

Hot Chili Limited

ACN 130 955 725

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

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009

F: +61 8 9315 5004

www.hotchili.net.au



30th September 2020

The Companies Officer
Australian Securities Exchange Ltd
Central Park,
152-158 St Georges Terrace,
Perth WA 6000

Dear Sir

HOT CHILI LTD MINERAL RESOURCE AND ORE RESERVE STATEMENT AS AT 30th JUNE 2020

Copper, Gold and Molybdenum Mineral Resources and Ore Reserves for Hot Chili Ltd (ASX:HCH), as at 30th June 2020, are reported in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, December 2012 (the JORC Code) as required by the Australian Securities Exchange.

The enclosed Annual Review of the Ore Reserves and Mineral Resources will be included in the Hot Chili 2020 Annual Report.

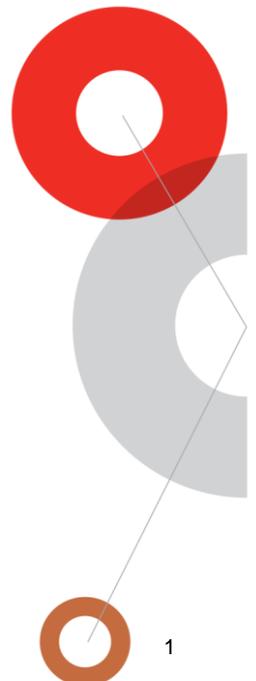
Yours sincerely,

A handwritten signature in black ink, appearing to read "Christian Easterday", is written over a horizontal line.

Christian Easterday

Managing Director

Hot Chili Limited



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2020 Annual Review – Mineral Resources and Ore Reserves

This document outlines the Annual Review of Hot Chili Limited (Hot Chili or HCH) Mineral Resources and Ore Reserves (MROR) as at 30th June 2020. All Mineral Resource and Ore Reserve estimates are reported in accordance with the JORC 2012 standard and are based on, and fairly represent, information and supporting documentation prepared and approved by competent persons.

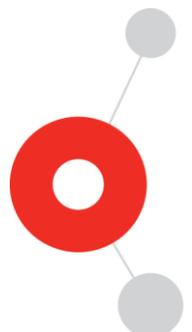
The commodities for this review include copper (Cu), gold (Au) and molybdenum (Mo). Tonnage and quality information contained in the following tables has been rounded and as a result the figures may not add up to the totals quoted.

While Hot Chili does not have a dedicated governance group, the Mineral Resource and Ore Reserve estimation processes followed internally are well established and are subject to systematic internal peer review. Independent technical reviews and audits are undertaken during estimation and signoff, and on an as-required basis.

There were no material changes to Hot Chili's Mineral Resources and Ore Reserves between the 1st July 2019 and the 30th June 2020 (the period covered by the company's annual report).

There were no material changes to Hot Chili's Mineral Resource and Ore Reserve estimates during the period between the end of the annual reporting date (30th June 2020) and the date of the MROR review (25th September 2020).

Melanie Leighton
Group Technical Manager
Hot Chili Limited
30th September 2020





Productora Project

Tenements

The Productora Project is 100% owned by a Chilean incorporated company named Sociedad Minera El Aguila SpA (SMEA). SMEA is a Joint Venture company, 80% owned by Sociedad Minera El Corazón Limitada (a 100% subsidiary of Hot Chili Limited), and 20% owned by CMP Productora (a 100% subsidiary of Compañía Minera del Pacífico S.A (CMP).

The Joint Venture agreement provides access to key infrastructure as well as securing an experienced major Chilean partner with substantial operational, financial and development capability to jointly develop Productora towards production. CMP also have an option to increase its stake in Productora to 50.1% following completion of the Definitive Feasibility Study (DFS).

There were no tenement changes that had a material impact on the Mineral Resources or Ore Reserves during the reporting period.

Mining Activity

There were no mining activities in the 12 months to 30th June 2020. There has been no depletion of any of the current publicly reported Mineral Resources or Ore Reserves.

Mineral Resources

There were no material changes to the Productora Project Mineral Resources between 1st July 2019 and 30th June 2020. The current Mineral Resource estimate was publicly released on 2nd March 2016.

