

Hot Chili Issues Quarterly Report for Q3 2024

31.10.2024 | [CNW](#)

PERTH, Australia, Oct. 31, 2024 /CNW/ -

Highlights

Costa Fuego Copper-Gold Project Pre-Feasibility Study Progresses

- All Costa Fuego Pre-feasibility Study (PFS) workstreams planned for completion in late 2024
- Completion of hydrogeological drilling at the planned Tailings Storage Facility (TSF), as well as additional seawater and freshwater flotation trade-off test work has re-confirmed that optimal processing for Costa Fuego will be achieved using raw seawater
- Metallurgical workstreams indicate potential improvements for both molybdenum flotation and copper oxide leach recoveries when compared to the 2023 Preliminary Economic Assessment (PEA)
- Concentrate market studies confirm a reduction of long-term treatment costs (TC) and refining charges (RC) assumptions, when compared to the 2023 PEA
- Improvement in long-term consensus commodity price forecasts for all potentially payable metals (copper, gold, molybdenum and silver), when compared to the 2023 PEA

Costa Fuego Environmental Impact Assessment Advancing

- Completion of an additional winter-season environmental survey and commencement of a formal community engagement programme with local stakeholders and some indigenous groups
- EIA document preparation underway in advance of planned submission in mid-2025

Huasco Water - A Growing Strategic Asset for [Hot Chili](#)

- Hot Chili (80% ownership) and its partner, Chilean iron ore company Compania Minera del Pacifico (CMP, 20% ownership), continue to advance plans for a regional, multi-user, seawater and desalinated water supply business through its newly established company "HW Aguas para El Huasco SpA" (Huasco Water)
- International engineering firm, ILF Group, appointed to complete regional Water Supply Business Case Study (PFS equivalent) for Huasco Water, due for completion in 1H 2025
- Hot Chili's approach to potentially outsourcing its water infrastructure aims to provide capital cost savings and project finance optionality for the development of Costa Fuego

Exploration Activities Underway in Advance of Growth Drilling

- Ground magnetic geophysical survey, surface soil sampling and surface mapping completed across the recently secured, 18,000-hectare Domeyko landholding, with results pending
- Further regional consolidation opportunities being assessed, discussions advancing well

Cash Position of A\$25.7 Million

Cautionary Statement - JORC Code (2012)

The Preliminary Economic Assessment referred to in this Report is equivalent to a Scoping Study under JORC Code (2012) reporting guidelines. It has been undertaken for the purpose of initial evaluation of a potential development of the Costa Fuego Copper Project in Chile. It is a preliminary technical and economic study of the potential viability of the Costa Fuego Copper Project. The PEA outcomes, production target and forecast financial information referred to in the Report are based on low level technical and economic assessments that are insufficient to support estimation of Ore Reserves. The PEA is presented in US dollars to an accuracy level of +/- 35%. While each of the modifying factors was considered and applied, there is no certainty of eventual conversion to Ore Reserves or that the production target itself

will be realised. Further exploration and evaluation and appropriate studies are required before Hot Chili will be in a position to estimate any Ore Reserves or to provide any assurance of any economic development case. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PEA.

Of the Mineral Resources scheduled for extraction in the PEA production plan, approximately 99% are classified as Indicated and 1% as Inferred. The Company has concluded that it has reasonable grounds for disclosing a production target which includes a small amount of Inferred Mineral Resources, as permitted under the JORC Code. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The viability of the development scenario envisaged in the PEA does not depend on the inclusion of Inferred Mineral Resources. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Measured or Indicated Mineral Resource with continued drilling.

The Mineral Resources underpinning the production target in the PEA have been prepared by a competent person in accordance with the requirements of the JORC 2012. For full details on the Mineral Resource estimate, please refer to the ASX announcement of 31 March 2022. The Mineral Resource Estimate update released in February 2024 does not materially change the Mineral Resource inventory that formed the basis of the 2023 PEA, and no new scientific or technical information has been developed that would materially affect the outcome of the 2023 PEA and, therefore, the results and conclusions of the 2023 PEA are considered current and have been restated for this Report.

