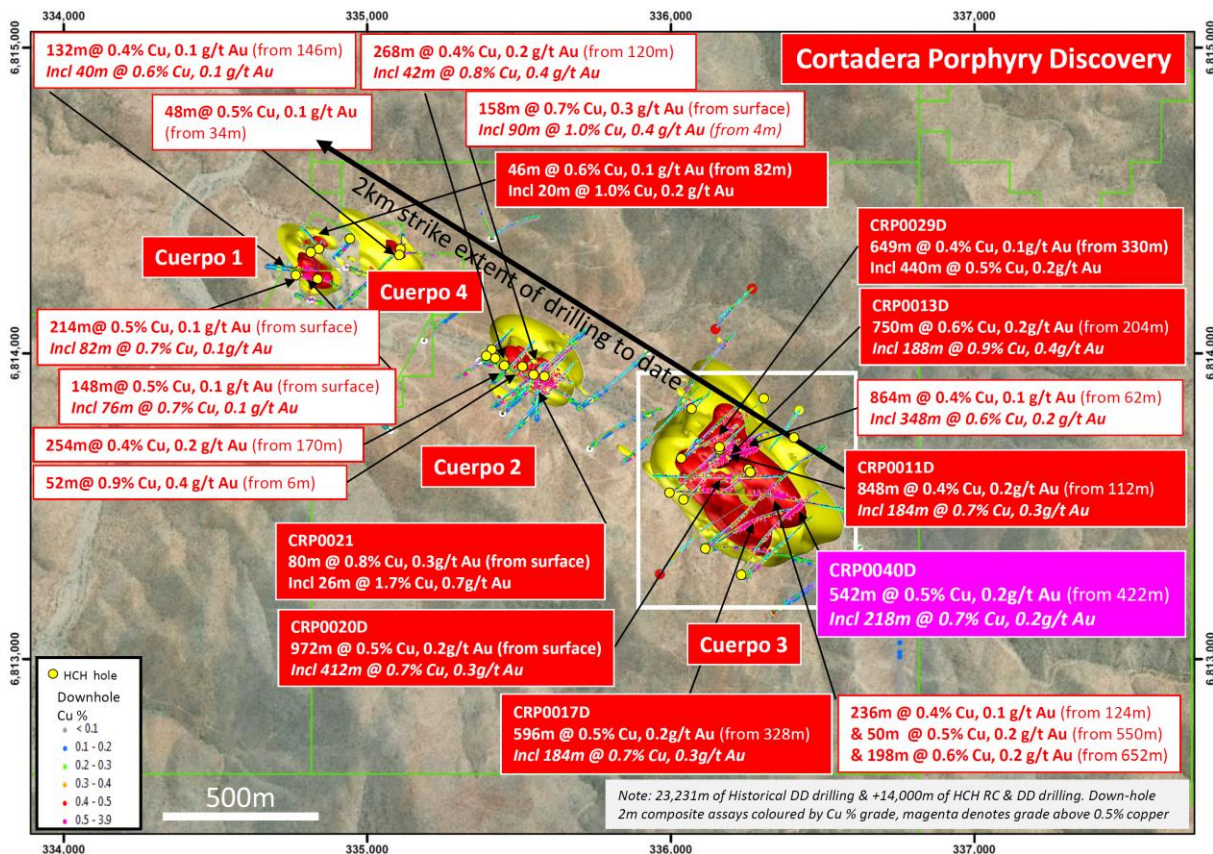


Figure 1 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 1, 2 and 3 tonalitic porphyry intrusive centres (represented by modelled copper envelopes, yellow- +0.2% Cu and red +0.4% Cu). Note the location of the inset plan area for Cuerpo3 associated with the following figures. The new HCH drilling intersection recorded in CRP0040D (magenta) and previously reported HCH drill intersections (Red) and historical drilling intersections (white).

