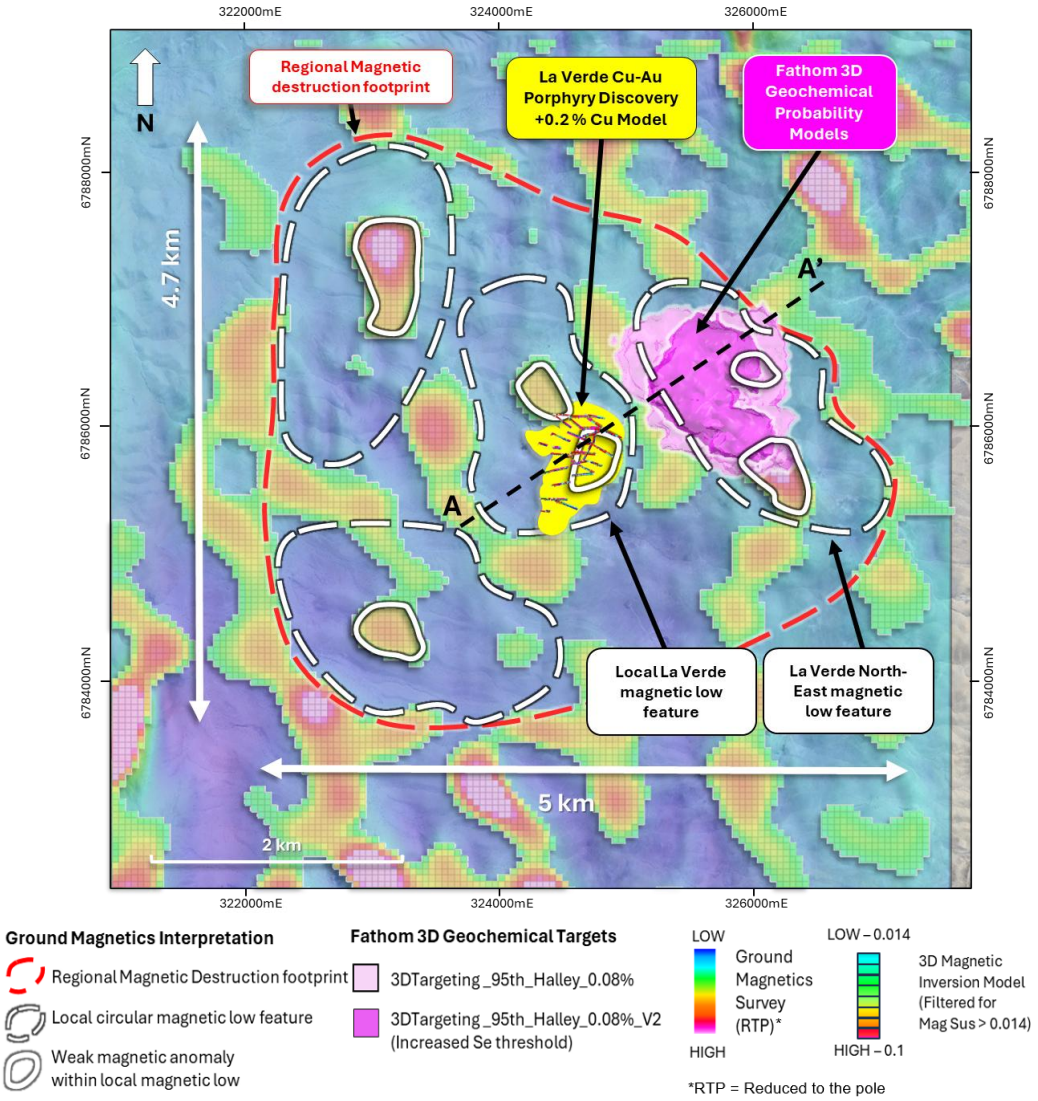
ASX Announcement

Thursday, 29 May 2025

District-Scale Porphyry Cluster Potential Emerging at La Verde Cu-Au Discovery



Highlights

- **Potential large porphyry cluster emerging:** Multiple look-alike magnetic features adjacent to Hot Chili's La Verde copper-gold (Cu-Au) porphyry discovery highlight potential for a broader district-scale porphyry system
- **Three priority porphyry targets identified, blind exploration opportunity:** Generated by recent geochemical and geophysical work programmes, two targets are concealed under shallow gravel cover
- **Phase-two La Verde drill program expanded:** Next drilling planned to extend the La Verde Cu-Au discovery (still open laterally and at depth), in addition to first-pass drilling of these additional targets

For personal use only

Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) ("Hot Chili" or the "Company") is pleased to provide an update on regional exploration in the area surrounding the La Verde copper-gold porphyry discovery ("La Verde"), which is located approximately 30km south of the Company's Costa Fuego Copper-Gold Project ("Costa Fuego" or "the Project") planned central processing hub at low elevation in the coastal range of the Atacama region, Chile.

Following the recently announced drill results confirming the 1,000 m by 750 m footprint across La Verde and identification of multiple spatially distinct higher-grade centres from near-surface (refer to announcement dated 19 May 2025), the Company is excited to share that regional exploration activities have identified three look-alike targets which highlight the potential for a district scale porphyry cluster surrounding La Verde.

The integration of a 3D magnetic inversion model from ground magnetic data shows a spatial correlation between the mineralised tonalitic porphyry intrusion and a NNE-SSW trending weakly magnetic anomaly over La Verde. This magnetic anomaly sits within a localised circular magnetic-low feature. This relationship has been used to identify three additional circular magnetic-low features (lookalike targets) adjacent to La Verde, all of which are well-positioned at the intersection point of major regional structures (Figure 3).

In addition to the geophysical data, the Company has also completed 3D geochemical probability modelling using an extensive regional soil geochemistry programme.

Probability models of potential mineralisation were generated by Fathom Geophysics, using algorithms developed from an extensive study of the spatial distribution of pathfinder element associations across the Yerington copper-gold porphyry deposit in Nevada, USA.

This technique has previously been successful in spatially locating the Company's existing Cu-Au projects, Productora and Cortadera (see announcement dated 17 September 2021).

