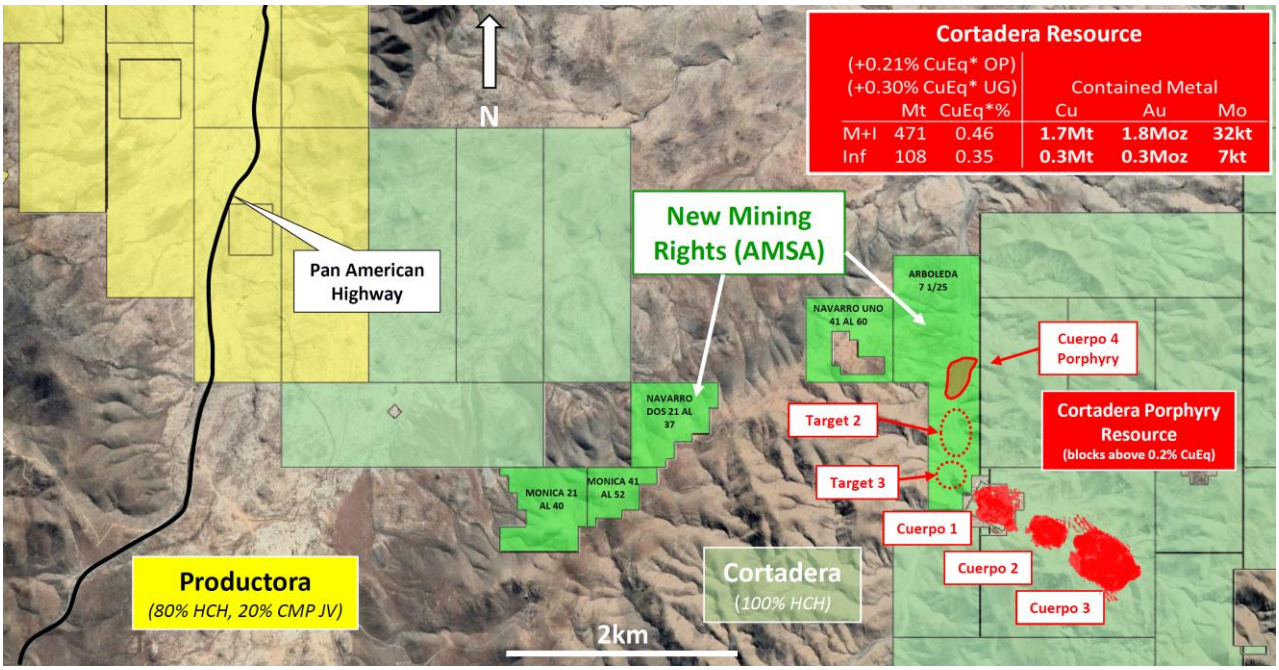
Hot Chili Executes Option to Secure Major Extension to Cortadera



Fourth Porphyry Added to Cortadera

- **Hot Chili has executed an Option Agreement with Antofagasta Minerals S.A. (AMSA) to acquire** a 100% interest in five highly prospective mining rights, containing **the potential western extension of Hot Chili's Cortadera copper-gold discovery**, the centrepiece of the Company's low-altitude, Costa Fuego senior copper development in Chile
- AMSA's mining rights **contain a large outcropping mineralised porphyry** (**Cuerpo 4** - 700m in strike length and 300m in width), with similar dimensions to Cortadera's main porphyry (Cuerpo 3)
- **The option enables the consolidation of Cortadera and near doubles the prospective strike length of the existing Cortadera discovery from 2.3km to 4.1km**
- Five shallow reverse circulation drill holes for 1,056m* completed across Cuerpo 4 in 2005 confirmed several significant shallow drilling intersections, including:
  - **128m grading 0.5% CuEq**** (0.4% copper (Cu) & 0.1g/t gold (Au)) from 28m downhole depth,

    including 16m grading 1.3% CuEq** (1% Cu & 0.5g/t Au) from 28m
- **First-pass 6,000m drilling programme to start as soon as possible** to assess a potential material resource addition to Costa Fuego
- **Low-cost transaction and strong cash position of A$15.4M as at 30th September 2022**

** Drilling data and associated drilling intersections not previously publicly reported, AMSA internal report, see JORC Code Table 1 in this announcement for further details)*
*** Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for Cortadera – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)*

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Hot Chili Limited (ASX: HCH) (TSXV:HCH) (OTCQX: HHLKF) ("Hot Chili" or "Company") is pleased to provide details of a material transaction with Chilean copper major Antofagasta Minerals S.A. (AMSA).

Hot Chili has executed an Option Agreement enabling Hot Chili to acquire a 100% interest in AMSA's mining rights adjoining the western margin of Hot Chili's Cortadera copper-gold porphyry discovery, the centre-piece of the Company's Costa Fuego senior copper development in Chile.

This strategic option agreement consolidates the highly prospective AMSA mining rights, containing near-surface drill intersections of copper-gold porphyry mineralisation, with Hot Chili's contiguous Cortadera project.

Cortadera has been the growth engine for Hot Chili since the Company executed a transaction to acquire the project in 2019.

Cortadera's current Indicated resource of 471Mt grading 0.46% CuEq for 1.7Mt copper and 1.8Moz gold and Inferred resource of 108Mt grading 0.35% CuEq for an additional 0.3Mt copper and 0.3Moz gold (ASX announcement dated 31st March 2022) is contained within three porphyry centres, trending NW-SE, over a strike extent of 2.3km.

The option enables the consolidation of Cortadera and near doubles the prospective strike length of the discovery, increasing the near term, material resource growth potential for Hot Chili.

AMSA's five mining rights cover 517 hectares and contain a large outcropping mineralised porphyry (Cuerpo 4 - 700m in strike length by 300m in width) with similar dimensions to Cortadera's main porphyry (Cuerpo 3) as well as other identified porphyry targets, trending N-S, over a prospective strike extent of approximately 1.8km.