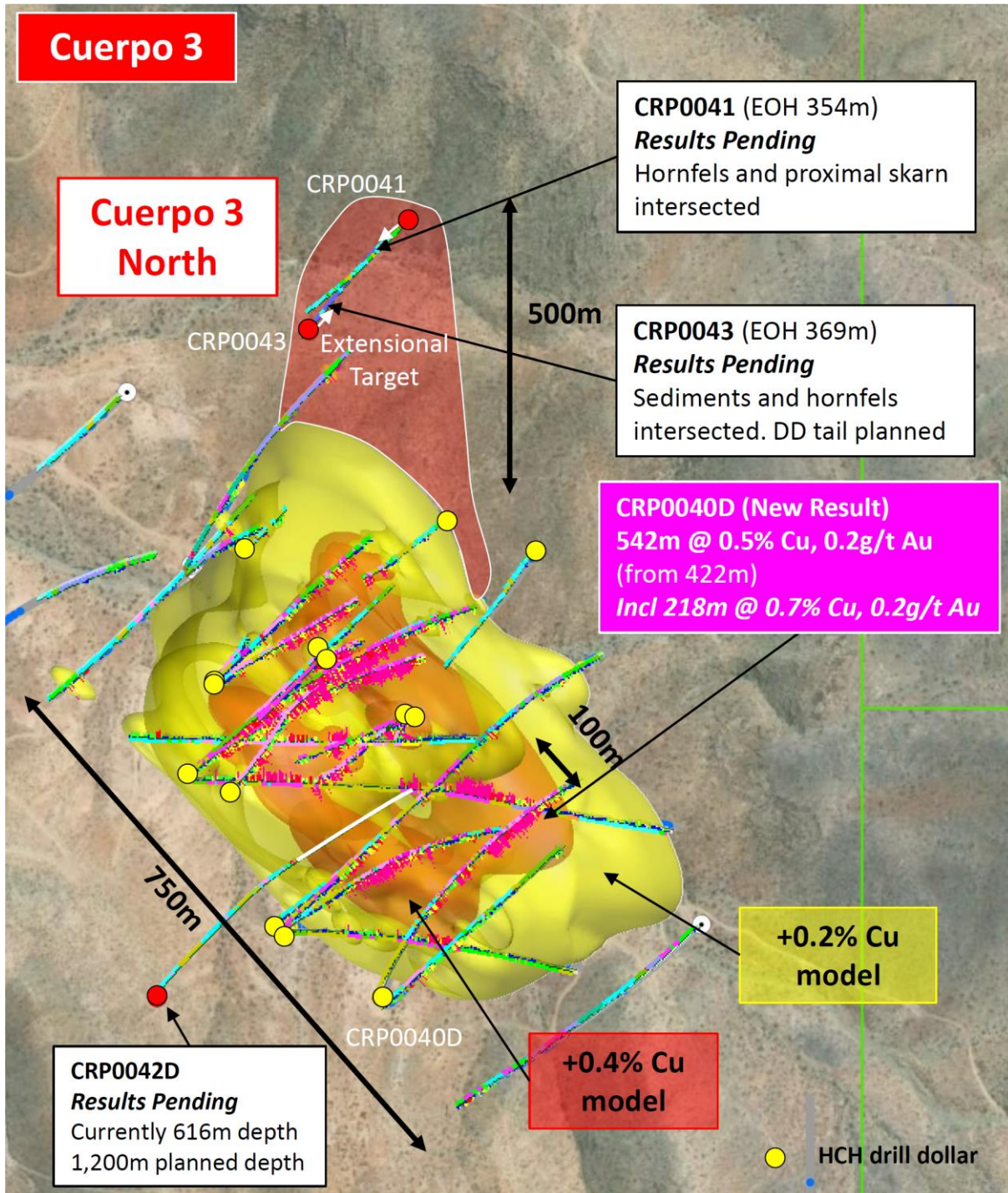


Figure 2 Plan view of Cuerpo 3 - the Main porphyry of the four porphyry centres discovered to date at Cortadera. The plan displays the location of significant new results and pending results from recently completed DD and RC drilling. Note the growing extent of the modelled higher grade copper zone (red wireframe - +0.4% Cu) and the location of open boundaries for growth of the bulk copper envelope at Cortadera (yellow wireframe - +0.2% Cu)