The 3D geochemical modelling defined an area of interest approximately 1 km to the north-east of La Verde which, importantly, overlaps one of the magnetic-low features defined by the 3D magnetic inversion model (Figure 2). The alignment between geochemical and geophysical data sets, as separate independent methods, increases confidence in this target area.

The other two priority target areas are overlaid by a gravel cover sequence which obscures geochemical pathfinders in soil sampling (Figure 3).

Ahead of drill planning, further detailed mapping and rock chip sampling are currently underway across these new areas of interest. The regulatory drill pad application for second-pass drilling will provide coverage of these new targets and is expected to be approved in September 2025.

The Company looks forward to releasing further exploration updates as they become available.

For personal use only

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

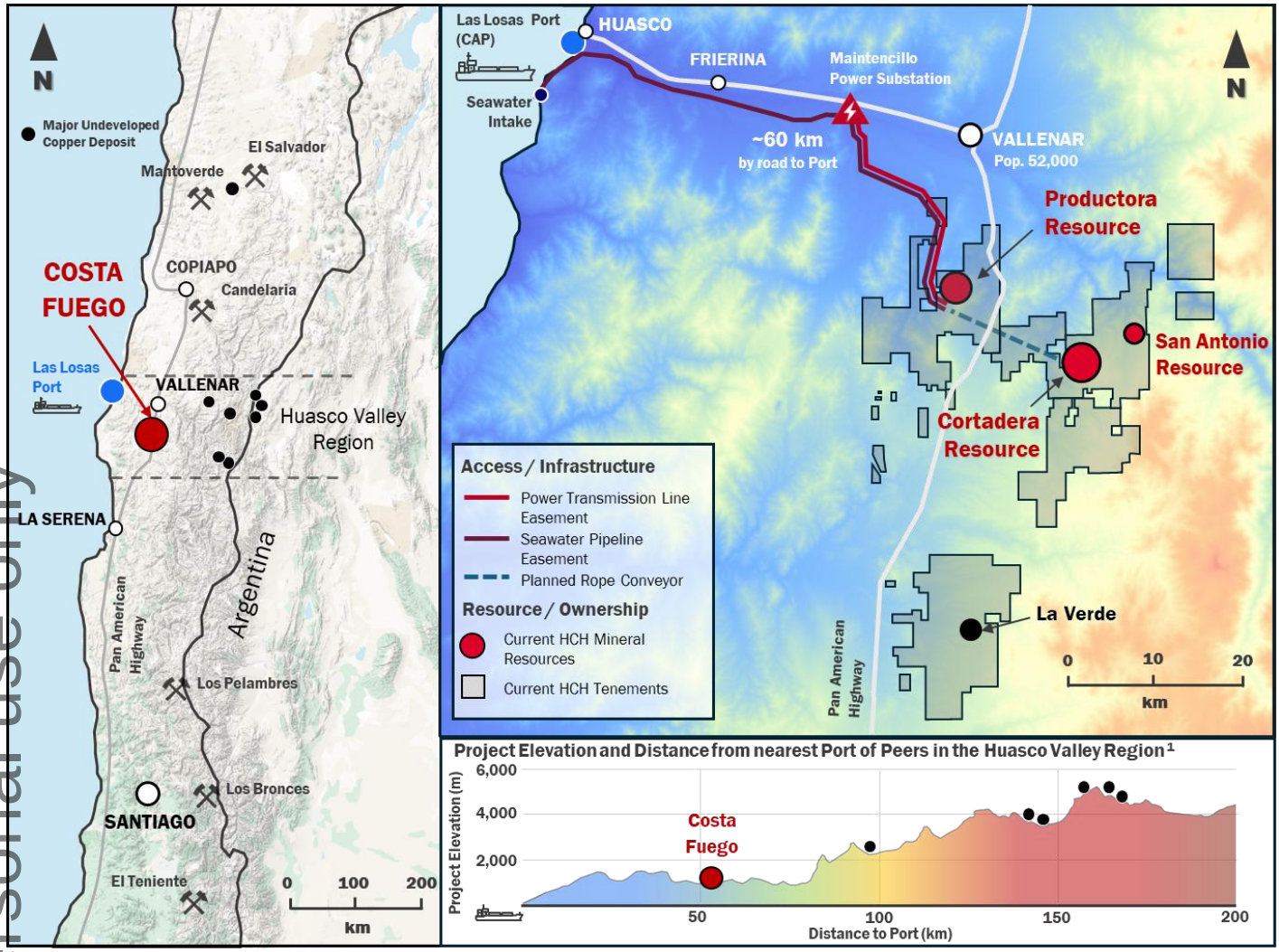
For more information please contact:

Christian Easterday	Tel: +61 8 9315 9009
Managing Director – Hot Chili	Email: admin@hotchili.net.au
Carol Marinkovich	Tel: +61 8 9315 9009
Company Secretary – Hot Chili	Email: admin@hotchili.net.au
Graham Farrell	Email: graham@hotchili.net.au
Investor & Public Relations	