In 2005, AMSA intersected significant copper-gold-molybdenum mineralisation at Cuerpo 4, with five shallow Reverse Circulation (RC) drill holes totalling 1,056m (Drilling data and associated drilling intersections not previously publicly reported, AMSA internal report, see JORC Code Table 1 in this announcement for further details).

Four of AMSA's five drill holes recorded wide intersections of mineralisation, including COR-03 which recorded 128m grading 0.5% CuEq (0.4% Cu & 0.1g/t Au) from 28m downhole depth, including 16m grading 1.3% CuEq (1% Cu & 0.5g/t Au) from 28m.

The historical drilling across Cuerpo 4 clearly demonstrates open pit resource growth potential, given the shallow nature of copper-gold-molybdenum mineralisation, and near-surface, copper-gold enrichment.

Next Steps – Rapid Resource Definition

A first-pass drilling programme comprising 16 holes for 6,000m is expected to start as soon as possible.

Drilling will test Cuerpo 4 and two other targets within AMSA's landholding using RC and Diamond (DD) drilling. Hot Chili and AMSA have agreed on the detail and staging of the planned drilling programme after a collaborative and detailed geological review by both companies' technical teams.

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Drilling is also planned across Hot Chili's Cortadera North target, where earlier exploration drilling targeting a large surface molybdenum anomaly in 2020 intersected wide zones of silver mineralisation. This work vectored towards a sizeable copper-gold porphyry target (Cuerpo 4) on AMSA's adjacent mining right.

Hot Chili then ceased all exploration activities at Cortadera North until an agreement could be entered into with AMSA to enable Hot Chili to acquire the adjacent landholding.

Revision to Costa Fuego Growth and Development Timetable

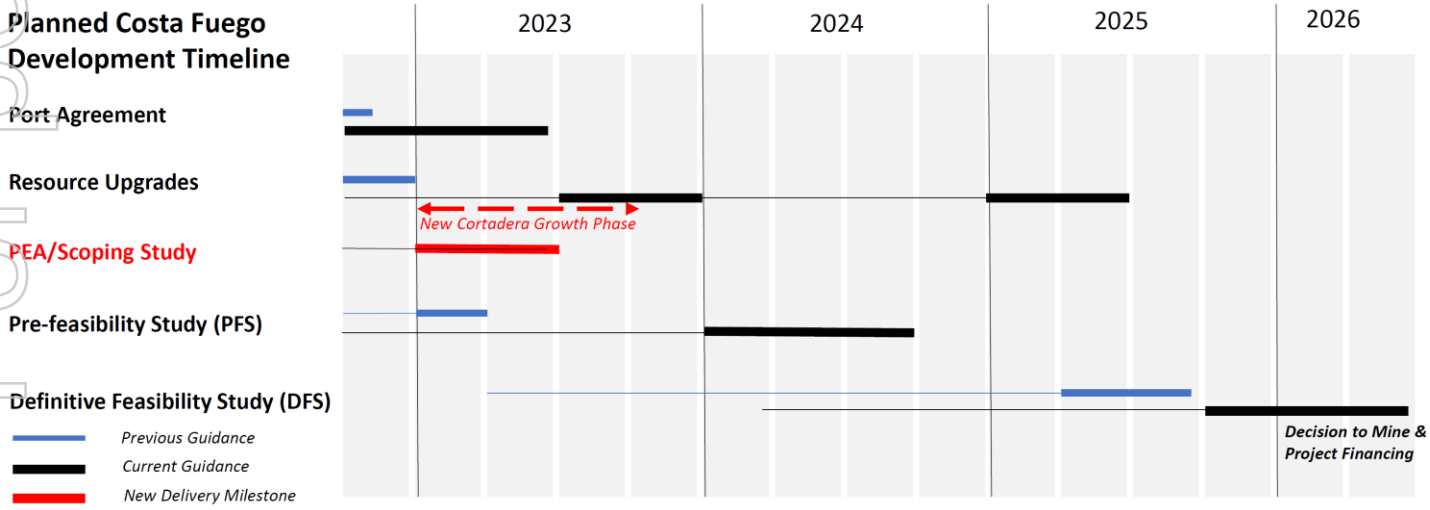
The transaction provides the next step in Hot Chili's long term growth strategy. The AMSA mining rights provide relatively low cost and highly accretive resource growth potential due to their proximity to the Company's Cortadera open pit resource base.

Hot Chili's next resource update, which was proposed to be delivered in late 2022, is now expected to be finalised in H2 2023 to include the proposed drilling on the AMSA mining rights.

The combined Pre-feasibility Study (PFS) for Costa Fuego, studying targeted annual production rates of up to 100kt Cu and up to 70koz Au for a +20 year life of mine, will be paused until the Company can assess the impact of resource growth potential at Cortadera. The Company's decision to pivot the PFS ensures that future expenditure relating to the PFS can be optimised for infrastructure location and a potentially larger scale copper operation.

Only critical PFS workstreams will be continued to secure long-lead time items (environmental and social) and key value additions (metallurgical) to ensure Costa Fuego remains on-track to potentially be delivered into production in 2028.

A Preliminary Economic Assessment (PEA) of the combined Costa Fuego project at the current 20Mtpa sulphide concentrator study scale is now planned to be delivered in H1 2023.



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Hot Chili aims to ensure that Costa Fuego's "clean and green" attributes, including low elevation/coastal location, proximity to existing infrastructure, access to renewable power, use of seawater for processing and a central processing strategy, can be leveraged with this consolidation and growth opportunity.

Costa Fuego remains one of a few front-runner, large copper development projects in the world that can be advanced to production in a timely manner due to Hot Chili's consolidation, development and permitting efforts over the last decade.