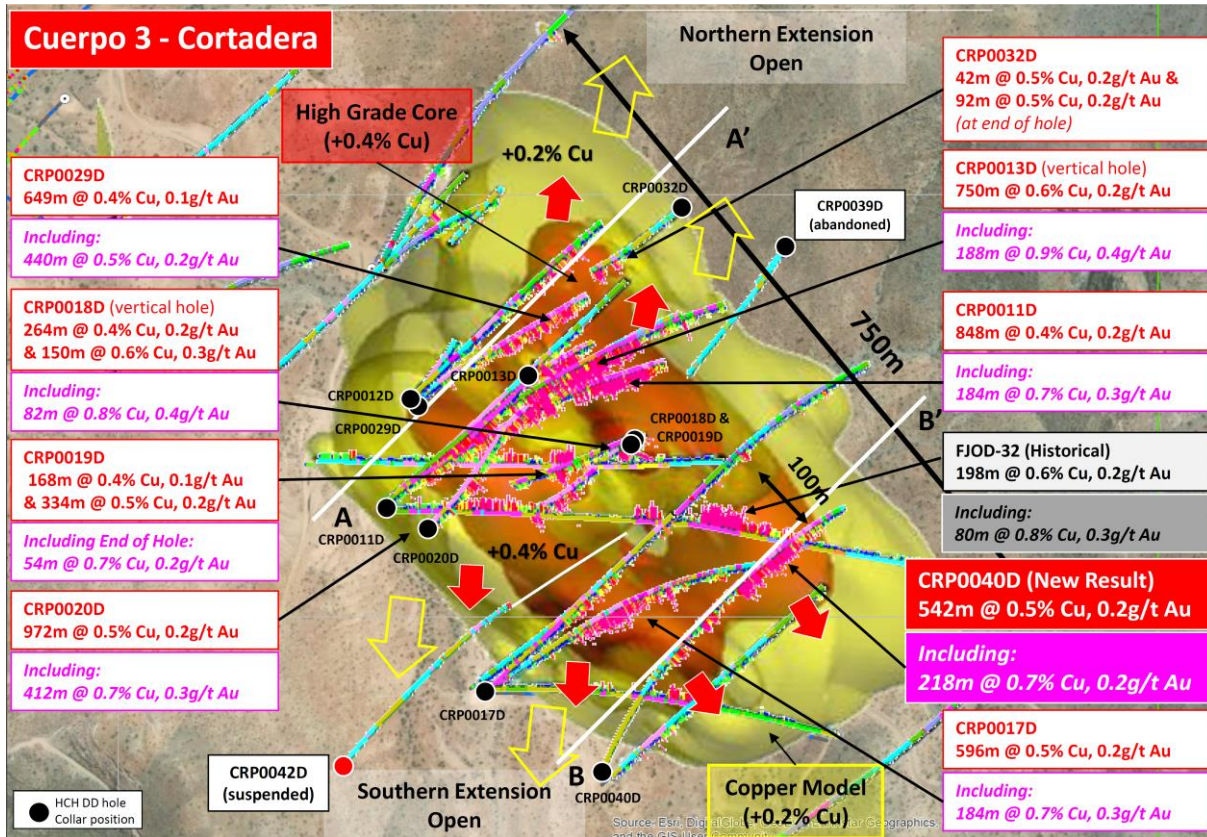


Figure 3 Plan view of Cuerpo 3 - the Main porphyry of the four porphyry centres discovered to date at Cortadera. The plan displays the location and basic geology of the mineralised tonalitic host porphyry in relation to the location of significant results returned by Hot Chili including the latest results from CRP0040D. Note the growing extent of the modelled higher grade copper zone (red wireframe - +0.4% Cu) and the location of open boundaries for growth of the bulk copper envelope at Cortadera (yellow wireframe - +0.2% Cu).

