

**Hot Chili Limited**

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## ASX Announcement

Tuesday 4<sup>th</sup> August 2020

### AMENDED RELEASE

Further to the Company's release to the Australian Securities Exchange, dated 31 July 2020 and titled "Positive Metallurgical Test Work", please find an amended release which includes additional details in relation to the separate drill hole and ore drive samples included in the testwork, additional maps and sections to provide context and the removal of information that does not relate to the results being published.

**ASX CODE**

HCH

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## ASX Announcement

Friday 31<sup>st</sup> July 2020

# Positive Results from Initial Metallurgical Test Work

## *Combined Development Confirmed*

### Highlights

- **Consistent and Compatible Ore Metallurgy:** Sulphide test work results confirm that all three of Hot Chili's neighbouring projects (Cortadera, Productora and San Antonio) are compatible and can be incorporated into one combined development, now named "Costa Fuego"
- **Excellent Initial Copper Recoveries:** Rougher flotation test work from Cortadera and San Antonio indicates excellent copper recoveries of 89% to +95%
- **Strong Co-Product Recoveries** - Gold, silver and molybdenum rougher flotation recoveries consistent with other leading global copper developments (Rio Tinto's Winu or SolGold's Cascabel project)
- **Clean-Concentrate Confirmed:** No deleterious elements present in rougher concentrate, confirming Costa Fuego as a clean-concentrate combined copper development
- **Low Capital Intensity Maintained:** All three deposits indicate high recoveries of payable metals using salt water processing, no desalination plant required

Metallurgical testwork at Hot Chili Limited's (ASX code HCH) ("Hot Chili" or "Company") Cortadera and San Antonio copper projects in Chile has produced highly encouraging initial results.

Rougher sulphide flotation results indicate high copper recoveries and similar crushing/grinding characteristics, allowing all of Hot Chili's coastal copper deposits (Cortadera, Productora and San Antonio) to be combined into one development, now named "Costa Fuego", utilising a single conventional processing facility.

Initial rougher recoveries suggest that final copper recovery levels into a commercial grade concentrate are likely to be high. Optimised commercial concentrate grade estimation will be determined following the completion of grind size optimisation, cleaner flotation and locked-cycle test work.

These first results provide a solid foundation from which to carry out further optimisation of the metallurgical flowsheet for life-of-mine ore source supply from the Costa Fuego copper development.

### ASX CODE

HCH

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## Initial Sulphide Metallurgical Testwork Results

The Company has completed preliminary metallurgical testwork (mineralogy, comminution and flotation) on two composite samples of sulphide ore from Cortadera and one run-of mine (ROM) sample from San Antonio.

Testwork has been managed by Wood with parameters aligned to the previous metallurgical testwork programmes undertaken during the Company's Productora Pre-feasibility Study (PFS).

Samples at Cortadera comprised quarter drill core sample intervals across the high grade and low grade drilling intersections within the main porphyry (Cuerpo 3), and the ROM sample at San Antonio was taken from an ore drive in the existing underground mine.

Key outcomes from Sulphide Flotation testwork included:

- Rougher flotation test work over a range of relatively coarse primary grind sizes (106  $\mu\text{m}$ , 150  $\mu\text{m}$  and 212  $\mu\text{m}$ ) indicated that the copper recovery in all samples increased as the fineness of grind increased. All grind sizes performed on tests are in-line with results from the Productora PFS and indicate similar grind size is likely.
- Flotation recovery of copper minerals, gold, and molybdenum at Cortadera is similar to results from the Productora PFS. Flotation of silver (absent at Productora) is similar to gold.
- Cortadera test work included a high-grade and low-grade sample.
- The 106  $\mu\text{m}$  P80 float test on the Cortadera high-grade sample recovered >95% of the copper in the rougher float. Recleaning produced a concentrate grading 28% copper with minor recovery loss.
- The corresponding float test on the Cortadera low-grade sample recovered 89% of copper in the rougher float. Recleaning produced a concentrate grading 22% copper with minor recovery loss.
- At San Antonio the Company tested a ROM sample from the operating underground mine. The float test on this sample recovered 95% of copper in the rougher float. Recleaning produced a concentrate grading 25% copper with minor recovery loss.
- Preliminary recovery estimates for other payable metals at Cortadera include gold (56-60%), molybdenum (83-90%) and silver (37-59%).
- Preliminary recovery estimates for other payable metals at San Antonio include molybdenum (88%) and silver (69%).
- Molybdenum recovery assays were contaminated by molybdenum contained within the stainless steel of the grinding media. Subsequently, recovery in-line with the copper recovery was assumed and this issue will be addressed in future flotation testwork.
- Flotation was performed using salt water in alignment with the Productora PFS.





- Samples were assayed for multiple elements and no significant levels of concentrate impurities were identified.

**Table 1 Metallurgical Sample Details**

Sample Type		Low Grade	High Grade	Run-of-Mine
Hole ID		CRP0011D	CRP0013D	SAG-01
Cu Head Assay (%)		0.35	0.78	2.41
Mass (kg)		35.8	37.6	35
Location		Collar	Collar	Collection
Coordinates (WGS84_19S)	Easting (m)	336008	336164	342641
	Northing (m)	6813547	6813692	6819178
	Elevation ASL (m)	1,027	1,020	1,101
Downhole Distance	From (m)	40	538m	
	To (m)	422m	560m	

**Table 2 Recleaner Concentrate Assays for Sulphide Testwork**

Sample	Recleaner Concentrate Assays for P80=106 µm												
	%			ppm									
	Cu	Fe	S	Mo	Au	Ag	As	Bi	Cd	Pb	Sb	U	Zn
<b>CRP0013D High Grade</b>	28.0	30.0	31.9	2275	7.6	47.9	35	5.1	2.6	158	11	3.8	598
<b>CRP0011D Low Grade</b>	22.1	30.8	33.8	2959	6.8	17.8	29	1.8	1.8	82	2	1.3	150
<b>SAG-01</b>	25.7	29.1	31.7	22	0.5	31.5	40	3.8	2.0	17	0	1.2	310

Key outcomes from Comminution test work included:

- Samples were sent for SAG Mill Comminution (SMC) Testing, which determines the so-called JK Drop-Weight Index (DWi), a measure of the strength of the rock when it is broken under impact conditions. The DWi is directly related to the JK rock breakage parameters A and B and can therefore be used to estimate the values of these parameters.
- The same tests were used to design the sulphide concentrator for the Productora PFS.
- The comminution results for the high grade and low grade at Cortadera are within the range of Productora values measured. It is reasonable to assume that the sulphide ore from Cortadera will have a similar processing throughput and cost as ore from Productora.