Recent positive developments in Chile's constitutional process and taxation review have reaffirmed Chile's stable and attractive standing as a top global mining investment jurisdiction.

Option Agreement to Acquire 100% Interest in AMSA's Cortadera Mining Rights

Under an Option Agreement (Option) between Frontera SpA ("Frontera" - 100% subsidiary of Hot Chili) and Antofagasta Minerals SA (AMSA), Frontera has the option to acquire a 100% interest in the AMSA mining rights adjoining Cortadera within a two-year period on the following terms:

- Completion of 6,000m of drilling of any type, and
- Upon completion of the 6,000m drill commitment, Payment of a US$1.5 million Option exercise price to acquire the AMSA's mining rights, and
- Following exercise of the Option, AMSA has the right to buy-back a 55% interest in the AMSA mining rights within 120 days of exercise of the Option, by repaying 55% of the Option exercise price and paying five times the exploration expenditure incurred during the option period.

This transaction represents a strategic consolidation of the Cortadera porphyry deposit area and has the potential to deliver relatively low-cost, organic resource growth to the Costa Fuego copper hub.

Hot Chili plans to commence systematic exploration and resource definition drilling across this new landholding addition at Cortadera as soon as possible.

The Directors thank AMSA for their commitment to work with Hot Chili and to enable the continued consolidation of a globally significant, emerging copper hub for the Vallenar region of Chile.

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

For more information please contact:

Christian Easterday	+61 8 9315 9009
Managing Director – Hot Chili	admin@hotchili.net.au
Penelope Beattie	+61 8 9315 9009
Company Secretary – Hot Chili	admin@hotchili.net.au
ASX Investor	
Investor & Public Relations (Australia)	eliza@asxinvestor.com.au
Harbor Access	Graham.Farrell@harbor-access.com
Investor & Public Relations (Canada)	jonathan.paterson@harbor-access.com

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

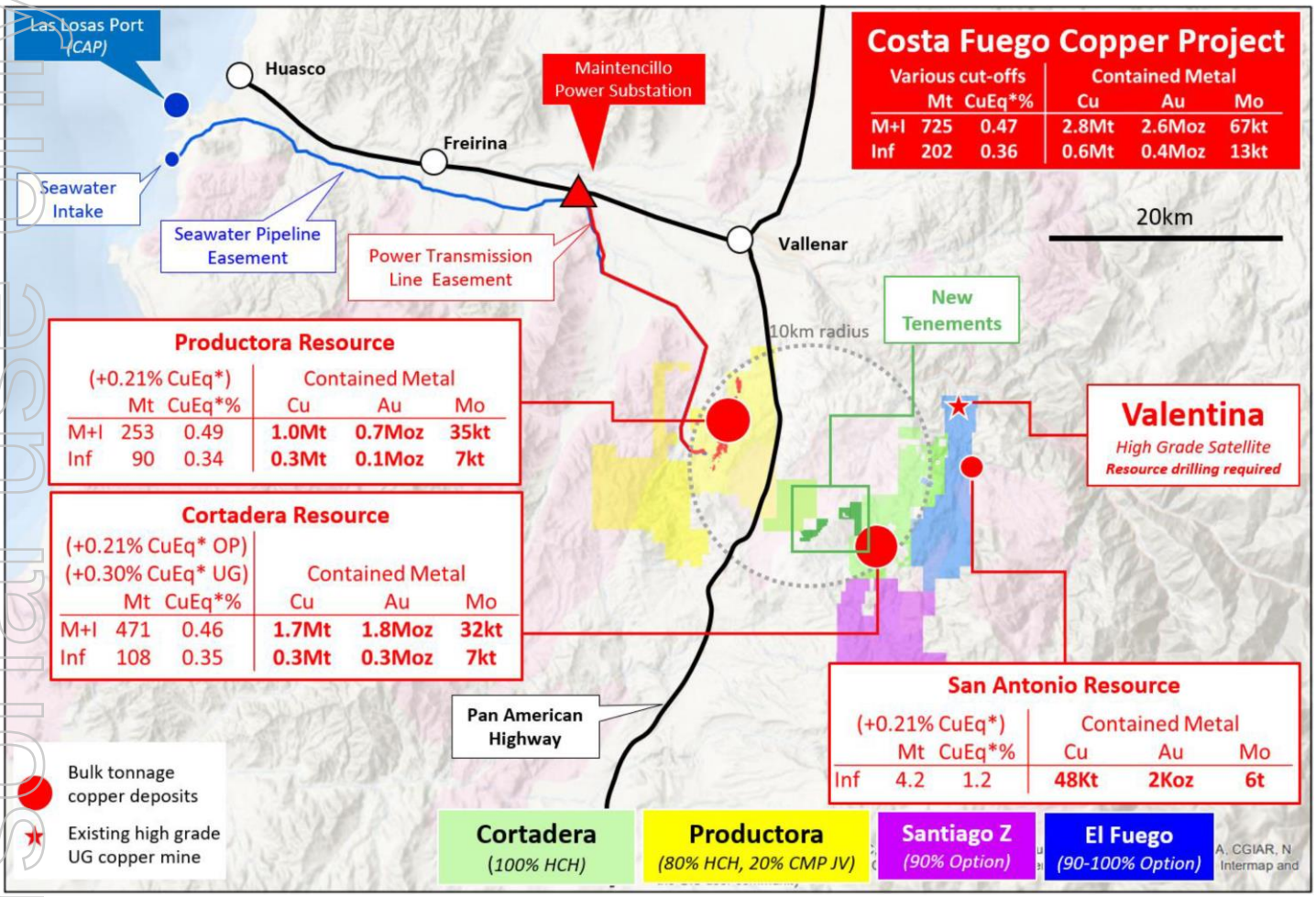

Figure 1. Location of new mining rights(AMSA) relating to Cortadera, Productora, San Antonio, Valentina and nearby coastal range infrastructure of Hot Chili's combined Costa Fuego copper-gold project, located 600km north of Santiago in Chile..

** Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery).*

The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

Cortadera and San Antonio – Weighted recoveries of 82% Cu, 55% Au, 82% Mo and 37% Ag.
CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

Productora – Weighted recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported)
CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm)

Costa Fuego – Weighted recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag
CuEq(%) = Cu(%) + 0.52 x Au(g/t) + 0.00039 x Mo(ppm) + 0.0027 x Ag(g/t)

*** Reported on a 100% Basis - combining Mineral Resource Estimates for the Cortadera, Productora and San Antonio deposits. Figures are rounded, reported to appropriate significant figures, and reported in accordance with the JORC Code, CIM and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.*

Total Resource reported at +0.21% CuEq for open pit and +0.30% CuEq for underground.

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Table 1. Historical Significant DD Results from Cuerpo 4 (AMSA) at Cortadera

Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Molybdenum	Cu Eq
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Mo)	(% Cu Eq)
COR-02	6815723	334565	887	315	-50.0	266	116	156	40	0.1	0.0	61	0.1
							186	202	16	0.1	0.0	105	0.1
							238	266	28	0.1	0.0	266	0.2
COR-03	6815719	334574	887	60	-50.0	200	28	156	128	**0.4**	**0.2**	**12**	**0.5**
						including	28	64	36	**0.8**	**0.4**	**10**	**1.0**
						or including	28	44	16	**1.0**	**0.5**	**10**	**1.3**
COR-04	6815787	334572	887	135	-50.0	196	50	124	74	**0.2**	**0.0**	**10**	**0.2**
							138	150	12	**0.2**	**0.0**	**10**	**0.2**
COR-05	6815683	334535	887	315	-50.0	194	26	50	24	**0.3**	**0.1**	**33**	**0.3**
						or	20	130	110	**0.2**	**0.0**	**24**	**0.2**

Note: All results represent 2m composites with appropriate analysis undertaken for Cu, Au and Mo by various independent laboratories in Chile. Refer to Table1 of this announcement for further detail on sampling methodology, analytical techniques and QA/QC procedures utilised.

** Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery).*

The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

Cortadera – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag.
CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

For Cortadera and Productora, significant intersections are calculated above a nominal cut-off grade of 0.2% Cu. Where appropriate, significant intersections may contain up to 30m down-hole distance of internal dilution (less than 0.2% Cu). Significant intersections are separated where internal dilution is greater than 30m down-hole distance. The selection of 0.2% Cu for significant intersection cut-off grade is aligned with marginal economic cut-off grade for bulk tonnage polymetallic copper deposits of similar grade in Chile and elsewhere in the world. Down-hole significant intersection widths are estimated to be at or around true-widths of mineralisation.

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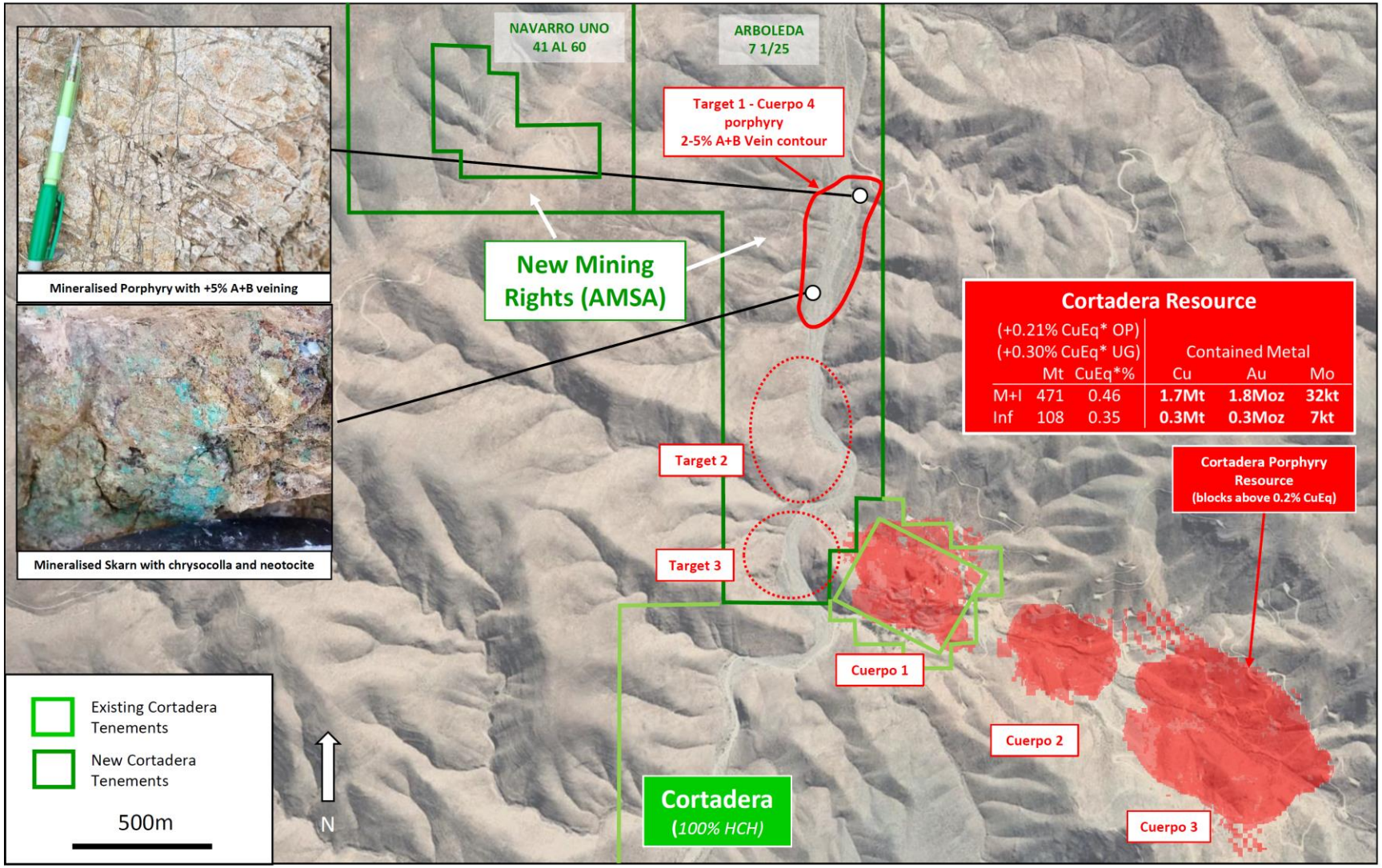