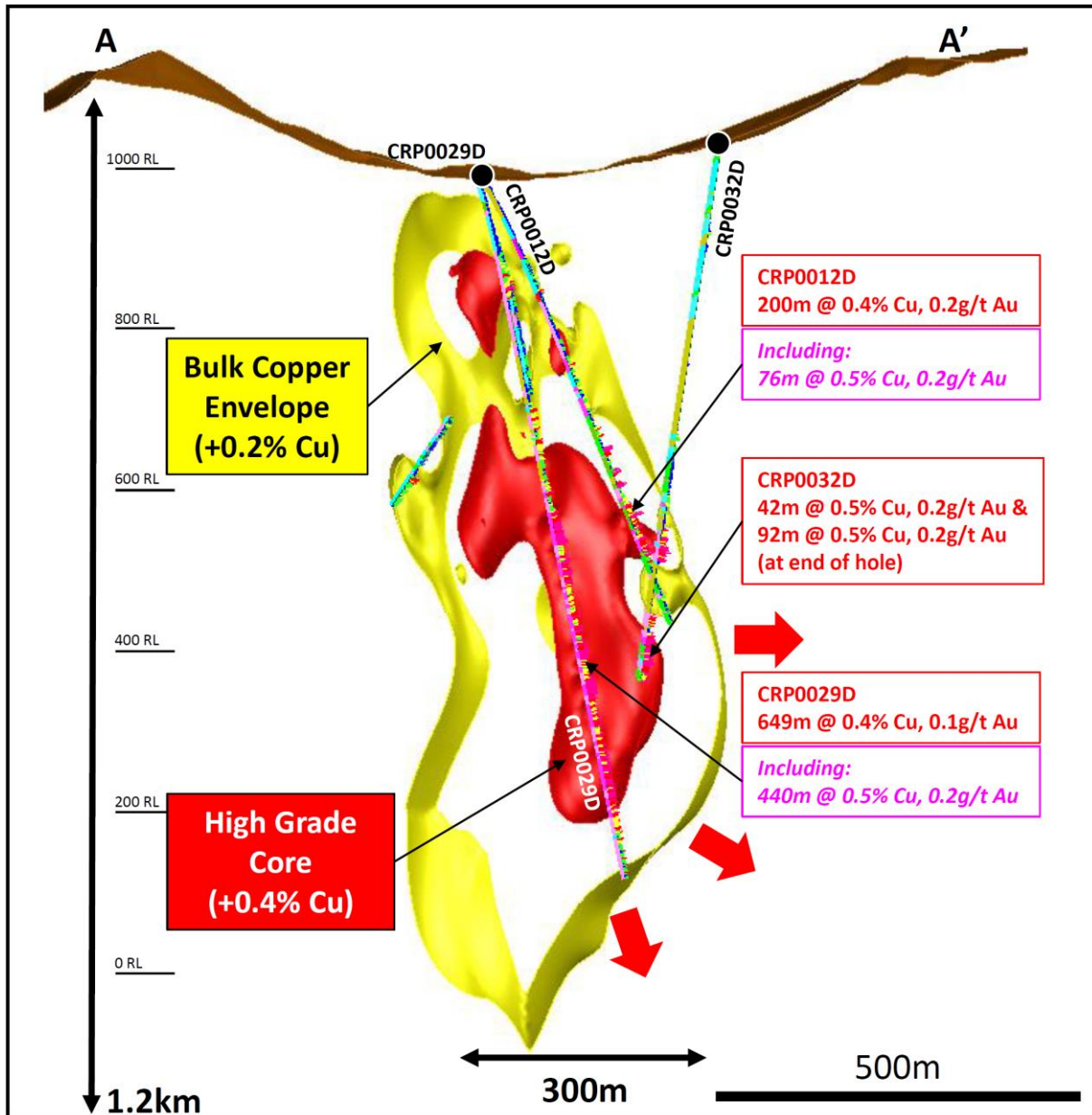


Figure 4 Type Section A displaying HCH DD extensional drill results and recent 3D modelling of copper distribution at Cortadera. The section lies along the northern extent of Cuerpo 3, which has now broadened in width and remains open for further extension. Note the location of hole CRP0012D, CRP0029D in relation to the projection of the high grade zone from the south of the section. The new result from CRP0032D has confirmed a significant width to the northern extension of the main porphyry at Cortadera.