**Table 3 Summary of Comminution Testwork Results**

Comminution Test Result	Productora PFS		Cortadera		San Antonio
	Average	Range (24 Samples)	Low-grade	High grade	Run-of-mine
Axb	48	31.3 – 78.0	30.2	33.1	34.7
DWI	7.4	4.6 – 9.6	9.0	8.3	9.0
SG	2.65	2.07 – 3.01	2.73	2.74	3.13

The metallurgical test work undertaken supports processing of the Cortadera and San Antonio sulphide ore using the same conventional concentrator as the Productora PFS.

Following these initial positive results, the next phase of test work will be directed towards grind size optimisation, cleaner flotation and locked-cycle test work in advance of assessing the commercial grade of copper concentrates that may be produced from Cortadera and San Antonio.

**Expansion drilling, resource workstreams and scoping studies are gathering momentum and the Company looks forward to providing further updates shortly.**

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

**For more information please contact:**

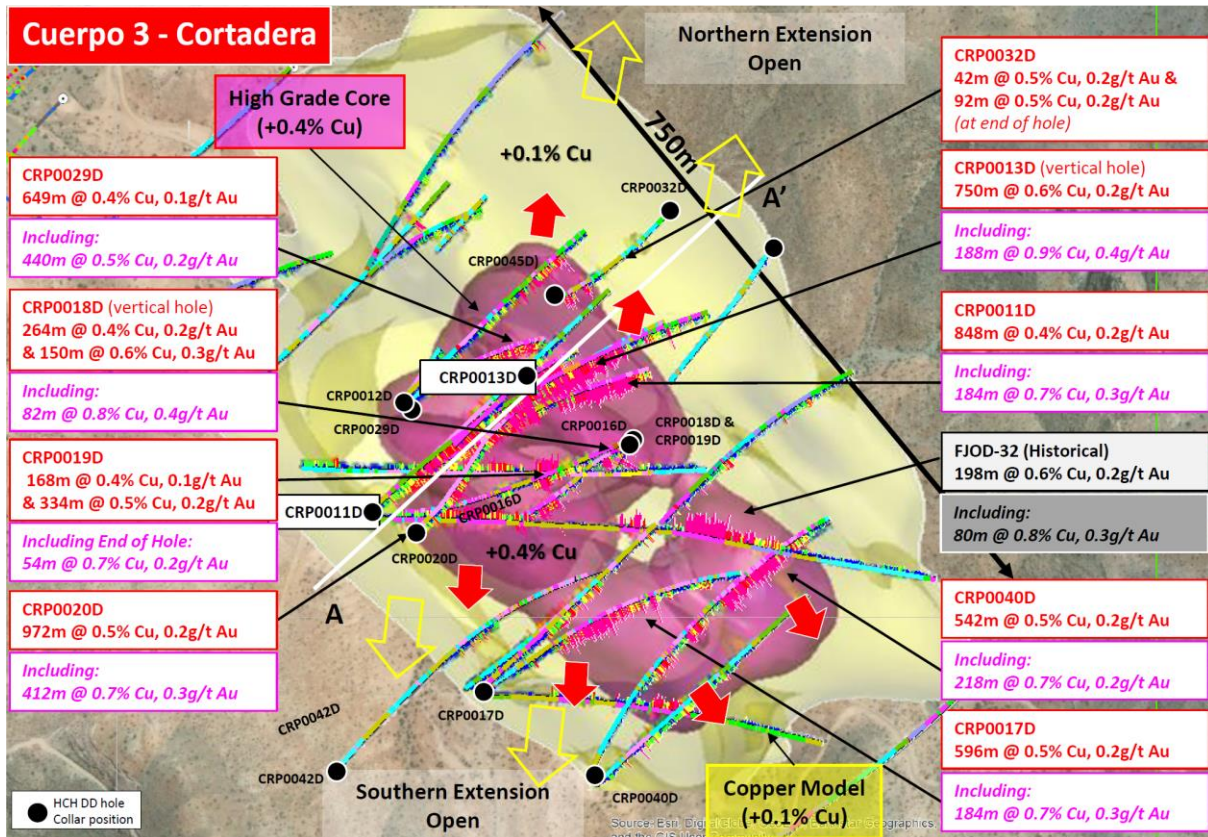
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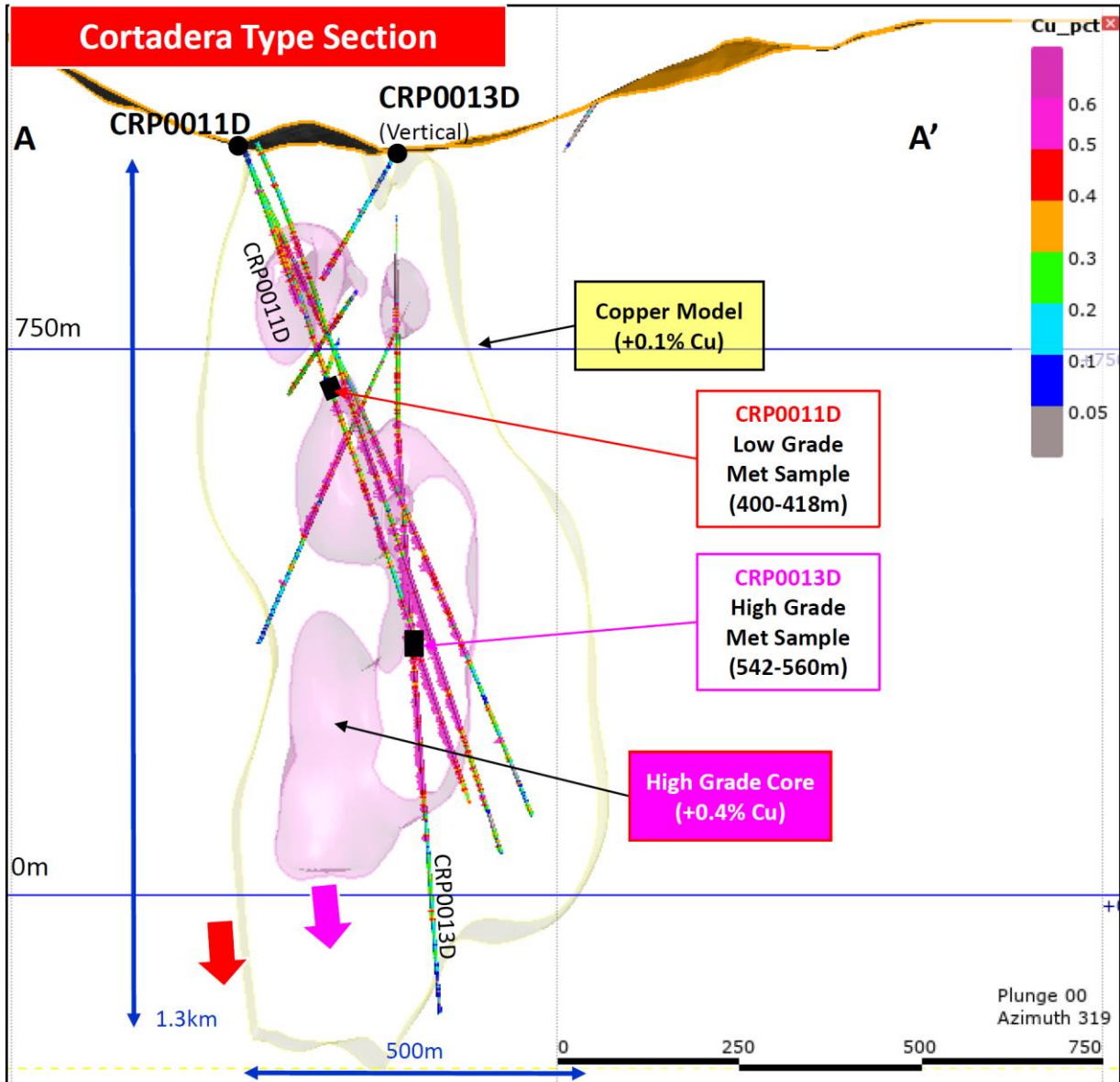