To achieve the outcomes indicated in the PEA, including reaching Definitive Feasibility Study ("DFS"), mine construction and production stages, funding in the order of US\$1.10 Billion will be required, including pre-production and working capital and assumed financing charges. Investors should note that there is no certainty that Hot Chili will be able to raise that amount of funding when needed. One of the key assumptions is that the funding for the Project will be available when required and on acceptable terms. It is also possible that such funding may only be available on terms that may be dilutive to, or otherwise affect the value of, Hot Chili's existing shares. It is also possible that Hot Chili could pursue other value realisation strategies such as debt financing, a sale or partial sale of its interest in the Costa Fuego Copper Project and/or Huasco Water, sale of further royalties and/or streaming rights, sale of non-committed offtake rights, and sale of non-core assets.

This Report contains forward-looking statements. Hot Chili has concluded that it has a reasonable basis for providing these forward-looking statements and believes it has a reasonable basis to expect it will be able to fund development of the Costa Fuego Copper Project. However, a number of factors could cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements. Given the uncertainties involved, investors should not make any investment decisions based solely of the results of the PEA.

SUMMARY OF OPERATIONAL ACTIVITIES

Costa Fuego Copper-Gold Project Pre-Feasibility Study Update

During the quarter ending September 2024, the Company continued to focus on several development study workstreams for Costa Fuego's Pre-Feasibility Study (PFS) and Environmental Impact Assessment (EIA).

Metallurgy

Potential for improved molybdenum flotation recovery has been determined as part of final PFS metallurgy work programme, following review and analysis of previous flotation testwork. This higher recovery is expected to upgrade the value of molybdenum as a by-product credit in the PFS, when compared to reported values in the Company's 2023 Preliminary Economic Assessment (PEA) and increase the annual quantity of molybdenum concentrate projected to be produced.

Additional geometallurgical testwork was completed for acid-consumption analysis, to support predictive relationships between geological and alteration units at Productora and Cortadera for the planned heap and run-of-mine leach processing. Analysis is nearing completion and will enable optimisation of the throughput of the concentrator, as well as acid cost and recovery within the leaching circuit. Early outcomes indicate significant improvements in copper oxide leach recoveries can be achieved through increased acid addition, when compared to the 2023 PEA.

A final round of Locked-Cycle Tests further confirmed the quality of the Costa Fuego concentrates, with low levels of

arsenic and other deleterious elements. Additional seawater and freshwater flotation trade-off tests were also completed and re-confirmed the planned concentrator would see optimal recovery using seawater.

Mining

Mine design for the four Costa Fuego mining locations (Productora, Cortadera, Alice and San Antonio) is in the final stages of review, incorporating all geological, geotechnical and mining information to confirm open pit stability and flow within the proposed block cave at Cortadera. Mine designs are currently being scheduled using MineMax and Panel Caving Block Caving (PCBC) software to optimise the mining and stockpiling sequence, utilizing Costa Fuego's capital and operating cost framework.

Infrastructure

Infrastructure analysis and design continued during the quarter, with optimisation focussed on key infrastructure items including concentrator and the Solvent Extraction Electrowinning (SX-EW) plants, heap and dump leach pads, tailings dam storage facilities, and utility and access corridors between proposed mine sites and port facilities. Costa Fuego's utility and access corridor is planned to include access road works, seawater pipeline, power lines, concentrate transport route, port and rope conveyor.

Market Analysis

Assessment of the long-term copper concentrate market has indicated overcapacity in the smelter market, resulting in reduced global treatment costs (TC) and refining charges (RC) versus the assumptions used in the 2023 PEA. Current long-term TC/RC forecasts are materially lower than the USD \$90/t concentrate TC and USD \$0.09/lb Cu RC applied in the 2023 PEA for Costa Fuego. These conditions are expected to continue for an extended period given the relatively new smelter additions and few net additions to the supply of copper concentrate.

Long-term commodity price forecasts of all potentially saleable products used in the 2023 PEA for Costa Fuego have increased over the past 15 months reflecting continuing strong demand. When compared to the 2023 PEA, current long-term commodity price forecasts for copper (+9%), gold (+14%), molybdenum (+25%) and silver (+14%) all sit below spot prices and are likely to benefit the financial metrics for the forthcoming PFS.