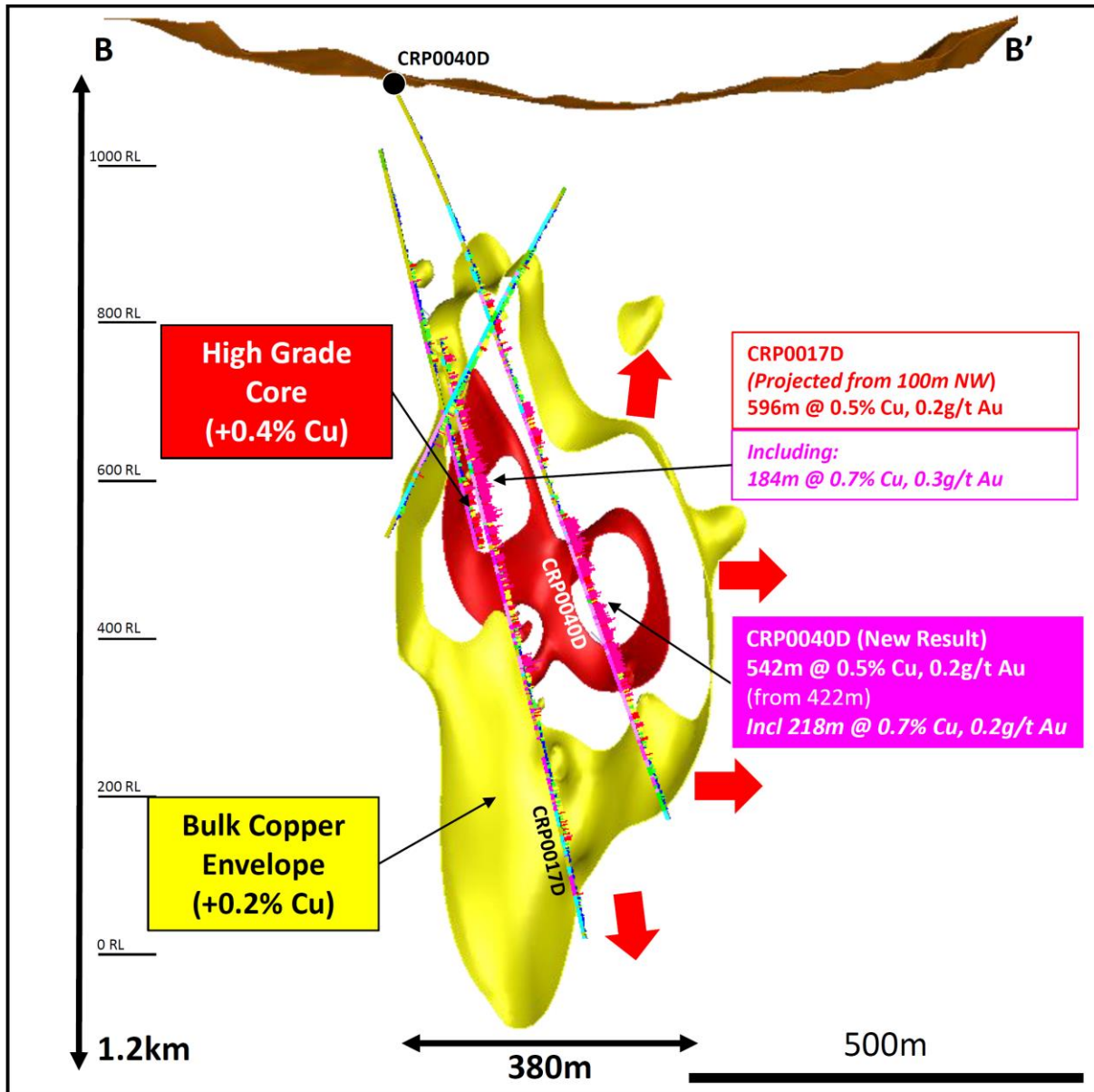


Figure 5 Type Section B displaying HCH DD drill results and recent 3D modelling of copper distribution at Cortadera. The section lies along the southeastern extent of Cuerpo 3, which has now extended by a further 100m given the new result from CRP0040D. Note the location of where the copper model was predicted to extend in relation to the location of the new result in CRP0040D which has provided further confidence in continued expansion of Cuerpo 3 and its high grade core.