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

For personal use only

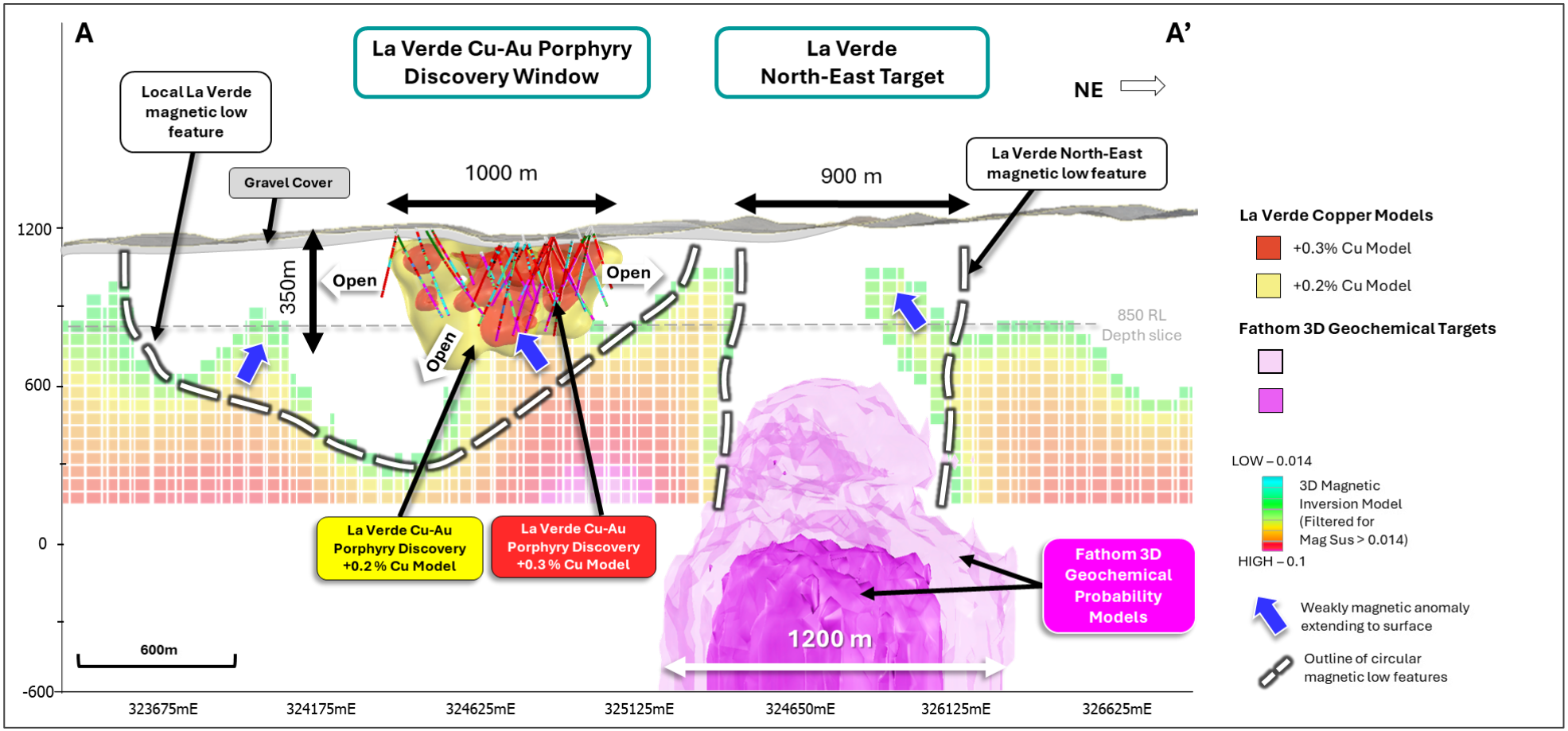
Figure 1. Location of La Verde in relation to Costa Fuego, coastal range Chile