A comparison between reporting periods is provided below.

| Productora Project High Grade Mineral Resource at 30th June, 2019* | | | | | | | | |
|--|----------------|-------------------|-------------|-------------|------------|------------------|----------------|---------------------|
| Classification | | | Grade | | | Contained Metal | | |
| | Classification | Tonnes (millions) | Cu % | Au g/t | Mo ppm | Copper (tonnes) | Gold (ounces) | Molybdenum (tonnes) |
| Productora deposit | 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 |
| | Total | 218.7 | 0.48 | 0.10 | 142 | 1,059,000 | 708,000 | 31,000 |
| Alice Deposit | 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 |
| | Total | 17.9 | 0.41 | 0.04 | 39 | 73,000 | 23,000 | 700 |
| Total | 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 |
| Productora Project High Grade Mineral Resource at 30th June, 2020 | | | | | | | | |
| Classification | | | Grade | | | Contained Metal | | |
| | Classification | Tonnes (millions) | Cu % | Au g/t | Mo ppm | Copper (tonnes) | Gold (ounces) | Molybdenum (tonnes) |
| Productora deposit | 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 |
| | Total | 218.7 | 0.48 | 0.10 | 142 | 1,059,000 | 708,000 | 31,000 |
| Alice Deposit | 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 |
| | Total | 17.9 | 0.41 | 0.04 | 39 | 73,000 | 23,000 | 700 |
| Total | 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 |

*Announced 2nd March, 2016. Resource reported equal to or above 0.25% Cu



| Productora Project Low Grade Mineral Resource at 30th June, 2019* | | | | | | | | |
|---|----------------|-------------------|-------------|-------------|-----------|-----------------|----------------|---------------------|
| Classification | | | Grade | | | Contained Metal | | |
| | Classification | Tonnes (millions) | Cu % | Au g/t | Mo ppm | Copper (tonnes) | Gold (ounces) | Molybdenum (tonnes) |
| Productora deposit | 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 |
| | Total | 201.6 | 0.16 | 0.04 | 60 | 320,000 | 241,000 | 12,000 |
| Alice Deposit | 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 |
| | Total | 16.4 | 0.13 | 0.02 | 27 | 22,000 | 9,000 | 400 |
| Total | 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 |

| Productora Project Low Grade Mineral Resource at 30th June, 2020 | | | | | | | | |
|--|----------------|-------------------|-------------|-------------|-----------|-----------------|----------------|---------------------|
| Classification | | | Grade | | | Contained Metal | | |
| | Classification | Tonnes (millions) | Cu % | Au g/t | Mo ppm | Copper (tonnes) | Gold (ounces) | Molybdenum (tonnes) |
| Productora deposit | 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 |
| | Total | 201.6 | 0.16 | 0.04 | 60 | 320,000 | 241,000 | 12,000 |
| Alice Deposit | 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 |
| | Total | 16.4 | 0.13 | 0.02 | 27 | 22,000 | 9,000 | 400 |
| Total | 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 |

*Announced 2nd March, 2016. Resource reported at or above 0.1% Cu and below 0.25% Cu

Ore Reserves

There were no material changes to the Productora Project Ore Reserve between 1st July 2019 and 30th June 2020. The current Ore Reserve estimate was released to the public on the 2nd March 2016.

A comparison between reporting periods is provided below.

| Productora Project Ore Reserve at 30th June, 2019* | | | | | | | | | | | |
|--|-----------------|-------------------|-------------|-------------|------------|-----------------|----------------|---------------------|-----------------|----------------|---------------------|
| Ore Type | Classification | Tonnes (millions) | 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 |

| Productora Project Ore Reserve at 30th June, 2020 | | | | | | | | | | | |
|---|-----------------|-------------------|-------------|-------------|------------|-----------------|----------------|---------------------|-----------------|----------------|---------------------|
| Ore Type | Classification | Tonnes (millions) | 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 |

*Announced 2nd March, 2016. Reserve includes material from Alice and Productora deposits.

**Price assumptions for 2016 Reserve: Cu price - US\$3.00/lb; Au price US\$1200/oz; Mo price US\$14.00/lb. Mill average recoveries 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%. Payability factors for metal contained in concentrate: Cu - 96%, Au - 90% and Mo - 98%. Payability for Cu cathode - 100%.



Competent Person's Statement

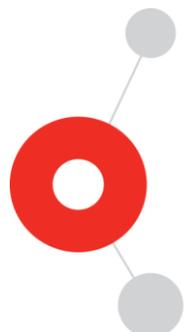
Mineral Resources – Productora

The information in this report that relates to the 2016 Productora Project Mineral Resource Estimates is based on information compiled by Mr N Ingvar Kirchner. Mr Kirchner is employed by AMC Consultants (AMC). Mr Kirchner was engaged on a fee for service basis to provide independent technical advice and final audit for the 2016 Productora Resource Estimates. Mr Kirchner is a Fellow of the AusIMM and is a Member of the AIG. Mr Kirchner has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Exploration Results, Mineral Resource and Ore Reserves' (the JORC Code, 2012 edition). Mr Kirchner consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

Ore Reserves – Productora

The information in this report that relates to the 2016 Productora Project Ore Reserves is based on information by Mr Carlos Guzmán, Mr Boris Caro, Dr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the AusIMM and 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. Mr Caro is a former employee of Hot Chili Ltd, and is a Member of the AusIMM and a Registered Member of the Chilean Mining Commission (RM – a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012). Dr Lorenzen is a full time employee of Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia and Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM).