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 have only recently been 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 6 below.

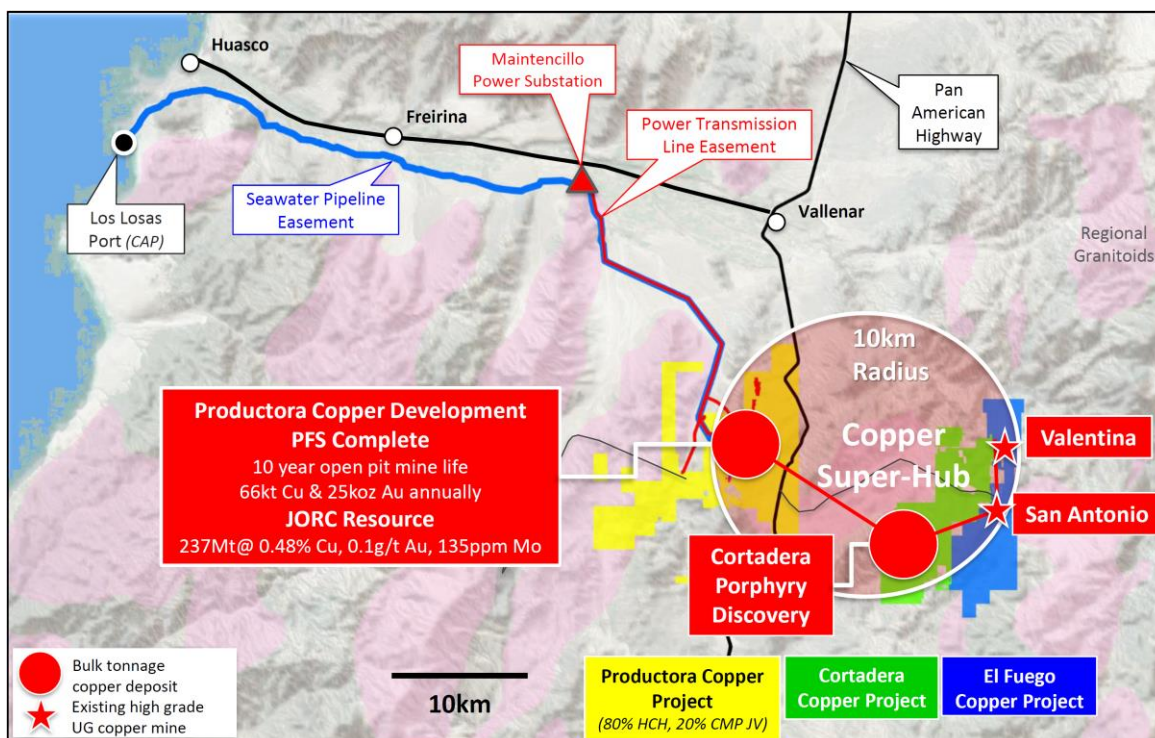


Figure 6. Location of Productora and the Cortadera discovery in relation to the consolidation of new growth projects and coastal range infrastructure

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 two drill holes at Cuerpo 3 (the largest of the four porphyries discovered to date) include two of the best intercepts to date at the project and rate as some of the worlds' stand-out copper-gold porphyry drill results ever recorded globally. The Cuerpo 3 porphyry remains open to the north, south and at depth. Significant intersections (refer to ASX announcement 16th October 2019) 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)
- 542m grading 0.5% copper and 0.2g/t gold from 422m down-hole depth, (including 218m grading 0.7% copper and 0.2g/t gold)

Note: Please refer to ASX announcement "Another Record Step-Out Drill Result at Cortadera" 20th March 2020 for Table 1 information relating to the reporting of exploration results, data and sampling techniques

**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
Cortadera	Hot Chili Limited	Chile	CRP0040D	422	964	542	0.5	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

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.