Environment

Advancement of environmental workstreams during the quarter focused on developing Costa Fuego's Tailings Storage Facility (TSF) operational plan and design, including hydrogeological and environmental studies of the planned TSF footprint. An additional four groundwater monitoring boreholes for 228m were completed during the quarter in association with infiltration tests as well as surface litho-structural mapping of the TSF area (Figure 1).

This work was supported through engagement with Chilean regulators to discuss the planned TSF approach, with the work being presented to the regulator for initial feedback.

A site visit at Costa Fuego was held in July 2024, attended by several of the Company's Qualified Persons, key technical consultants, and the Hot Chili development team. Attendees reviewed processing, mining and infrastructure designs on location, having regard for environmental and social considerations identified through Hot Chili's baseline surveys and community engagement processes. Infrastructure designs will continue to be refined to optimise the Project footprint whilst minimising potential environmental risks and impacts, while endeavouring to ensure that the Project delivers net benefits to the surrounding communities and population.

In September 2024, the Company executed several small-scale, lease mining agreements with a number of local miners, continuing Hot Chili's ongoing support for local mining employment. Hot Chili is dedicated to supporting the community and advancing sustainable mining in the region.

Costa Fuego Environmental Impact Assessment Advancing

Hot Chili is in the advanced stages of preparing its EIA for Costa Fuego ahead of planned submission in mid-2025. During the quarter, the Company's environmental team completed another winter period environmental baseline study and Company's community engagement team held several meetings with indigenous and non-indigenous stakeholders as part of Hot Chili's formal community engagement programme. The Company has also commenced documentation of over a decade of work undertaken in the Huasco region in support of its planned EIA submission.

Exploration Drilling at Productora - Sterilisation for Mine Infrastructure

During the quarter, Hot Chili's exploration team completed two drill holes for 873m to test a high-sulphidation epithermal (HSE) target identified within the mine development footprint, adjacent to the planned Productora open pit. Drill targeting utilised recently acquired geophysical datasets (MIMDAS) to refine a mineralisation style which had not previously been explored at Productora (Figure 2).

No significant drilling intersections were recorded, with the target now sterilised for planned site infrastructure, allowing the Company to finalise the mine infrastructure layout for the planned PFS and associated EIA.

Alteration zonation identified in drill hole PRD0020 have indicated potential for future HSE targets at depth towards the main Productora mineralisation system. These targets will be reviewed and incorporated into the Company's regional exploration target pipeline.

Regional Exploration Programmes Advancing - Domeyko landholding

An extensive ground magnetics survey comprising of 1,755-line km's (100m spaced, north-south oriented survey lines) was completed in August 2024 at the recently acquired Domeyko landholding (Figure 2), to assist with targeting across this large 18,000-hectare landholding.

In addition, the Company's exploration team continued to complete a major regional soil sampling and surface litho-structural mapping campaign at Domeyko (Figure 3 - 6). Approximately 1,181 soil samples and 76 rock chip samples have been collected across the Domeyko landholding to date, with assays returned for approximately 70% of the soil survey and 80% of rock chip samples collected to date.

Several encouraging results up to 3.5% copper, +10g/t gold and +100g/t silver have been returned from individual rock chip samples collected to date (Table 1). Of the 60 results returned so far, 10 samples recorded copper grade above 1.0%, 8 samples recorded gold grades above 0.5g/t and 4 samples recorded silver grades above 10g/t. Further rock chip results are pending.