**Figure 1 Plan view of Cuerpo 3 - the Main porphyry of the four porphyry centres discovered to date at Cortadera. Note the location of CRP0011D and CRP0013D, where metallurgical sample intervals have been collected from.**

*The above figure includes an image related to exploration modelling of the Cortadera discovery. Indicative grade shell models (+0.1% Cu and +0.4% Cu) generated in leapfrog software utilising Hot Chili's 4 Dimensional geological model to guide morphological control are provided for reference only.*

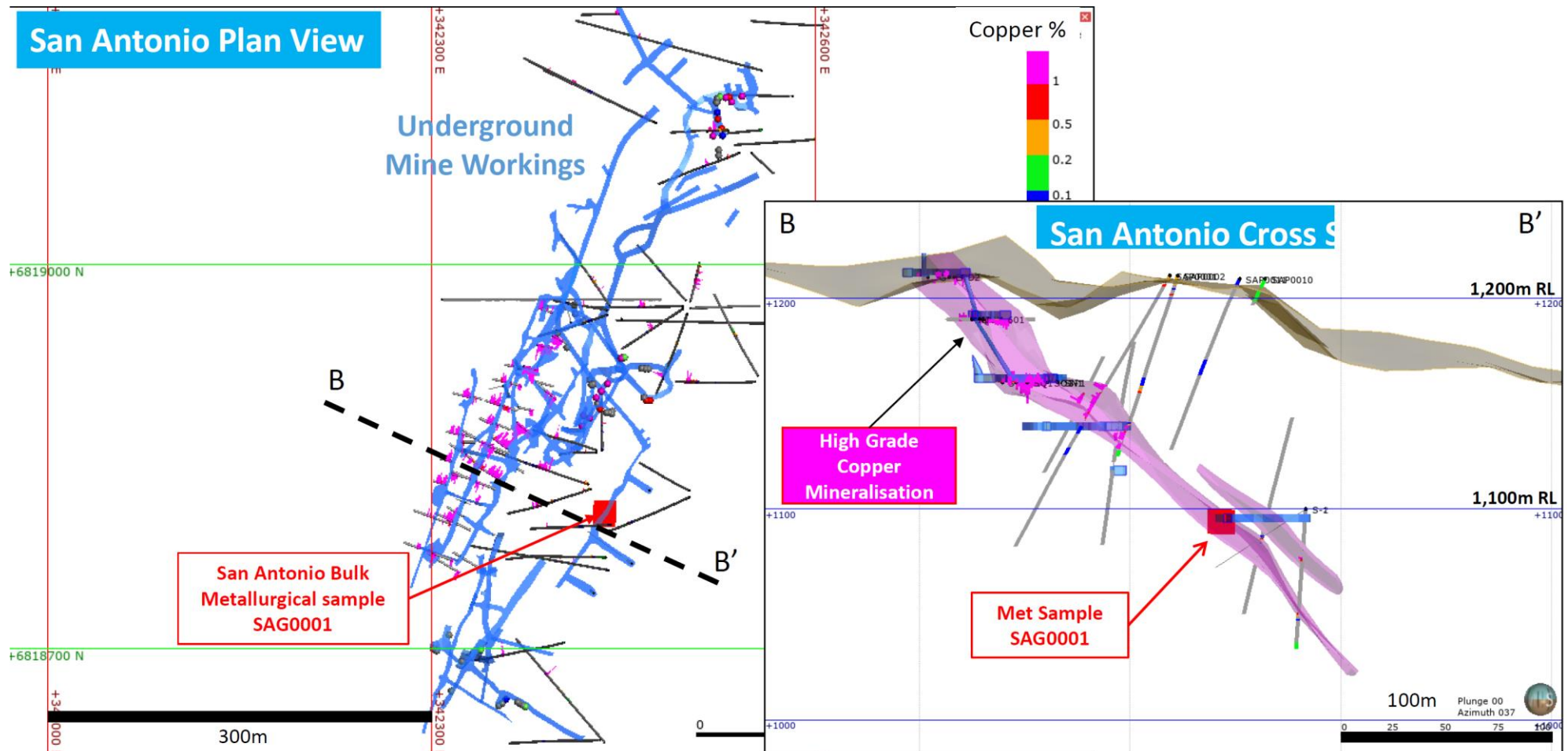
*The images of grade shell models are not an Exploration Target and do not contain nor indicate any estimate of potential size and grade ranges for the Cortadera discovery. No Mineral Resource estimate has been completed for Cortadera at this time. The images of grade shells do not represent an Exploration Target nor a Mineral Resource and should not be construed as such, in compliance with the JORC code*