Figure 2. Location of Cuerpo 4 and other immediate porphyry targets within the AMSA landholding, lying immediately west of the Cortadera resource. Note outcrop photos from Cuerpo 4

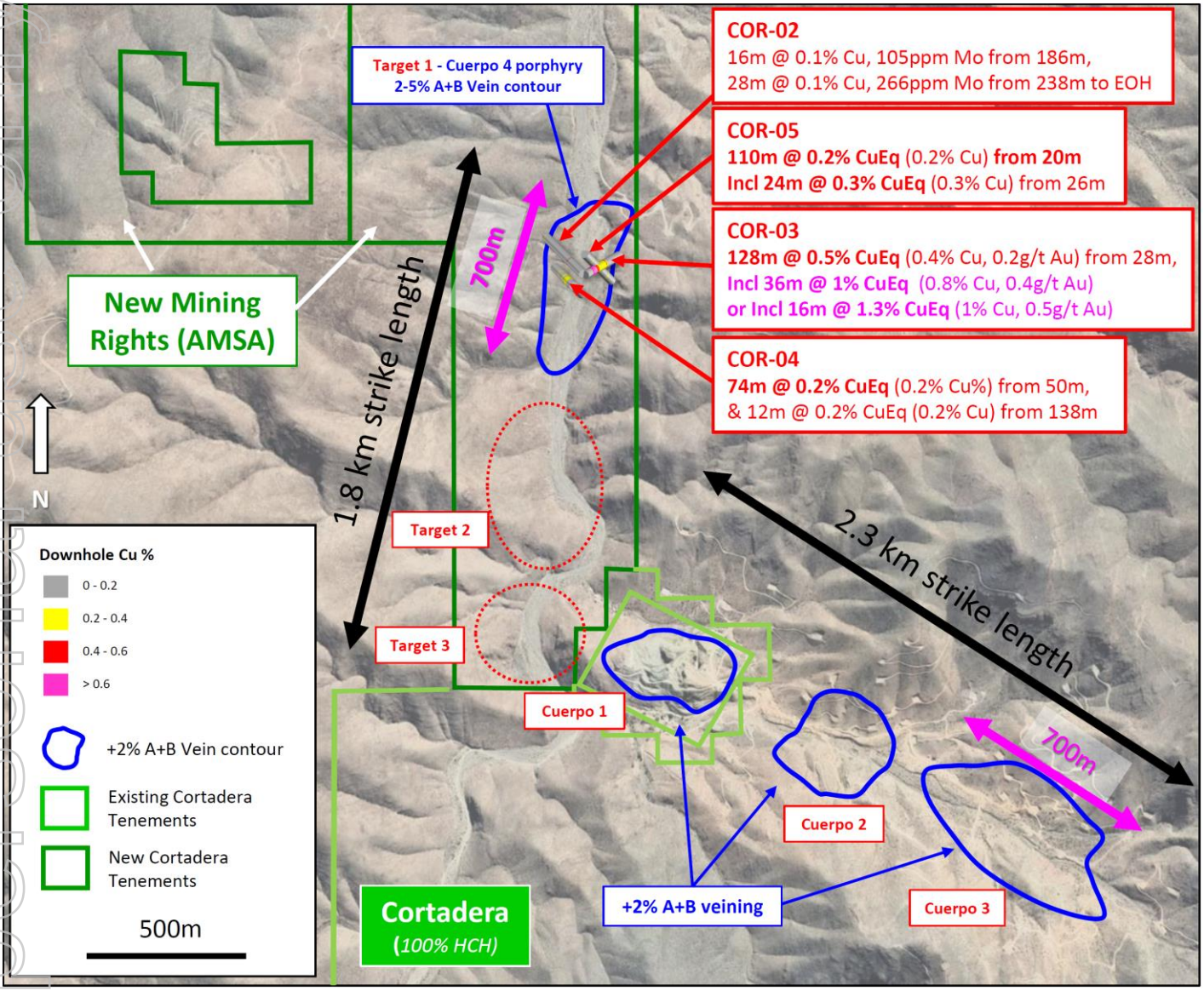

Figure 3. Location of Cuerpo 4 and other immediate porphyry targets within the AMSA landholding, lying immediately west of the Cortadera resource. Note the location of significant historical diamond drilling intersections recorded in shallow drilling undertaken across Cuerpo 4 in 2005.