For personal use only

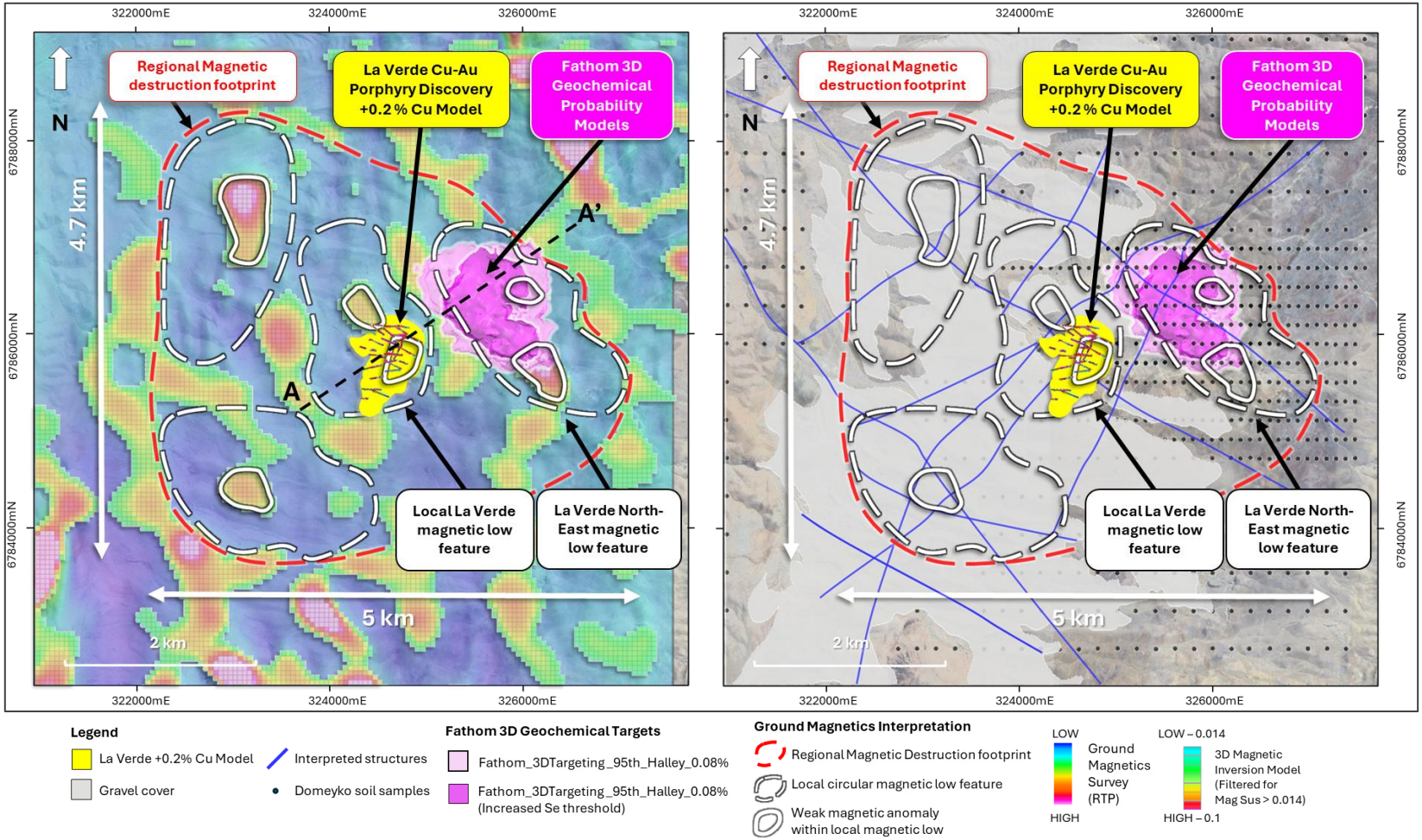
For personal use only

Figure 2 – Long section view A - A' facing north-west showing the La Verde +0.2% (yellow) and +0.3% copper (red) mineralisation interpolants in comparison to the 3D magnetic inversion model (displayed as blocks, filtered for Magnetic Susceptibility > 0.014) and 3D geochemical target at La Verde North-East. Local circular magnetic low features are outlined (white dashed line) and locations where shallow weakly magnetic anomalies extend to the surface are marked with blue arrows. Position of 850 RL depth shown for 3D magnetic inversion model slice in Figure 3.



For personal use only

Figure 3. Plan view showing the La Verde +0.2% Cu mineralisation interpolant in relation to regional magnetic destruction footprint (red dashed), local magnetic low features (white dashed), weakly magnetic anomalies (white line) and Fathom 3D geochemical probability models (purple isosurfaces). Left – shown overlain on reduced-to-the-pole (RTP) ground magnetics and the 3D magnetic inversion model (sliced at 850 RL, displayed as blocks, filtered for Magnetic Susceptibility > 0.014). Right – shown in relation to mapped gravel cover, interpreted regional structures and soil sample coverage. A - A' indicates the position of long section in Figure 2.



Qualifying Statements

Qualified Person – NI 43-101

The technical information in this announcement has been reviewed and approved by Mr. Christian Easterday, MAIG, Hot Chili's Managing Director and a qualified person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

Competent Person – JORC

The information in this announcement that relates to Exploration Results for the La Verde project is based upon information compiled by Mr. Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited, who 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 deposits 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 this announcement of the matters based on their information in the form and context in which it appears.

Disclaimer

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this announcement.

Forward-Looking Statements

Statements in this announcement that are not historical facts are "forward-looking statements" or "forward-looking information" within the meaning of Canadian securities legislation and Australian securities legislation. The use of any of the words "anticipate", "expect", "imminent", "opportunity", "planned", "potential", "projected", "upcoming", "would be", "should be", "will", variants of these words and similar expressions are intended to identify forward-looking statements.

In this announcement, forward-looking information includes, but is not limited to: the Company's plans with respect to continued drilling and drill testing; the potential for a district scale porphyry cluster surrounding the La Verde; receipt of regulatory approval for the drill pad application for second-pass drilling and the timing thereof; and the timing, prospects, and projections related to the Company's business and projects and the anticipated success thereof.

In preparing the forward-looking information herein, the Company has applied several material assumptions, including, but not limited to assumptions: that the Company's ongoing drilling, economic studies (including the Costa Fuego PFS and the PFS-level study for the Huasco Water joint venture project) and other programs will proceed as planned and that the results thereof will be consistent with the Company's expectations; that the Company will have, or will be able to obtain, sufficient funding to finance the foregoing; that the foregoing will be funded and completed on the expected timeline; that all requisite information, including assay results, will be available in a timely manner; that the current exploration, development, environmental and other objectives concerning the Costa Fuego Project and the Company's other projects (including La Verde) can be achieved and that its other corporate activities will proceed as expected; that the current price and demand for gold and copper will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner and that all necessary governmental approvals for planned activities on the Costa Fuego Project and the Company's other projects (including La Verde) will be obtained in a timely manner and on acceptable terms; that permitting and operations costs will not materially increase; the continuity of the price of gold, copper and other metals, economic and political conditions and operations; that drilling and related equipment will be available as required and on reasonable terms; the continuity of tax rates and operating costs; and the assumptions set out in the technical report titled "Costa Fuego Project, NI 43-101 Technical Report

For personal use only

Preliminary Feasibility Study" dated 9 May 2025, with an effective date of 27 March 2025 (the "Technical Report"), a copy of which is available on the Company's profile on SEDAR+ at www.sedarplus.ca, in the Company's public filings with the Australian Securities Exchange (ASX) and the Company's Canadian public disclosure record.

Factors that could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking information in this announcement, include, among others: operational risks and contractual obligations; the industry-wide risks and project-specific risks identified in the Technical Report and/or the Company's public filings; changes in exploration programs based upon results of exploration; sovereign risks associated with the Company's operations in Chile; recruitment and retention of qualified and/or key personnel; future financial needs and availability of adequate financing; fluctuations in mineral prices, currency and exchange rates; market volatility and economic conditions; ability to exploit successful discoveries and retain title to mining concessions; environmental risks; financial failure or default of joint venture partners, contractors or service providers; changes in estimated mineral resources or unexpected variations in quantity of mineralized material, grade, or recovery rates; the nature of mineral exploration and mining and uncertainty of commercial viability; the Company's lack of operating revenues; risks related to governmental regulations, the ability to obtain necessary licenses and permits, prior unregistered agreements, transfers or claims and other defects in title to mineral projects; risks to employee health and safety or disruption to operations in the event of an outbreak of disease; estimates used in budgeting and economic analyses proving to be incorrect; risks that necessary financing will be unavailable when needed; and other risks and uncertainties described elsewhere in this announcement and in the Company's public filings with the ASX and the Company's Canadian public disclosure record.

Although the Company has attempted to identify important factors that could cause actual results to vary materially from those projected in such forward-looking information, there can be no assurance that forward-looking information will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking information.

The forward-looking information in this news release is based on plans, expectations, and estimates of management as at the date hereof and the Company undertakes no obligation to update such forward-looking information, other than as required by applicable law.