**Figure 2 Type Section A displaying HCH diamond drilling and recent 3D modelling of copper distribution at Cortadera. The section lies in the northwestern extent of Cuerpo 3. Note the location of hole CRP0011D and CRP0013D where the low grade and high grade metallurgical sample interval was selected from, respectively.**

*The above figure includes an image related to exploration modelling of the Cortadera discovery. Indicative grade shell models (+0.1% Cu and +0.4% Cu) generated in leapfrog software utilising Hot Chili's 4 Dimensional geological model to guide morphological control are provided for reference only.*

*The images of grade shell models are not an Exploration Target and do not contain nor indicate any estimate of potential size and grade ranges for the Cortadera discovery. No Mineral Resource estimate has been completed for Cortadera at this time. The images of grade shells do not represent an Exploration Target nor a Mineral Resource and should not be construed as such, in compliance with the JORC code*



**Figure 3 Plan view and cross-section of the San Antonio underground mine. Note the location of the San Antonio bulk metallurgical ROM sample location SAG0001.**



## Appendix

Figure 1 Flowsheet of Flotation Testwork

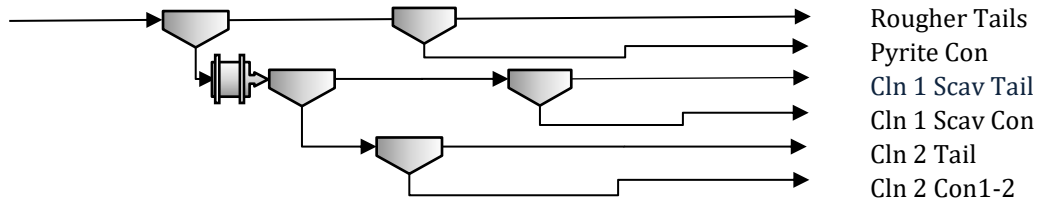


Table 4 Flotation Testwork Results - Sample CRP0013D - P80 Grind Size of 106 µm

PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER	
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist
Cln 2 Con 1	20.9	2.09	29.1	82.0	30.1	19.4	32.3	16.6	2456	43.9	7.38	49.5	46	60.1
Cln 2 Con 2	3.5	0.35	21.5	10.2	29.3	3.17	30.0	2.59	1197	3.60	9.04	10.2	59	12.9
Cln 2 Tail	2.3	0.23	3.37	1.04	24.7	1.75	25.4	1.43	314	0.62	5.00	3.67	22	3.15
Cln 1 ScavCon	1.8	0.18	3.20	0.76	29.1	1.59	32.6	1.42	320	0.48	3.00	1.70	26	2.88
Cln 1 Scav Tail	25.4	2.54	0.38	1.28	12.0	9.40	12.5	7.85	269	5.85	0.54	4.43	5	7.94
Pyrite Con	14.7	1.47	0.50	0.99	25.2	11.4	29.4	10.6	132	1.66	1.40	6.59	11	10.1
Tails	931.7	93.1	0.03	3.77	1.85	53.2	2.59	59.5	55	43.9	0.08	23.9	0.1	2.91
Calc'd Head	1000.3	100.0	0.74	100.0	3.24	100.0	4.06	100.0	117	100.0	0.31	100.0	2	100.0
Assay Head			0.78		3.21		4.44		69		0.37		2	
Cln 2 Con 1		2.09	29.1	82.0	30.1	19.4	32.3	16.6	2456	43.9	7.38	49.5	46	60.1
Cln 2 Con 1-2		2.44	28.0	92.2	30.0	22.6	31.9	19.2	2275	47.5	7.62	59.7	48	73.0
Cln 1 Con		2.67	25.9	93.2	29.5	24.4	31.4	20.6	2107	48.1	7.39	63.4	46	76.2
Cln 1 Con + ClnScavCon		2.85	24.5	94.0	29.5	26.0	31.4	22.1	1996	48.6	7.12	65.1	44	79.0
Ro Con		5.39	13.1	95.2	21.2	35.3	22.5	29.9	1182	54.5	4.02	69.5	26	87.0

Note: Cln 2 Tail and Cln 1 Scav Con Au assays estimated due to insufficient weight

Table 5 Flotation Testwork Results - Sample CRP0013D - P80 Grind Size of 150 µm

PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER		
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist	
Cln 2 Con 1	19.5	1.95	28.9	72.7	30.5	17.8	28.4	13.7	2630	51.8	8.27	45.4	45	45.5	
Cln 2 Con 2	5.3	0.53	22.5	15.4	30.6	4.86	32.1	4.22	1329	7.12	8.31	12.4	57	15.7	
Cln 2 Tail	3.8	0.38	4.88	2.37	28.5	3.22	31.7	2.97	415	1.58	5.00	5.31	25	4.90	
Cln 1 ScavCon	2.1	0.20	3.79	1.00	30.6	1.87	33.7	1.71	253	0.52	3.00	1.73	26	2.76	
Cln 1 Scav Tail	25.7	2.57	0.55	1.81	12.2	9.34	11.9	7.55	254	6.59	0.57	4.13	5	6.66	
Tails	944.3	94.4	0.06	6.69	2.23	63.0	2.99	69.8	34	32.4	0.12	31.1	0.5	24.5	
Calc'd Head	1000.6	100.0	0.78	100.0	3.34	100.0	4.04	100.0	99	100.0	0.36	100.0	2	100.0	
Assay Head			0.78		3.21		4.44		69		0.37		2		
Cln 2 Con 1	1.95 2.48 2.86 3.06 5.63		1.95	28.9	72.7	30.5	17.8	28.4	13.7	2630	51.8	8.27	45.4	45	45.5
Cln 2 Con 1-2			2.48	27.6	88.1	30.5	22.6	29.2	17.9	2352	58.9	8.28	57.8	48	61.2
Cln 1 Con			2.86	24.6	90.5	30.2	25.8	29.5	20.9	2096	60.5	7.85	63.1	45	66.1
Cln 1 Con + ClnScavCon			3.06	23.2	91.5	30.2	27.7	29.8	22.6	1972	61.0	7.52	64.8	43	68.9
Ro Con			5.63	12.9	93.3	22.0	37.0	21.6	30.2	1188	67.6	4.35	68.9	26	75.5