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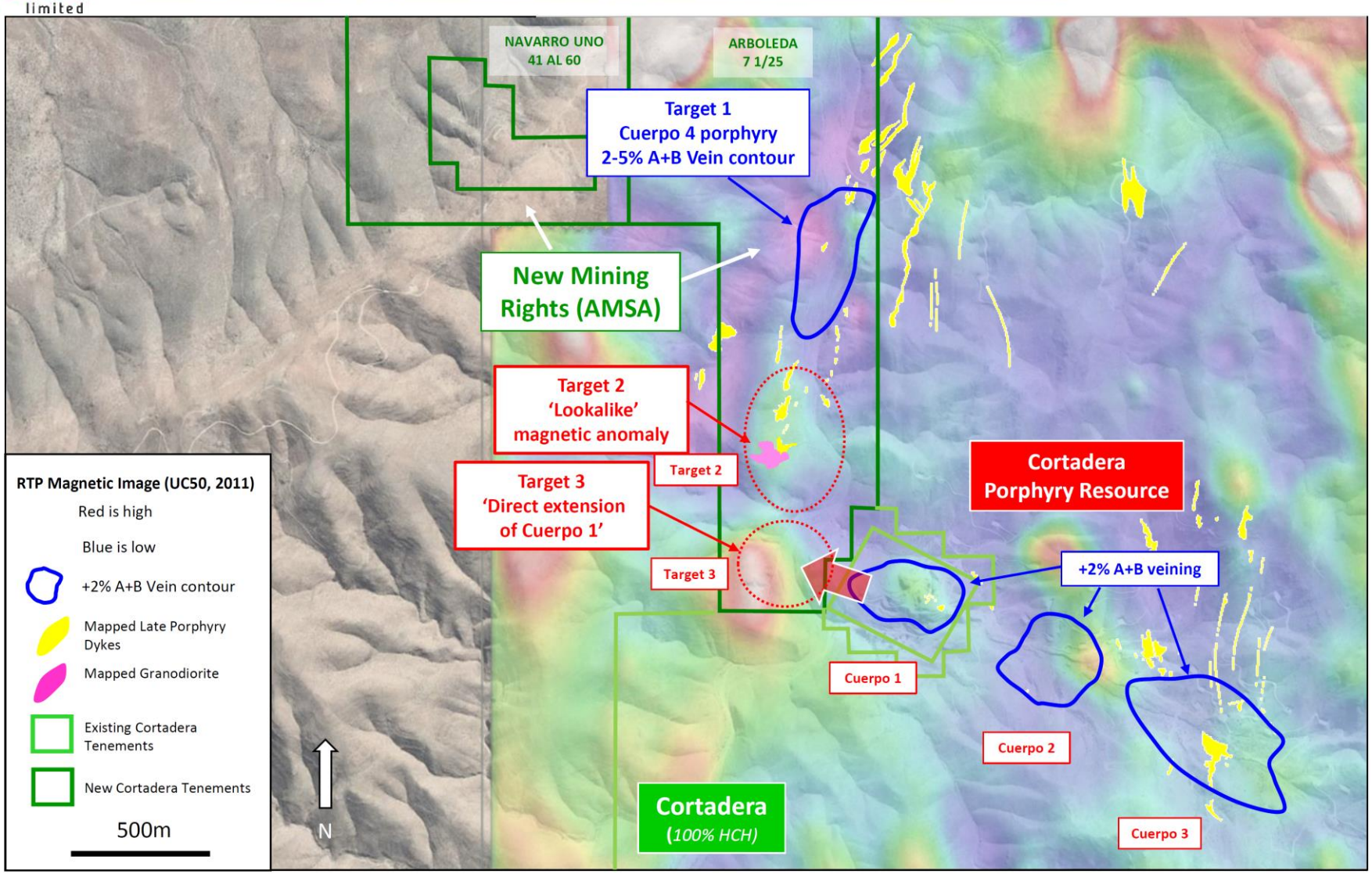

Figure 4. Location of Cuerpo 4 and other immediate porphyry targets within the AMSA landholding, lying immediately west of the Cortadera resource. Note magnetic (RTP magnetics image – blue is low, red is high) signature of the Cortadera deposit window in relation to A+B vein contours and late stage porphyry dykes

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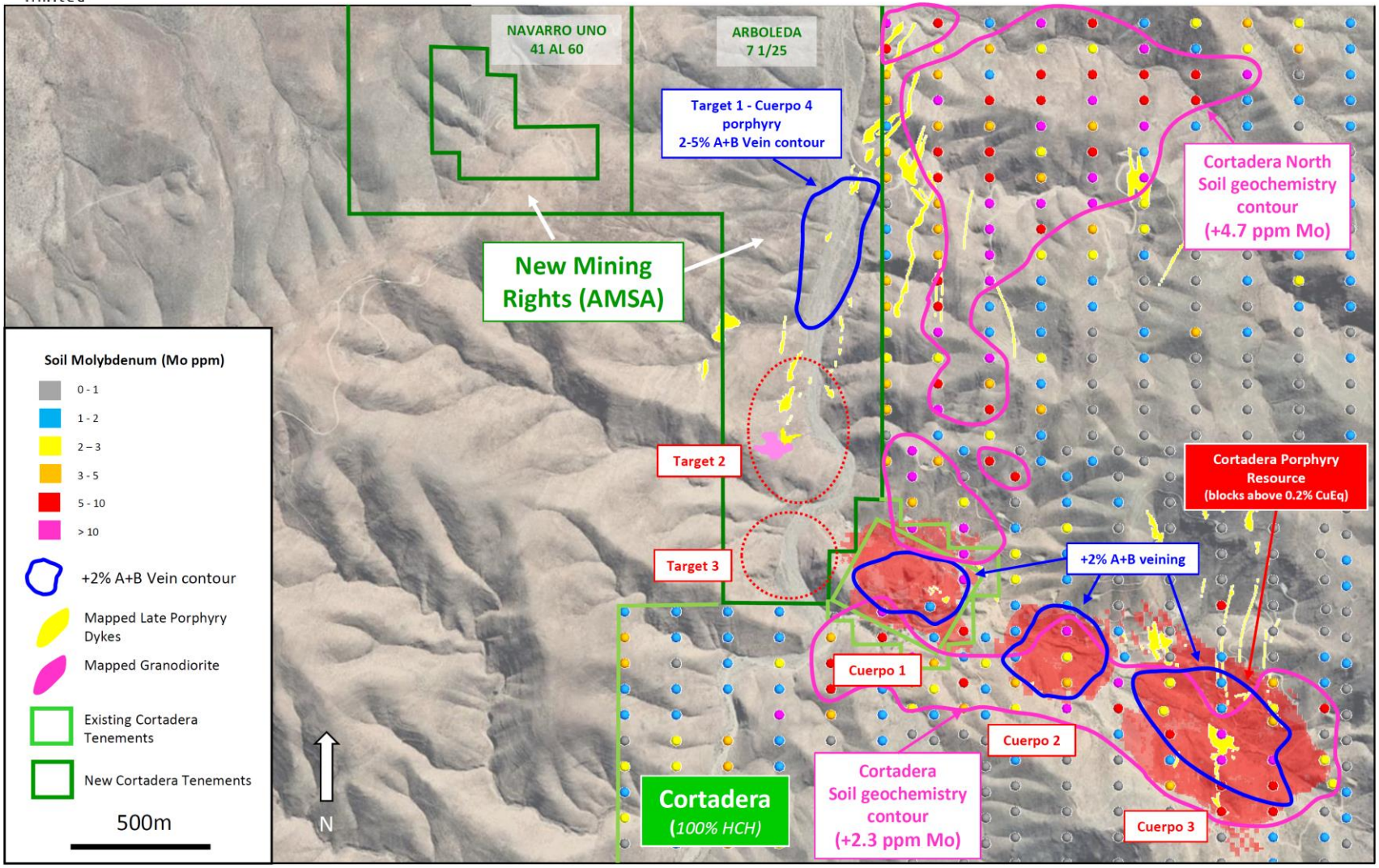