For personal use only

For personal use only

JORC Code Table 1 for Domeyko Project (including the La Verde Porphyry)

The following table provides a summary of important assessment and reporting criteria used for the reporting of Mineral Resource and Ore Reserves in accordance with the Table 1 checklist in the Australasian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves (The JORC Code, 2012 Edition).

The follow list provides the names and the sections for Competent Person responsibilities:

Section 1 and 2: C. Easterday - MAIG (Hot Chili Limited)

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.*	***Drilling*** *All drilling undertaken by Hot Chili Limited ("HCH" or "the Company") is Reverse Circulation (RC). Drilling has been carried out under Hot Chili (HCH) supervision by an experienced drilling contractor (BlueSpec Drilling).* *The RC drilling completed by HCH reached an average depth of approximately 320 meters.* *RC drilling produced a 1m bulk sample and representative 2m samples (nominally a 12.5% split) were collected using a cone splitter, with sample weights averaging 5 kg.* *Geological logging was completed, and mineralised sample intervals were determined by the geologists to be submitted as 2m samples for RC. In RC intervals assessed as unmineralised, 4m composite (scoop) samples were collected for analysis. If these 4m composite samples return results with anomalous grade the corresponding original 2m split samples are then submitted to the laboratory for analysis.* *Both RC samples were crushed and split at the laboratory, with up to 1kg pulverised, and a 50g pulp sample analysed by industry standard methods - ICP-OES (33 element, 4 acid digest) and Au 30-gram fire assay.* *Every 50th metre downhole was also assayed by ME-MS61 (48 element, 4 acid digest) for exploration targeting purposes.* *Sampling techniques used are deemed appropriate for exploration and resource estimation purposes for this style of deposit and mineralisation.* *Historical Drilling: Existing drilling at the Domeyko project comprises eight Reverse Circulation (RC) holes drilled for a total of 2,299 m (drilled in 2010), and twelve Diamond Core (DD) holes drilled for a total of 5,774 m (drilled between 2012 and 2014).* *Available data pertaining to these campaigns of drilling is incomplete and unverifiable; as such HCH due diligence is continuing, and results of these drill holes are considered to be of low confidence and not presently material.* ***Surface Geochemistry*** *A 400 m x 200 m grid spaced soil program has been undertaken by HCH across the broader project area, with infill soil sampling on a 200 m x 100 m grid over the La Verde open pit area, for a total of 1181 samples taken.* *Soil samples at Domeyko were collected at a pre-determined sampling point by navigating to the WGS84 UTM co-ordinates with hand-held GPS, then digging a hole 30 cm x 30 cm and 20 cm deep.* *The first 10 to 15 cm of organic matter and soil were removed before residual soil was then placed through a 2mm sieve, with a ~500 g sample of the fine fraction collected in a pre-labelled calico bag.* *At each sampling point an excel spreadsheet was populated with the sample type e.g. Regolith, Colluvium or Alluvium.* *All samples were tested by HCH personnel using an Olympus "Vanta" portable XRF and their magnetic susceptibility measured with an industry standard KT-10 magsus meter. Each sample underwent subsequent multielement analysis by ALS laboratories.*

For personal use only

Criteria	JORC Code explanation	Commentary
		Rock chip samples have been collected sporadically across the project areas by HCH geologists during geological mapping activities. These samples have been taken from locations of interest as hand gathered float samples, or as fresh chips broken from outcrop with a hammer. In all cases a sample of around 2kg has been taken in a calico bag, geologically described and the GPS location recorded.
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).*	*HCH drilling consisted of RC with face sampling bit (143 to 130mm diameter) ensuring minimal contamination during sample extraction.* *2012 to 2014 DD drilling by Hudbay Minerals Inc. used HQ3 bits (61.1 mm internal diameter). Drill core was not oriented.* *No information is available regarding the conduct of the 2010 RC drilling campaign.*
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.*	*HCH Drilling: Drilling techniques to ensure adequate RC sample recovery and quality included the use of "booster" air pressure. Air pressure used for RC drilling was 700-800psi.* *Logging of all samples followed established company procedures which included recording of qualitative fields to allow discernment of sample quality. This included (but was not limited to) recording: sample condition (wet, dry, moist), sample recovery (poor, moderate, good), sample method (RC: scoop, cone).* *The majority of HCH drilling had acceptable documented recovery and expectations on the ratio of wet and dry drilling were met, with no bias detected between the differing sample conditions.* *Historical Drilling: No information is available on historic RC drill sample recovery. Diamond core recovery was recorded in a provided spreadsheet, which HCH has reviewed against the core photographs. Overall, good core recovery is observed.* *At the current early project stage, it is unclear whether there is a relationship between sample recovery and grade.*
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.*	*HCH Drilling: Detailed descriptions of RC chips were logged qualitatively for lithological composition and texture, structures, veining, alteration, and copper speciation. Visual percentage estimates were made for some minerals, including sulphides.* *Geological logging was recorded in a systematic and consistent manner such that the data was able to be interrogated accurately using modern mapping and 3D geological modelling software programs. Field logging templates were used to record details related to each drill hole.* *Historical Drilling: Geological logs were provided as part of the data package for all drilling (DD and RC).* *For DD, these logs have been reviewed against core photographs and are deemed to be of a reasonable standard for an early exploration target.* *For RC, as chips and chip tray photographs are not available, no validation has been completed.*