Note: Cln 2 Tail and Cln 1 Scav Con Au assays estimated due to insufficient weight



Table 6 Flotation Testwork Results - Sample CRP0011D - P80 Grind Size of 106 µm

PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER	
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist
Cln 2 Con 1	7.5	0.75	25.3	53.5	31.1	7.16	34.3	9.96	3685	32.6	7.41	31.9	17	14.8
Cln 2 Con 2	5.0	0.50	17.3	24.4	30.4	4.68	33.2	6.46	1874	11.1	5.88	17.0	19	11.1
Cln 2 Tail	6.3	0.63	3.40	6.09	30.2	5.89	33.9	8.36	359	2.70	2.10	7.68	8	5.90
Cln 1 ScavCon	3.5	0.35	1.76	1.73	27.6	2.96	30.4	4.11	205	0.84	1.14	2.29	6	2.43
Cln 1 Scav Tail	34.2	3.42	0.38	3.67	12.7	13.4	12.4	16.5	218	8.83	0.31	6.19	2	7.96
Pyrite Con	17.0	1.70	0.32	1.51	21.7	11.4	22.6	14.9	111	2.23	0.41	4.04	2	3.96
Tails	926.5	92.7	0.04	9.16	1.91	54.5	1.10	39.7	38	41.7	0.06	31.0	0.5	53.9
Calc'd Head	1000.0	100.0	0.35	100.0	3.25	100.0	2.57	100.0	84	100.0	0.17	100.0	1	100.0
Assay Head			0.35		3.17		2.99		45		0.17		<1	
Cln 2 Con 1		0.75	25.3	53.5	31.1	7.16	34.3	9.96	3685	32.6	7.41	31.9	17	14.8
Cln 2 Con 1-2		1.25	22.1	77.8	30.8	11.8	33.8	16.4	2959	43.7	6.80	48.8	18	25.8
Cln 1 Con		1.88	15.8	83.9	30.6	17.7	33.9	24.8	2083	46.4	5.21	56.5	14	31.7
Cln 1 Con + ClnScavCon		2.23	13.6	85.7	30.1	20.7	33.3	28.9	1789	47.2	4.58	58.8	13	34.2
Ro Con		5.65	5.60	89.3	19.6	34.1	20.7	45.4	838	56.1	2.00	65.0	6	42.1

Table 7 Flotation Testwork Results - Sample CRP0011D - P80 Grind Size of 150 µm

PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER	
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist
Cln 2 Con 1	7.7	0.77	24.2	55.2	30.2	7.51	34.4	10.7	3508	33.5	7.54	33.4	17	16.6
Cln 2 Con 2	4.1	0.41	18.2	21.8	29.9	3.91	33.4	5.46	1905	9.57	6.76	15.8	17	8.76
Cln 2 Tail	4.8	0.48	4.15	5.94	30.3	4.74	32.5	6.34	450	2.70	2.57	7.18	7	4.31
Cln 1 ScavCon	2.9	0.29	1.94	1.67	28.7	2.70	28.9	3.38	180	0.65	1.46	2.45	5	1.85
Cln 1 Scav Tail	31.9	3.19	0.45	4.20	13.6	14.0	13.3	17.2	224	8.87	0.28	5.13	2	8.12
Tails	948.6	94.9	0.04	11.2	2.19	67.1	1.49	57.0	38	44.7	0.07	36.1	0.5	60.3
Calc'd Head	1000.0	100.0	0.34	100.0	3.10	100.0	2.48	100.0	81	100.0	0.17	100.0	1	100.0
Assay Head			0.35		3.17		2.99		45		0.17		<1	
Cln 2 Con 1		0.77	24.2	55.2	30.2	7.51	34.4	10.7	3508	33.5	7.54	33.4	17	16.6
Cln 2 Con 1-2		1.17	22.2	77.0	30.1	11.4	34.1	16.1	2955	43.0	7.27	49.2	17	25.4
Cln 1 Con		1.66	16.9	82.9	30.2	16.2	33.6	22.5	2224	45.8	5.90	56.4	14	29.7
Cln 1 Con + ClnScavCon		1.95	14.7	84.6	29.9	18.9	32.9	25.9	1919	46.4	5.24	58.8	13	31.5
Ro Con		5.14	5.84	88.8	19.8	32.9	20.8	43.0	867	55.3	2.16	63.9	6	39.7

Table 8 Flotation Testwork Results - Sample SAG-0001 - P80 Grind Size of 106 µm

PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER	
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist
Cln 2 Con 1	37.7	3.77	27.4	46.0	30.0	11.4	32.8	21.1	23	2.31	0.44	31.3	30	30.1
Cln 2 Con 2	38.8	3.88	24.0	41.4	28.3	11.1	30.7	20.4	22	2.27	0.48	34.7	33	34.1
Cln 2 Tail	7.9	0.79	8.98	3.17	24.0	1.92	23.4	3.18	87	1.84	0.45	6.63	25	5.29
Cln 1 ScavCon	6.0	0.60	6.93	1.85	22.5	1.37	21.3	2.18	89	1.42	0.37	4.21	22	3.52
Cln 1 Scav Tail	36.5	3.65	1.27	2.06	14.7	5.40	10.4	6.48	199	19.3	0.10	7.13	7	6.81
Pyrite Con	71.2	7.12	0.73	2.31	34.3	24.6	36.5	44.4	24	4.55	0.08	10.0	5	9.48
Tails	801.9	80.2	0.09	3.21	5.45	44.2	0.17	2.33	32	68.3	0.00	6.02	0.5	10.7
Calc'd Head	1000.0	100.0	2.25	100.0	9.89	100.0	5.85	100.0	38	100.0	0.05	100.0	4	100.0
Assay Head			2.41		10.0		6.39		2		0.05		4	
Cln 2 Con 1		3.77	27.4	46.0	30.0	11.4	32.8	21.1	23	2.31	0.44	31.3	30	30.1
Cln 2 Con 1-2		7.65	25.7	87.4	29.1	22.5	31.7	41.5	22	4.58	0.46	66.0	32	64.2
Cln 1 Con		8.44	24.1	90.6	28.6	24.4	31.0	44.6	29	6.42	0.46	72.6	31	69.5
Cln 1 Con + ClnScavCon		9.04	23.0	92.4	28.2	25.8	30.3	46.8	33	7.84	0.45	76.8	30	73.0
Ro Con		12.7	16.7	94.5	24.3	31.2	24.6	53.3	80	27.2	0.35	83.9	24	79.8