Figure 5. Location of Cuerpo 4 and other immediate porphyry targets within the AMSA landholding, lying immediately west of the Cortadera resource. Note surface molybdenum anomalies at Cortadera and Cortadera North in relation to A+B vein contours and late stage porphyry dykes

Qualifying Statements

Costa Fuego Combined Mineral Resource (Reported 31st March 2022)

Costa Fuego OP Resource		Grade					Contained Metal				
Classification (+0.21% CuEq*)	Tonnes (Mt)	CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	576	0.46	0.37	0.10	0.37	91	2,658,000	2,145,000	1,929,000	6,808,000	52,200
M+I Total	**576**	**0.46**	**0.37**	**0.10**	**0.37**	**91**	**2,658,000**	**2,145,000**	**1,929,000**	**6,808,000**	**52,200**
Inferred	**147**	**0.35**	**0.30**	**0.05**	**0.23**	**68**	**520,000**	**436,000**	**220,000**	**1,062,000**	**10,000**

Costa Fuego UG Resource		Grade					Contained Metal				
Classification (+0.30% CuEq*)	Tonnes (Mt)	CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	148	0.51	0.39	0.12	0.78	102	750,000	578,000	559,000	3,702,000	15,000
M+I Total	**148**	**0.51**	**0.39**	**0.12**	**0.78**	**102**	**750,000**	**578,000**	**559,000**	**3,702,000**	**15,000**
Inferred	**56**	**0.38**	**0.30**	**0.08**	**0.54**	**61**	**211,000**	**170,000**	**139,000**	**971,000**	**3,400**

Costa Fuego Total Resource		Grade					Contained Metal				
Classification	Tonnes (Mt)	CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	725	0.47	0.38	0.11	0.45	93	3,408,000	2,755,000	2,564,000	10,489,000	67,400
M+I Total	**725**	**0.47**	**0.38**	**0.11**	**0.45**	**93**	**3,408,000**	**2,755,000**	**2,564,000**	**10,489,000**	**67,400**
Inferred	**202**	**0.36**	**0.30**	**0.06**	**0.31**	**66**	**731,000**	**605,000**	**359,000**	**2,032,000**	**13,400**

Refer to ASX Announcement "Hot Chili Delivers Next Level of Growth" (31st March 2022) for JORC Code Table 1 information related to the Costa Fuego JORC-compliant Mineral Resource Estimate (MRE) by Competent Person Elizabeth Haren, constituting the MREs of Cortadera, Productora and San Antonio (which combine to form Costa Fuego).

** Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery).*

The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

Cortadera and San Antonio – Weighted recoveries of 82% Cu, 55% Au, 82% Mo and 37% Ag.

CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)

Productora – Weighted recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported)

CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm)

Costa Fuego – Weighted recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag

CuEq(%) = Cu(%) + 0.52 x Au(g/t) + 0.00039 x Mo(ppm) + 0.0027 x Ag(g/t)

*** Reported on a 100% Basis - combining Mineral Resource Estimates for the Cortadera, Productora and San Antonio deposits. Figures are rounded, reported to appropriate significant figures, and reported in accordance with the JORC Code, CIM and NI 43-101. Metal rounded to nearest thousand, or if less, to the nearest hundred.*

Total Resource reported at +0.21% CuEq for open pit and +0.30% CuEq for underground.

*** Note: Silver (Ag) is only present within the Cortadera Mineral Resource estimate*

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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- Costa Fuego Mineral Resources

The information in this report that relates to Mineral Resources for Cortadera, Productora and San Antonio which constitute the combined Costa Fuego Project is based on information compiled by Ms Elizabeth Haren, a Competent Person who is a Member and Chartered Professional of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Ms Haren is a full-time employee of Haren Consulting Pty Ltd and an independent consultant to Hot Chili. Ms Haren has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Haren consents to the inclusion in the report of the matters based on her information in the form and context in which it appears. For further information on the Costa Fuego Project, refer to the technical report titled "Resource Report for the Costa Fuego Technical Report", dated December 13, 2021, which is available for review under Hot Chili's profile at www.sedar.com.