For personal use only

Criteria	JORC Code explanation	Commentary
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.*	***Drilling*** *RC drilling was sampled at two metre intervals by a fixed cone splitter with two nominal 12.5% samples taken: with the primary sample submitted to the laboratory, and the second sample retained as a field duplicate sample. Cone splitting of RC drill samples occurred regardless of the sample condition. RC drill sample weights range from 0.3kg to 17kg, but typically average 4kg.* *All HCH samples were submitted to Copiapó ALS Lab (Chile) for sample preparation before being transferred to ALS Lima (Peru) for multi-element analysis and ALS Santiago (Chile) for Au and Cu overlimit analysis.* *RC samples were weighed, dried and crushed to 70% passing 2 mm and then split using a rotary splitter to produce a 1kg sub-sample. The crushed sub-sample was pulverised with 85% passing 75 µm using a LM2 mill and a 110 g pulp was then subsampled, 20 g for ICP and 90g for Au fire assay analysis.* *ALS method ME-ICP61 involves a 4-acid digestion (Hydrochloric-Nitric-Perchloric-Hydrofluoric) followed by ICP-AES determination.* *Samples that returned Cu grades >10,000ppm were analysed by ALS "ore grade" method Cu-AA62, which is a 4-acid digestion, followed by AES measurement to 0.001%Cu.* *Samples determined by geologists to be either oxide or transitional were also analysed by Cu-AA05 method to determine copper solubility (by sulphuric acid).* *Pulp samples were analysed for gold by ALS method Au-AA23 (Au 30g FA-AA finish) and Au-GRA21 for Au overlimit (Au by fire assay and gravimetric finish, 30g). ALS method ME-MS61 is completed on pulps for every 50th metre downhole, it involves a 4-acid digestion (Hydrochloric-Nitric-Perchloric-Hydrofluoric) followed by ICP-MS determination.* *Field duplicates were collected for RC drill samples at a rate of 1 in 50 drill metres i.e. 1 in every 25 samples (when 2m sampling intervals observed). The procedure involves placing a second sample bag on the cone splitter to collect a duplicate sample.* *For historic drilling competed at La Verde no information is available on sub-sampling techniques, other than the sub-sampling being completed at 2 m intervals for DD and 1 m intervals from the bulk sample for RC.* *Limited information is available regarding the sample preparation and assaying methodology of the DD and RC samples, it appears that multiple methods have been used and compiled into the available assay tables without supporting documentation available for verification.* ***Surface Geochemistry*** *Each sample underwent multielement analysis by ALS laboratories.* *ALS Soil sample preparation included drying samples at <60°C/140°F, then sieving samples to -180 micron (80 mesh). Each sample was then analysed by ALS method ME-MS61 4-acid digestion followed by ICP-MS determination, with gold analysis by Au-ICP21 (30 g Fire Assay ICP-AES finish).* *Rock chip samples submitted to ALS were dried, crushed to a nominal 20mm size and split, with around 400g pulverised and a subsequent pulp sub-sample analysed by ALS method ME-MS61 4-acid digestion followed by ICP-MS determination, with gold analysis by Au-ICP21 (30 g Fire Assay ICP-AES finish).*

For personal use only

Criteria	JORC Code explanation	Commentary
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.*	***Drilling*** *All HCH drill samples were assayed by industry standard methods through accredited ALS laboratories in Chile and Peru. Typical analytical methods are detailed in the previous section and are considered 'near total' techniques.* *HCH undertakes several steps to ensure the quality control of assay results. These include, but are not limited to, the use of duplicates, certified reference material (CRM) and blank media:* *Routine 'standard' (mineralised pulp) Certified Reference Material (CRM) was inserted at a nominal rate of 1 in 25 samples.* *Routine 'blank' material (unmineralised quartz) was inserted at a nominal rate of 3 in 100 samples at the logging geologist's discretion - with particular weighting towards submitting blanks immediately following mineralised field samples.* *Routine field duplicates for RC samples were submitted at a rate of 1 in 25 samples.* *Analytical laboratories provided their own routine quality controls within their own practices. No significant issues have been noted.* *All results are checked in the acQuire™ database before being used, and analysed batches are continuously reviewed to ensure they are performing within acceptable tolerance for the style of mineralisation.* *HCH has not completed a comprehensive review of QA/QC data from historical drilling.* ***Surface Geochemistry*** *All soil samples collected at Domeyko were scanned using an Olympus "Vanta" portable XRF and tested for magnetic susceptibility with a portable KT-10 meter.* *Routine QA/QC standards are used at the beginning and end of each XRF campaign in addition to every 50 XRF measurements recorded. Standards have been selected to represent typical multi-element distribution for the style of deposit being analysed.* *Routine comparison of soil sample XRF and assay results is completed at the end of each soil geochemical campaign.* *Soil and rock chip samples were also submitted to ALS for multielement analysis by ME-MS61 method. This method provides 48 element analysis at very low detection limits, suitable for mapping lithology from geochemistry. Analysis involves HNO_3-$HClO_4$-HF acid digestion, HCl leach, dissolving nearly all minerals, this is paired with ICP-MS and ICP-AES analysis. This technique is appropriate for this type of sample and is considered total.* *The analytical laboratories provided routine quality controls within their own practices. No significant issues have been noted. No company standards or blanks are submitted by HCH.* *All results are checked in the acQuire™ database before being used, and analysed batches are continuously reviewed to ensure they are performing within acceptable tolerance for the style of mineralisation.*

For personal use only

Criteria	JORC Code explanation	Commentary
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.*	*All assay results have been compiled and verified to ensure veracity of assay results and the corresponding sample data. This includes a review of QA/QC results to identify any issues prior to incorporation into the Company's geological database.* *No adjustment has been made to assay data following electronic upload from original laboratory certificates to the database. Where samples returned values below the detection limit, these assay values were set to half the lowest detection limit for that element.* *The capture of drill logging data was managed by a computerised system and strict data validation steps were followed. The data is stored in a secure acQuire™ database with modification access restricted to a dedicated database manager.* *Documentation of primary data, data entry procedures, data verification and data storage protocols have all been validated through internal database checks and by a third-party audit completed in 2022.* *Visualisation and validation of drill data was also undertaken in 3D using multiple software packages - Datamine and Leapfrog with no errors detected.* *Historical Drilling: No assays are being reported as the quality of supplied drill data cannot be verified.* *One historic drillhole has been validated, returning comparable copper results. Further validation and twin holes are required.* *DD and RC sampling and assay results have been supplied as basic compiled spreadsheet format. The lack of information regarding sample chain of custody procedures and analytical methods has limited the use of the data to exploration targeting until a future verification campaign with remaining available core samples and/or twinning of existing holes.* *No adjustment has been made any of the provided assay data.*
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.*	***Drilling*** *The WGS84 UTM zone 19S coordinate system has been used.* *HCH drill hole collar locations were surveyed on completion of each drill hole using a handheld Garmin GPS with an accuracy of +/-5 m. An independent survey company was contracted to survey drill collar locations using a CHCNAV model i80 Geodetic GPS, dual frequency, Real Time with 0.1cm accuracy.* *Downhole surveys for HCH drilling were completed by the drilling contractor every 30m using an Axis Champ Navigator north seeking gyroscope tool and Reflex GYRO north seeking gyroscope tool.* *Historic drill hole collar co-ordinates were supplied in either PSAD or WGS coordinate system. Where necessary, a translation has been applied to transform to WGS84 UTM zone 19S coordinate system. This translation is as follows:*