NCL, Mintrex and Amec Foster Wheeler (now Wood PLC) were engaged on a fee-for-service basis to provide independent technical advice and final audit for the 2016 Productora Project Ore Reserve estimate. Mr Guzmán, Mr Caro, Dr Lorenzen and Mr King have sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Exploration Results, Mineral Resource and Ore Reserves' (the JORC Code, 2012 edition). Mr Guzmán, Mr Caro, Dr Lorenzen and Mr King consent to the inclusion in this report of the matter based on their information in the form and context in which it appears.

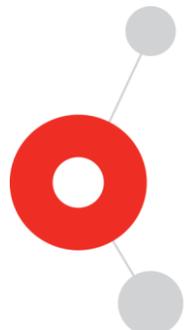




Appendix I.

Hot Chili tenement holding at the Productora Project, tenement ownership, and type

| License ID | HCH % Held | Area (ha) | Exploration and Expenditure Commitment-Payments |
|----------------------|--------------|-----------|---|
| FRAN 1, 1-60 | 80% SMEA SpA | 220 | |
| FRAN 2, 1-20 | 80% SMEA SpA | 100 | |
| FRAN 3, 1-20 | 80% SMEA SpA | 100 | |
| FRAN 4, 1-20 | 80% SMEA SpA | 100 | |
| FRAN 5, 1-20 | 80% SMEA SpA | 100 | |
| FRAN 6, 1-26 | 80% SMEA SpA | 130 | |
| FRAN 7, 1-37 | 80% SMEA SpA | 176 | |
| FRAN 8, 1-30 | 80% SMEA SpA | 120 | |
| FRAN 12, 1-40 | 80% SMEA SpA | 200 | |
| FRAN 13, 1-40 | 80% SMEA SpA | 200 | |
| FRAN 14, 1-40 | 80% SMEA SpA | 200 | |
| FRAN 15, 1-60 | 80% SMEA SpA | 300 | |
| FRAN 18, 1-60 | 80% SMEA SpA | 273 | |
| FRAN 21, 1-46 | 80% SMEA SpA | 226 | |
| ALGA 7A, 1-32 | 80% SMEA SpA | 89 | |
| ALGA VI, 5-24 | 80% SMEA SpA | 66 | |
| MONTOSA 1-4 | 80% SMEA SpA | 35 | NSR 3% |
| 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% | 350 | Lease agreement US\$250,000 per Yr (average for the 25 year term); plus 2% NSR all but gold; 4% NSR gold; 5% NSR non-metallic |
| JULI 9, 1-60 | 80% SMEA SpA | 300 | |
| JULI 10, 1-60 | 80% SMEA SpA | 300 | |
| JULI 11 1/60 | 80% SMEA SpA | 300 | |
| JULI 12 1/42 | 80% SMEA SpA | 210 | |
| JULI 13 1/20 | 80% SMEA SpA | 100 | |
| JULI 14 1/50 | 80% SMEA SpA | 250 | |
| JULI 15 1/55 | 80% SMEA SpA | 275 | |
| JULI 16, 1-60 | 80% SMEA SpA | 300 | |
| JULI 17, 1-20 | 80% SMEA SpA | 100 | |
| JULI 19 | 80% SMEA SpA | 300 | |
| JULI 20 | 80% SMEA SpA | 300 | |
| JULI 21 1/60 | 80% SMEA SpA | 300 | |
| JULI 22 | 80% SMEA SpA | 300 | |
| JULI 23 1/60 | 80% SMEA SpA | 300 | |
| JULI 24, 1-60 | 80% SMEA SpA | 300 | |
| JULI 25 | 80% SMEA SpA | 300 | |
| JULI 27 1/30 | 80% SMEA SpA | 150 | |
| JULI 27 B 1/10 | 80% SMEA SpA | 50 | |
| JULI 28 1/60 | 80% SMEA SpA | 300 | |
| JULIETA 5 | 80% SMEA SpA | 200 | |
| JULIETA 6 | 80% SMEA SpA | 200 | |
| 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 | NSR 1% |

Notes SMEA SpA (Sociedad Minera El Aguila SpA) is a wholly owned Chilean subsidiary of Hot Chili Limited; CCHEN= Comisión Chilena de Energía Nuclear.