Table 9 Flotation Testwork Results - Sample SAG-0001 - P80 Grind Size of 150 µm

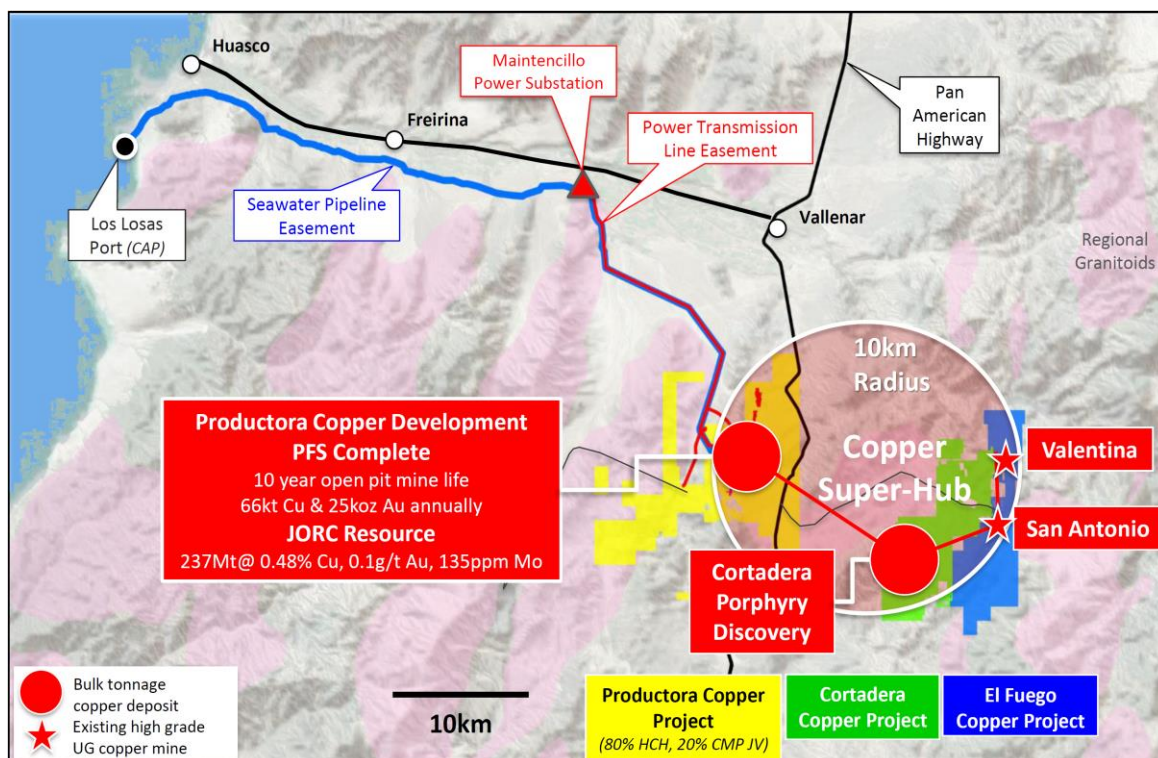
PRODUCT	WEIGHT		COPPER		IRON		SULPHUR		MOLYBDENUM		GOLD		SILVER	
	Gram	%	%	% dist	%	% dist	%	% dist	ppm	% dist	ppm	% dist	ppm	% dist
Cln 2 Con 1	32.6	3.26	28.9	42.9	29.6	9.95	32.5	18.6	6	0.61	0.37	25.3	31	31.4
Cln 2 Con 2	35.1	3.51	25.0	39.9	28.3	10.3	30.9	18.9	8	0.87	0.41	30.7	34	37.1
Cln 2 Tail	7.6	0.76	11.1	3.86	25.4	2.00	25.3	3.38	62	1.47	0.45	7.36	26	6.16
Cln 1 ScavCon	4.2	0.42	9.75	1.86	23.2	1.01	22.0	1.62	73	0.95	0.45	4.03	26	3.41
Cln 1 Scav Tail	37.2	3.72	1.48	2.49	15.0	5.74	10.3	6.68	192	22.1	0.10	8.15	7	8.10
Tails	883.3	88.3	0.23	9.03	7.80	71.0	3.29	50.8	27	74.0	0.01	24.4	0.5	13.7
Calc'd Head	1000.0	100.0	2.20	100.0	9.70	100.0	5.72	100.0	32	100.0	0.05	100.0	3	100.0
Assay Head			2.41		10.0		6.39		2		0.05		4	
Cln 2 Con 1		3.26	28.9	42.9	29.6	9.95	32.5	18.6	6	0.61	0.37	25.3	31	31.4
Cln 2 Con 1-2		6.77	26.9	82.8	28.9	20.2	31.7	37.5	7	1.48	0.39	56.1	33	68.6
Cln 1 Con		7.53	25.3	86.6	28.6	22.2	31.0	40.9	13	2.94	0.40	63.4	32	74.7
Cln 1 Con + ClnScavCon		7.95	24.5	88.5	28.3	23.2	30.5	42.5	16	3.90	0.40	67.4	32	78.2
Ro Con		11.7	17.2	91.0	24.0	29.0	24.1	49.2	72	26.0	0.30	75.6	24	86.3



## About Cortadera

Cortadera is a privately-owned, major copper-gold porphyry discovery located 600km north of Santiago 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 1 below.



**Figure 1 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 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),
- 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), and
- 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 10 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 (g/t)
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
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 and CRP0040D result. SNL has not provided consent to Hot Chili to use this data and Hot Chili has not verified the individual exploration results from other companies reported in the table and sourced from Regulus Resources November 2019 Corporate Presentation.

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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.



## 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
	<i>Total</i>	<i>236.6</i>	<i>0.48</i>	<i>0.10</i>	<i>135</i>	<i>1,132,000</i>	<i>730,000</i>	<i>32,000</i>

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. The Productora lower grade resource directly informs the dilution model for the Productora Ore Reserve estimate.