Coordinate Datum PSAD-56		
Northing	Easting	RL
6814387.779	335434.643	970.49
Coordinate Datum WGS-84		
Northing	Easting	RL
6814009.615	335250.244	1003.611

For personal use only

Criteria	JORC Code explanation	Commentary
		Historic diamond drill holes have documented DGPS/ Total Station survey collar pickups, these are situated satisfactorily on the supplied DTEM and commercial satellite imagery. Several holes have questionable locations on satellite imagery with no supporting documentation available to satisfactorily resolve the error. Eight historic diamond drill collars were located by HCH and have been surveyed using the same method as HCH drilling. *Downhole surveys for historical drilling were completed every 10m by gyroscope. Exact specifications for the gyroscope tool are unknown.* *The topographic model used at Domeyko is deemed adequate for topographic control. Drillhole collar locations have been validated against the topographic model.* ***Surface Geochemistry*** *Soil samples at Domeyko were collected at a pre-determined sampling point by navigating to the WGS84 UTM co-ordinates with hand-held GPS.* *Rock chip samples have been collected at the discretion of the mapping geologist, sample locations have been recorded from handheld GPS set to the WGS84 UTM datum.*
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.*	***Drilling*** *Drill spacing is not considered at this stage of the project.* ***Surface Geochemistry*** *A 400 x 200 m grid spacing soil program with a total of 1181 samples has been taken across the Domeyko leases. The soil sample lines were designed on E-W grid with WGS84 UTM 19S point locations. This sample spacing is considered appropriate for first pass soil geochemical sampling.* *Rock chips have been collected in a non-representative spacing, and do not reflect the character of the wider project area. This sampling cannot be relied upon to imply geological or grade continuity.*
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.*	*The majority of drilling was oriented from -60° toward the east or west. In addition, some other drill orientations were used to ensure geological representivity and to maximise the use of available drill platforms.* *The orientation of drilling is considered appropriate for this style of mineralisation, and no sampling bias is inferred from drilling completed as. In addition, copper-gold porphyry mineralisation is typically homogenous meaning a limited chance of bias is likely to be caused from drilling orientation*
Sample security	*The measures taken to ensure sample security.*	*For HCH data, a strict chain of custody procedures was adhered to. All samples have the sample submission number/ticket inserted into each bulk polyweave sample bag with the id number clearly visible. 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 custody.* *The measures taken to ensure sample security for drilling completed by Hudbay Minerals Inc. are unknown.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*None completed.*

For personal use only

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 Domeyko landholding comprises the following permits:*

License ID	Area (Ha)
INES 1/40	200
ANTONIO 1/40	200
ANTONIO 1 1/56	280
ANTONIO 5 1/40	200
ANTONIO 9 1/40	193
ANTONIO 10 1/21	63
ANTONIO 19 1/30	128
ANTONIO 21 1/20	60
CERRO MOLY 1	300
CERRO MOLY 2	300
CERRO MOLY 3	300
CERRO MOLY 4	300
PRIMO 1 1/6	36
LORENA 1 AL 2	2
EMILIO 1 1/8	38
EMILIO 3 1/9	45
SANTIAGUITO 5 1/24	114
MERCEDITA 1 AL 7	22
CAZURRO 1	200
CAZURRO 2	200
CAZURRO 3	300
CAZURRO 4	300
CAZURRO 5	100
CAZURRO 6	200
CAZURRO 7	200
CAZURRO 8	200
DOMINOCEROS 1/20	20

Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*Previous exploration across the Domeyko project includes:* • *Cominco Resources – Seven RC holes of unknown length completed, soil sampling. No data available* • *BHP and Teck Cominco – Geological mapping and soil sampling. No data available* • *Rio Tinto – site visit and project appraisal. Report supplied to HCH* • *International Copper Corporation – geological mapping, trenching, rock chip sampling, final report available without raw data* • *Hudbay Minerals Inc – geological mapping, 116 rock chip samples taken (no data available), 3.4 km^2 of ground magnetic surveys, 67.2 line km of Titan IP/MT surveys (final images and reports supplied to HCH)*

For personal use only

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralisation.*	*Surface mapping is ongoing across the Domeyko project, which will increase understanding of the individual prospects contained within.* *The copper mineralisation at the La Verde prospect is associated with multiple porphyry intrusions, with historical mining activity confined to a zone of overlying supergene copper oxides. The relationship between this supergene zone and the suspected primary porphyry mineralisation is not yet understood.* *These porphyries have intruded into, and the vein systems cut through, the Cretaceous Bandurrias and Chañarcillo Formations (variously stratified agglomerates, volcanic breccias, dacitic tuffs and limestones). Most of the western portion of the project area is overlain by eroded Atacama Gravel sequences, with elongate fingers of the gravels extending across to the eastern boundary.*
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 HCH holes at La Verde are tabulated below:*