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 discovery and definition of a higher grade bulk tonnage underground development opportunity in combination with shallow, high grade bulk tonnage open pit sources - 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					
CRP0029D	6814031	336225	1017	47	-73	979.2	330	979.2	649	0.4	0.1	0.8	101
	to end of hole					including	472	912	440	0.5	0.2	0.9	115
CRP0030	6813962	335525	1007	44	-79	150	4	28.0	24	0.4	0.1	0.4	3
CRP0032D	6813850.7	336312	1090	232	-81	740	532	576	44	0.5	0.2	1.0	204
							648	739.9	92	0.5	0.2	0.9	96
CRP0034	6814327.7	334814	985	44	-69	220	0	24	24	0.3	0.1	0.9	6
							82	128.0	46	0.6	0.1	1.4	5
							102	122	20	1.0	0.2	2.3	3
CRP0037	6813929.3	335595	1012	109	-59	200	0	76.0	76	0.4	0.2	0.7	7
CRP0040D	6813278	336235	1082	25	-60	1027.3	294	364.0	70	0.4	0.2	0.4	4
						&	422	964	542	0.5	0.2	0.9	103
						including	616	834	218	0.7	0.2	1.2	119
CRP0042D	6813273.4	335968	1106	40	-62	616.0	498	580.0	82	0.3	0.1	0.1	71
						Planned to 1,200m, On Hold Pending Re-commencement of Drilling							





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 1 2020 Performance and Statistics

Item	PRODUCTORA		CORTADERA	
	Jan-March 2020	Last 24 Months	Jan-March 2020	Last 12 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	603	3.221	38.398
Environmental incidents	0	0	0	0
Headcount (2)	0	0.3	28	23

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	
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	





License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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	
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	





License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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	
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	





Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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

JORC Compliant Ore Reserve Statement

Productora Open Pit Probable Ore Reserve Statement – Reported 2nd 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
Total	Probable	166.9	0.43	0.09	138	716,800	470,700	23,100	562,900	191,900	11,200

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 2nd 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
	Sub-total	218.7	0.48	0.10	142	1,059,000	708,000	31,000
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
	Sub-total	17.9	0.41	0.04	39	73,000	23,000	700
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
	Total	236.6	0.48	0.10	135	1,132,000	730,000	32,000

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 2nd 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
	Sub-total	201.6	0.16	0.04	60	320,000	241,000	12,000
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
	Sub-total	16.4	0.13	0.02	27	22,000	9,000	400
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
	Total	218.0	0.16	0.04	58	341,000	250,000	13,000

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 presentation that relates to Mineral Resources, Ore Reserve estimates and Production Targets on the Productora copper project was previously reported in the ASX announcement "Hot Chili Delivers PFS and Near Doubles Reserves at Productora" dated 2nd March 2016, 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.

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 is employed 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 or oil and gas exploration entity quarterly cash flow report

Name of entity

Hot Chili Limited

ABN

91 130 955 725

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..9....months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(1,845)	(6,273)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(245)	(749)
	(e) administration and corporate costs	(196)	(884)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(2,281)	(7,899)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	(7,512)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

+Rule 5.5

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..9....months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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	-	(7,512)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	17,100
3.2	Proceeds from issue of convertible debt securities	-	
3.3	Proceeds from exercise of options	-	
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(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	-	16,194

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,314	1,250
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,281)	(7,899)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(7,512)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	16,194

+Rule 5.5

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..9....months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,033	2,033

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	1,944	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)	2,033	11,299

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
1,286
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Fees and salaries of AUD\$124,000 were paid during the quarter. Rent of AUD\$7,000 and drilling costs of AUD\$1,155,000 was paid to Blue Spec Sondajes, an entity controlled by Murray Black, during the quarter.

+Rule 5.5

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

7.5 Unused financing facilities available at quarter end	-
---	---

7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(2,281)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(2,281)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,033
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	2,033
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.89

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Hot Chili continues to manage its strategic funding process announced last year to meet option payments falling due following strong in-bound domestic and international interest in the Company's Cortadera transaction. The company believes it's future funding discussions are progressing well and will be finalised over the coming months.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes – The company has curtailed drilling activities and is taking the opportunity during Covid-19 restrictions to consolidate results and ultimately deliver a resource for Cortadera over the coming months. This reduced working capital expenditure environment will allow the Company to meet its business objectives.

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.

Date:30 April 2020.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.