**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](http://www.asx.com.au) and the Company’s website at [www.hotchili.net.au](http://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 and Testwork**

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

# 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
Sampling techniques	<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>	<ul style="list-style-type: none"> <li>All diamond drilling and sampling was undertaken in an industry standard manner</li> <li>Samples were collected with a diamond drill rig drilling NQ diameter core</li> <li>Core for the composite samples was provided to the laboratory, as quarter core, after logging and photographing</li> <li>Holes were sampled over mineralised intervals to geological boundaries on a nominal 2m basis or less as required</li> <li>ROM sampling comprised one 35kg bulk sample from an underground development face within the San Antonio underground mine. The sample was selected by Company geologists in conjunction with lease miners as representative sulphide ore sample.</li> </ul>
Drilling techniques	<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</i></li> </ul>	<ul style="list-style-type: none"> <li>The diamond drill holes were NQ size core.</li> <li>RC drill holes were from face sampling hammer using 140mm diameter drill bit diameter</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>oriented and if so, by what method, etc).</i>	
<i>Drill sample recovery</i>	<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>	<ul style="list-style-type: none"> <li>• Samples are considered representative with good recoveries.</li> <li>• Core recovery is measured for each drilling run by the driller and then checked by the Company geological team during the mark up and logging process.</li> <li>• Samples are considered representative with generally 100% recovery.</li> <li>• No sample bias is observed</li> </ul>
<i>Logging</i>	<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>	<ul style="list-style-type: none"> <li>• Company geologist logged each hole and supervised all sampling.</li> <li>• Diamond sample results are appropriate for a resource estimation with sampling undertaken on a nominal 2m basis or less based on geological boundaries</li> <li>• The San Antonio RMO sample was logged by Company geologists to confirm the dominant host lithology, alteration and sulphide content prior to laboratory analysis.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<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</i></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond drilling was logged, photographed and sampled as cut as half core for original multi-element analysis, ¼ quarter sent to the metallurgical lab and 1/4 core retained on site.</li> <li>• The metallurgical 1/4 core was provided intact for special purpose metallurgical testwork.</li> <li>• The samples are considered representative and appropriate for this type of drilling and for use in a resource estimate.</li> <li>• The sulphide mineralised intervals were provided to the metallurgical lab based on the original assay results as being representative of the high grade and low grade domains for Cortadera and representative grade for San Antonio (ROM sample).</li> <li>• Metallurgical samples were composited into a number of subsamples over a number of metres and comparative assays completed as a head grade.</li> <li>• Flotation, testwork was carried out on the composite samples from drill holes at Cortadera as well as the ROM sample from San Antonio.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>grain size of the material being sampled.</i>	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• The testwork programme was managed by Wood.</li> <li>• The samples were submitted to Auralia Metallurgy - an independent, commercial laboratory. Samples were sent to other laboratories for specialist tests: ALS for comminution testing and Nagrom for sample assay.</li> <li>• The laboratory tests are considered quantitative in nature.</li> <li>• Assaying of samples used four-acid digest with Inductively Coupled Plasma (ICP) – Optical Emission Spectrometry (OES), and ICP-Mass Spectrometry (MS).</li> <li>• Copper assay was sequential: acid soluble copper was digested in 5% sulphuric acid and the resulting solution analysed by ICP-OES. The sample residue was then dissolved in 5% cyanide solution and this solution analysed by ICP-OES.</li> <li>• Gold was assayed using fire assay fusion with ICP-OES finish.</li> <li>• Laboratory quality control procedures for assay involve standards, blanks and duplicates. ALS and Nagrom are ISO9001:2015 accredited for management system standards.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Results have been checked by the supervising metallurgist (Auralia Metallurgy) and Wood in consultation with Hot Chili geologists.</li> <li>• No adjustments have been made to the assay data except where noted in Table 4 and Table 5 within the announcement owing to insufficient sample weight. This was not considered material to the final cleaner concentrate grades reported for gold in the CRP0013D metallurgical sample</li> <li>• Results are reported on a length weighted basis.</li> <li>• Head grades and recoveries undertaken on the metallurgical samples were provided in a specialised report covering the testwork undertaken.</li> <li>• Results have been reviewed and assessed by an independent metallurgist engaged by Wood</li> <li>• All retained core and pulp samples are stored in a secured site and are available for verification if required.</li> </ul>
Location of data points	<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</li> </ul>	<ul style="list-style-type: none"> <li>• RC and Diamond drill collars were set out using a hand held GPS and final collars were collected using a surveyed topographic pickup.</li> <li>• The WGS84 UTM zone 19S coordinate system was used for all undertakings.</li> <li>• Downhole surveys for RC and DD drilling by Hot Chili were completed by the drilling</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>estimation.</i></p> <ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p>contractor using a north-seeking gyroscope.</p> <ul style="list-style-type: none"> <li>• Holes without downhole survey use planned or compass bearing/dip measurements for survey control.</li> <li>• The San Antonio underground ROM metallurgical sample was referenced from underground mine survey control</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The composite core samples in this report relate to existing diamond core holes drilled by the company at the Cortadera deposit.</li> <li>• The metallurgical holes and intervals were selected based on their location and grades in respect to the average grade of the high grade or low grade domain at the main porphyry at Cortadera.</li> <li>• All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation.</li> <li>• Results are sufficient to provide support for the results to be used in a resource estimate.</li> <li>• Metallurgical results will be used to confirm the proposed processing flowsheet and expected recoveries for economic evaluations as established in the Company's neighbouring Productora Pre-Feasibility Study</li> <li>• Sample compositing has not been applied to the individual assays.</li> <li>• Sample compositing was undertaken on the metallurgical core for specific metallurgical test work.</li> <li>• The metallurgical sample from San Antonio is a single point ROM sample from underground face sampling of an ore drive within the operating underground mine. No sample compositing was undertaken for the San Antonio sample and is sufficient to provide support for the results to be used in a resource estimate</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The drilling containing the two composite metallurgical samples is approximately perpendicular to the strike of mineralisation and therefore the sampling is considered representative of the mineralised zone</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Hot Chili has strict chain of custody procedures that are adhered to.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>All samples have the sample submission number/ticket inserted into each bulk polyweave sample bag with the id number clearly visible.</li> <li>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.</li> <li>Samples were collected by Company personnel and delivered direct to the laboratory via local and international transport contractors.</li> <li>All samples were physically reviewed and inspected by company personnel upon arrival in Perth</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits have been completed.</li> <li>Review of QAQC data has been carried out by company consultants.</li> <li>Auralia Metallurgy and Wood metallurgists has assessed the data</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>The mineralisation being assessed in the two drill hole metallurgical composite samples lies on tenements of the Cortadera Copper Project, located approximately 600km north of Santiago, Chile.</li> <li>The Cortadera discovery is located on Cortadera 1/40 lease held by SCM Carola and under a 100% purchase-option agreement with Frontera SpA ("Frontera" - 100% subsidiary of Hot Chili)</li> <li>The mineralisation being assessed in the ROM metallurgical samples lies on tenements of the El Fuego Copper Project, located approximately 600km north of Santiago, Chile and adjacent to the Company's Cortadera and Productora copper projects</li> <li>The San Antonio mine is located on Santiago 15 al 19 lease, held by a private group and under a 90% purchase-option agreement with Sociedad Minera la Frontera, a 100% subsidiary of Hot Chili</li> </ul>