Reporting of Copper Equivalent

Copper Equivalent (CuEq) reported for the resource were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the CuEq calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. The recovery and copper equivalent formula for each deposit is:

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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

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Appendix 1. JORC Code Table 1 for Cortadera Landholding

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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.*	*The data compiled for historical drilling at the Cortadera project has been collated from Antofagasta Minerals S.A (AMSA) documentation.* *Historical drilling at the project is reverse circulation (RC). There have been five holes drilled for a total of 1,056m.* *No information is available regarding sampling or assaying methodology.*
Drilling techniques	*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 oriented and if so, by what method, etc).*	*No information other that the drilling methodology (RC) is available in the AMSA documentation.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *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.*	*No information is available on drill sample recovery.*
Logging	*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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	*RC chips were logged qualitatively for lithological composition, mineralisation/copper speciation and alteration. Visual percentage estimates were made for some minerals, including sulphides.* *As RC chips and chip tray photographs are not available, this logging has not been visually validation by HCH.*
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *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.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*No information is available on sampling techniques and sample preparation.*

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Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *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.* *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.*	*Hot Chili Limited (HCH) has not completed a comprehensive review of the AMSA QA/QC data but notes that blanks and pulp standards were submitted at the time of assaying.* *It is also noted that duplicate samples have been taken, although it is unknown whether these are field or laboratory duplicates.*
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	*Significant intersections have been calculated from AMSA supplied tables by HCH personnel.* *No twinned holes have been drilled.* *Data tables were supplied in excel spreadsheet format and have since been imported to the Acquire™ Database.* *For rock chip samples, fire assay (unknown charge weight) with atomic adsorption finish (AA23 and AA61) was used. Assaying was completed at ALS laboratories in Santiago. Electronic copies of the analysis reports are available.* *For drillhole samples, assay methodology is unknown.*
Location of data points	*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 estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	*Collar co-ordinates were supplied in the PSAD coordinate system. A translation has been applied to transform to WGS84 UTM zone 19S coordinate system. This translation is as follows:* **Coordinate Datum PSAD-56** Northing: 6814387.779 Easting: 335434.643 RL: 970.49 **Coordinate Datum WGS-84** Northing: 6814009.615 Easting: 335250.244 RL: 1003.611 *No information is available on collar or downhole surveying methodology.* *The topographic model used at Cortadera is deemed adequate for topographic control. Provided drillhole collar locations have been validated against the topographic model.*
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *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.* *Whether sample compositing has been applied.*	*Drill spacing is not considered at the early stage of this exploration project.*
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *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.*	*Considering the types of mineralisation at the Cortadera projects, the drilling orientations and subsequent sampling is unbiased in its representation for exploration reporting purposes.*

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Sample security	*The measures taken to ensure sample security.*	*The measures taken to ensure sample security during historical drilling are unknown.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*None completed.*

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*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.* *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.*	*The AMSA Cortadera landholding comprises the following Mining Rights* License ID / Area (Ha): Arboleda 7 1/25 – 234 Navarro Uno 41 Al 60 – 81 Navarro Dos 21 Al 37 – 78 Monica 41 Al 52 – 39 Monica 21 Al 40 – 85
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*Previous exploration at the Cortadera project include:* • *RC drilling completed in 2005 (five drillholes for 1,056m)* • *12 surface rock chip samples collected in the skarn altered zone along Quebrada Las Cañas.*
Geology	*Deposit type, geological setting and style of mineralisation.*	*The Copper-Gold-Molybdenum (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).* *These porphyries appear to exhibit typical Cu-Au porphyry veining networks and associated alteration styles.*
Drillhole Information	*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:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *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.*	*The coordinates and orientations for all holes reported are tabulated below:* hole_id / east / north / RL / azi / dip / Hole depth COR-02 / 334565 / 6815723 / 887.1 / 315 / -50 / **266** COR-03 / 334574 / 6815719 / 887.1 / 60 / -50 / **200** COR-04 / 334572 / 6815787 / 887.0 / 135 / -50 / **196** COR-05 / 334535 / 6815683 / 887.2 / 315 / -50 / **194** COR-06 / 334539 / 6815679 / 887.2 / 135 / -50 / **200** *Note that drillhole collars were provided in the PSAD_56 co-ordinate system. A translation has been applied by HCH to transform to WGS_84_19S.*
Data aggregation methods	*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.* *Where aggregate intercepts incorporate short*	*In reported exploration results, length weighted averages are used for any non-uniform intersection sample lengths. Length weighted average is (sum product of interval x corresponding interval assay grade), divided by sum of interval lengths and rounded to one decimal place.*

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	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. *The assumptions used for any reporting of metal equivalent values should be clearly stated*	*No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.* *Metal equivalents from the adjacent Cortadera resource (released 31 March 2022) have been utilised for reporting.* *Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery).* *The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:* *Cortadera – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag.* *CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t)* *For Cortadera, significant intersections are calculated above a nominal cut-off grade of 0.1% Cu. These parameters are suitable for reporting of an early stage, polymetallic exploration project* *Note no Ag assays were supplied.*
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *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')..*	*The relationship of mineralisation widths to the intercepts of drilling undertaken by other previous companies is unknown and is currently being assessed.* *Drill intersections are reported as downhole length.*
Diagrams	*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.*	*Refer to figures in the announcement.*
Balanced reporting	*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.*	*It is not practical to report all exploration results as such unmineralised intervals. Low or non-material grades have not been reported; however, a full list of drill hole coordinate and orientation details is stated above.* *All drill hole locations are reported, and a table of significant intervals is provided in the announcement.*
Other substantive exploration data	*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.*	*While documentation from AMSA suggests both geophysical data has been collected, this has not yet been made available to HCH.* *Surface geochemical sampling comprises 12 rock chip samples assayed for Cu, Au, Ag, Pb, Zn and Mo.*
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*Additional work currently being planned at Cortadera includes but is not limited to further detailed litho-structural mapping, additional extensional and soil geochemistry, twinning of existing drillholes, and preliminary exploration drilling.*