Hole ID	East	North	RL	Azi	Dip	Hole Depth
DKP001	324551	6786082	1153	89	-59	390
DKP002	324837	6785976	1192	270	-60	354
DKP003	324840	6785971	1192	117	-59	282
DKP004	324423	6785836	1095	90	-60	120
DKP005	324564	6785789	1124	91	-60	248
DKP006	324727	6785721	1131	110	-60	199.5
DKP007	324742	6785854	1147	270	-60	204
DKP008	324748	6785855	1150	5	-60	324
DKP009	324552	6786075	1153	131	-60	354
DKP010	324742	6785851	1147	209	-60	276
DKP011	324429	6786096	1159	91	-60	326
DKP012	324839	6785977	1192	300	-60	306
DKP013	324839	6785971	1192	244	-60	437
DKP014	324747	6785852	1150	299	-61	444
DKP015	324434	6786096	1160	130	-60	313
DKP016	324416	6785947	1110	111	-60	360
DKP017	324685	6786094	1184	97	-61	336
DKP018	324428	6785834	1094	97	-60	145
DKP019	324720	6785721	1130	253	-61	279.5
DKP020	324588	6785751	1125	273	-60	144
DKP021	324319	6785616	1177	75	-60	402
DKP022	324415	6785528	1184	78	-60	288
DKP023	324326	6785423	1182	90	-60	402
DKP024	324416	6785423	1186	110	-60	402
DKP025	324415	6785313	1187	270	-75	276
DKP026	324312	6785870	1098	105	-60	147
DKP027	324906	6785755	1139	299	-60	402
DKP028	324758	6785617	1136	300	-60	432
DKP029	324758	6785615	1136	265	-60	366
DKP030	324774	6785770	1132	275	-60	393
DKP031	324564	6785789	1129	279	-60	279

For personal use only

Criteria	JORC Code explanation	Commentary
		The coordinates and orientations for all holes drilled by previous owners (where information was available) are tabulated below:

Hole ID	East	North	RL	Azi	Dip	Hole Depth
DCH001-001	324610	6786359	1132	117	-56	250
DCH001-002	325488	6785703	1169	166	-61	250
DCH001-003	325557	6785770	1179	125	-55	250
DCH001-004	325297	6785746	1155	266	-75	700.95
DCH001-005	324799	6785171	1174	34	-70	150
DCH001-006	324671	6786105	1185	270	-84	533.35
DCH001-007	324058	6786138	1105	71	-52	400
DCH001-006A	324671	6786105	1185	270	-85	634
DCH001-008	324618	6785893	1139	270	-58	900
DCH001-009	324030	6785840	1139	100	-50	406.6
DCH001-010	324440	6785434	1188	270	-58	598.35
DCH001-011	324840	6786221	1176	270	-56	700.75
RC-01	324848	6786349	1197	260	-75	306
RC-02	324599	6785162	1205	270	-60	242
RC-03	324903	6785757	1136	270	-80	300
RC-04	326212	6785560	1210	240	-75	306
RC-05	324794	6785470	1147	270	-75	218
RC-06	324919	6785170	1166	240	-70	251
RC-07	325944	6780670	1268	270	-80	276
RC-08	326394	6780670	1283	270	-80	400

Note that all drillhole collars from previous owners 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 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*	*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.* *Significant intercepts for La Verde 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.* *No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.*

For personal use only

Criteria	JORC Code explanation	Commentary
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 for historic drilling is unknown.*
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.*	*The coordinates and orientations for all HCH drill holes at La Verde have been reported either in the announcement text or Table 1.* *No historical drilling information has been verified to the satisfaction of the company.* *All drill hole locations are reported as supplied to the company.*

For personal use only

Criteria	JORC Code explanation	Commentary
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.*	*A ground magnetic survey was conducted in June and July 2024 by Argali Geofisica Chile E.I.R.L. (Argali) on behalf of Hot Chili Limited. The survey was conducted on north-south lines with a spacing of 100 m for a total of 1791 km. Readings were acquired as a continuous profile once every 1 second or an approximate station spacing of approximately 0.5 to 1.5 m. The survey was competed in WGS84, Zone 19S and has been visualised as a pole reduced magnetic map (RTP). A 3D magnetic inversion model was created by Terry Hoshke on behalf of Hot Chili Limited in April 2025 using the 2024 surface ground magnetic data.* *Available historical data from previous exploration includes surface mapping, surface geochemical surveys and geophysical surveys (Ground magnetics and Induced Polarisation surveys).* *Historic surface geochemical sampling programs of both rock chip and soil samples have been undertaken over the project, however, the inconsistent distribution, presence of extensive later cover sequences and questionable QA/QC status of the data has led the company to consider the results unreliable.* *A Titan-24 IP/MT survey was conducted in April and June 2008 by Quantec Geoscience Ltd. on behalf of Hudbay Minerals Inc. (as then subsidiary Minera Quebrada de Oro S.A.). The survey was conducted in two grids of 300 m separated east-west oriented lines of 100 m spaced stations, reflecting the separated tenement holdings at that time. Seven section lines were acquired in the western grid, and twenty one section lines in the eastern grid.* *MAPING Ltda. of Santiago was contracted by Hudbay during June 2012 to complete a ground magnetometry survey over three separate areas. The larger area covered the La Verde mine area with 65 east-west oriented, 25 m spaced lines. A smaller area over the San Antonio deposit was covered with seven east-west lines at a 50 m spacing. Further to the south, in the area referred to by the company as Panacea, a similar size area was covered by eight east-west 50 m spaced lines. Magnetometry data on all lines was acquired at 1 second intervals, equivalent to a lateral spacing of approximately 1.4 m.* *3D geochemical modelling completed independently by Fathom Geophysics in April 2025 following the geochemical element zoning models for the Yerington porphyry copper deposit in Nevada (Halley et al., 2015)* *Halley, S., Dilles, J.H, and Tosdal, R.M., 2015, Footprints: Hydrothermal alteration and geochemical dispersion around porphyry copper deposits, Society of Economic Geologists Newsletter v. 100, p 1, 12-17.* *Cohen, J.F., 2011, Mineralogy and geochemistry of alteration at the Ann-Mason copper deposit, Nevada: Comparison of large-scale ore exploration techniques to mineral chemistry: M.Sc. thesis, Corvallis, Oregon, Oregon State University, 112 p.*
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 across the Domeyko Project includes (but is not limited to) detailed litho-structural mapping, additional extensional and infill soil geochemistry, twinning of existing drillholes and further exploration drilling.*