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration at the Cortadera project included: <ul style="list-style-type: none"> <li>Historical surface workings</li> <li>1990's. Mount Isa Mining Company Chile undertook mapping, trench sampling, some geophysical surveying and limited drilling.</li> <li>2001. SCM Carola undertook field surveys including sampling.</li> </ul> </li> <li>2011-2012. Minera Fuego undertook surface mapping, drilling and surface sampling</li> <li>Previous exploration at the San Antonio project included periodic mining, drilling and underground mapping and sampling by ENAMI. Seven historical surface drill holes undertaken during the 1980's by CODELCO and ENAMI have also been compiled</li> <li>Hot Chili has completed all recent modern exploration to define the mineralisation at both Cortadera and San Antonio.</li> <li>Ongoing drilling and exploration activities continue</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>Cortadera</p> <ul style="list-style-type: none"> <li>The Cu-Au-Mo mineralisation at Cortadera is associated with multiple porphyry intrusions. These porphyries have intruded into the early to mid Cretaceous Totorralillo and Nantoco Formations (variously stratified chemical sediments, volcaniclastics, bioclastics, volcanic breccias, and andesitic volcanic units) along an apparent NW structure.</li> <li>These porphyries appear to exhibit typical Cu-Au-Mo-Ag porphyry veining networks and associated alteration styles. As typical in porphyry deposits, Cu and Au are strongly related, and higher-grade Cu and Mo are associated with high vein density.</li> <li>Sulphide copper mineralisation is primarily associated with chalcopyrite as fine dissemination and in association with porphyry A and B-veins.</li> <li>Local oxide mineralisation encountered in drilling and observed at surface suggests supergene mineralisation</li> </ul> <p>San Antonio</p> <ul style="list-style-type: none"> <li>Copper mineralisation 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 4km strike extent within the project.</li> <li>Historical underground production of 2Mt grading 2% copper reported from the San Antonio underground mine.</li> <li>Andesite units host the majority of mineralisation which was exploited underground at true widths ranging between 10m and 30m (22m average) Sulphide copper is associated with chalcopyrite, minor bornite, pyrrhotite and magnetite.</li> </ul>

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Drill hole Information	<ul style="list-style-type: none"><li>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:<ul style="list-style-type: none"><li>easting and northing of the drill hole collar</li><li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li><li>dip and azimuth of the hole</li><li>down hole length and interception depth</li><li>hole length.</li></ul></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>	<p>The coordinates and orientations for drill holes associated with the Cortadera metallurgical results are provided below:</p> <table><tr><th rowspan="2">Hole_ID</th><th colspan="3">Coordinates (WGS 84, 19S)</th><th rowspan="2">Azim</th><th rowspan="2">Dip</th><th rowspan="2">Hole Depth</th></tr><tr><th>North</th><th>East</th><th>RL</th></tr><tr><td>CRP0013D</td><td>6814070</td><td>336348</td><td>1020</td><td>360</td><td>-90</td><td>1,185.9</td></tr><tr><td>CRP0011D</td><td>6813925</td><td>336193</td><td>1027</td><td>45</td><td>-65</td><td>959.9</td></tr></table> <ul style="list-style-type: none"><li>The coordinates and orientations for all of the historical Cortadera drill holes have been reported to ASX in Table 1, Section 2 of the Company’s previous drilling announcements, most recently 10th July 2020.</li><li>All drill holes completed by Hot Chili have been reported in this announcement and previous announcements to the ASX made on 9th May 2019, 5th June 2019, 19th June 2019, 4th July 2019, 12th September 2019, 28th September 2019, 15th October 2019, 29th October 2019, 25th November 2019, 3rd December 2019, 18th December 2019, 20th January 2020, 7th February 2020 and 20th March 2020.</li></ul>	Hole_ID	Coordinates (WGS 84, 19S)			Azim	Dip	Hole Depth	North	East	RL	CRP0013D	6814070	336348	1020	360	-90	1,185.9	CRP0011D	6813925	336193	1027	45	-65	959.9
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CRP0011D	6813925	336193	1027	45	-65	959.9																				
Data aggregation methods	<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>	<ul style="list-style-type: none"><li>The results have been presented by the independent laboratory.</li><li>No upper cuts or truncations have been undertaken.</li></ul>																								



Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>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').</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling at the Cortadera project was nominally perpendicular to the strike of mineralisation, where known and practical.</li> <li>• The drilling at Cortadera was completed to provide core in order to define the mineralisation and is also being used to carry out determination of rock quality properties including strength, hardness, recovery and sulphide concentration</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Data, plans and a cross section are provided in the report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The report is considered balanced and provided in context.</li> <li>• Further metallurgical testwork is ongoing</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Previous metallurgical testwork has been completed on the existing San Antonio mine in respect to current processing at the near-by Vallenar copper plant, operated by government agency ENAMI.</li> <li>• No results from previous metallurgical testwork for Cortadera have been located although sulphide flotation recoveries up to 93% were noted by previous explorer Minera Fuego.</li> <li>• Results support the previous limited metallurgical information available for both Cortadera and San Antonio</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Independent consultant Wood) are evaluating the results to incorporate into a scoping study for a large combined development of the Productora, Cortadera and San Antonio copper-gold deposits.</li> <li>Further ongoing metallurgical test work is continuing to assess transitional and oxide ore sources at both Cortadera and San Antonio.</li> <li>A maiden resource estimate is currently being prepared by the company and its independent consultants.</li> <li>Metallurgical testwork and scoping studies are ongoing</li> </ul>