Table 1. Domeyko rock chip samples returned in Quarter 3 2024, sorted by Cu%

Sample ID	East	North	RL	Cu %	Au ppm	Ag ppm	Mo ppm
M-48	319294	6791247	960	3.82	4.9	7.3	9
M-59	321708	6788289	972	3.46	0	22.3	1
M-35	318444	6791381	966	2.43	0.9	1.3	14
M-27	317493	6786330	875	2.42	0.3	0.9	6
M-31	319804	6786255	1047	1.72	0.1	8.9	25
M-55	319681	6789121	916	1.62	1.2	15.7	1
M-34	319025	6791473	969	1.4	1.9	1.3	12
M-45	319506	6791565	975	1.32	0	2.2	15
M-60	324159	6789542	1068	1.27	0.1	100	1
M-44	318329	6791572	982	1.25	10	4.8	1
M-57	318953	6790026	861	0.68	1.5	10.3	4
M-02	324378	6785903	1103	0.45	0	0.6	32
M-20	324463	6785778	1124	0.45	0	1.1	17
M-56	319614	6790239	881	0.42	0.2	1.4	3
M-16	324750	6785851	1121	0.41	0	0.1	1
M-13	324448	6785903	1115	0.35	0	1.2	11
M-47	319594	6791054	939	0.34	1.6	7.7	4
M-03	324335	6785889	1104	0.32	0	0.7	3
M-22	324528	6785708	1099	0.3	0	0.7	2
M-23	324688	6785540	1137	0.3	0	0.5	4
M-52	320020	6783421	1075	0.27	0.1	2.8	1
M-12	324178	6785910	1107	0.26	0	1.1	50
M-04	324277	6785844	1100	0.25	0	2.6	2
M-25	324583	6785649	1140	0.24	0	0.4	37
M-51	319273	6784143	996	0.24	0	1.8	0
M-17	324738	6785857	1119	0.17	0	0.2	3
M-01	324396	6785918	1105	0.16	0	2.2	17
M-14	324395	6785812	1116	0.16	0	0.4	23
M-07	324272	6785904	1110	0.15	0	0.2	4
M-09	324193	6785908	1088	0.14	0	0.5	73
M-18							

324458

6785879

0.12

M-30	319754	6786242	1033	0.12	0	1.8	37
M-46	319490	6791618	938	0.12	0.1	1	3
M-19	324480	6785834	1121	0.11	0.2	0.3	10
M-24	324627	6785627	1137	0.11	0	0.4	20
M-49	319190	6791171	948	0.11	0	0.3	3
M-06	324278	6785901	1110	0.1	0	0.9	13
M-21	324329	6785829	1118	0.09	0	0.3	10
M-10	324246	6786002	1137	0.08	1.5	5.4	70
M-05	324252	6785818	1109	0.07	0	0.4	54
M-08	324378	6785787	1124	0.06	0	0.6	12
M-15	324756	6785849	1121	0.06	0	0.5	0
M-39	318079	6790875	924	0.04	0	0.1	3
M-50	316024	6786640	832	0.04	0	0.2	0
M-58	318645	6790067	849	0.04	0	1.1	7
M-26	324478	6785667	1146	0.03	0	0.1	35
M-29	319638	6786195	1016	0.02	0	0.1	1
M-36	318406	6791480	962	0.02	0	0.3	1
M-43	319155	6791499	971	0.02	0	0.6	1
M-11	324147	6785914	1107	0.01	0	0.1	4
M-28	319252	6785709	978	0.01	0	0.2	1
M-32	319427	6786305	1031	0.01	0	0.2	1
M-33	316373	6789867	847	0.01	0	0.1	1
M-37	318363	6791526	965	0.01	0	0.1	0
M-40	318182	6790921	937	0.01	0	0.2	1
M-38	318294	6791487	974	0	0	0.1	1
M-41	318324	6790962	954	0	0	0.2	1
M-42	318366	6790862	936	0	0	0.1	0
M-53	320352	6783143	1168	0	0	0.1	0
M-54	321197	6786075	1041	0	0	0.3	0

The Company is well advanced in its regional exploration assessment of Domeyko ahead of prioritising targets for initial drilling.

Table 2 - Drill Holes Completed for Costa Fuego in Quarter 3 2024

Prospect	Hole ID	North	East	RL	Depth	Azimuth	Dip	Results
Productora Hydro	PROMW06	6827010	326460	597	42	0	-90	NSR
Productora Hydro	PROMW07	6826927	323821	550	36	0	-90	NSR
Productora Hydro	PROMW08	6826921	322951	526	84	0	-90	NSR
Productora Hydro	PROMW09	6830173	325356	616	66	0	-90	NSR
Productora Lithocap	PRD0020	6822550	322430	776	432	250	-60	NSR
Productora Lithocap	PRD0021	6822705	321788	664	440.7	90	-60	1m@ 1.3% Cu from 215m

Note: NSR - no significant intersection recorded. Only minor mineralisation encountered in sterilisation drill hole PRD0021

SUMMARY OF CORPORATE ACTIVITIES

Huasco Water - A Growing Strategic Asset for Hot Chili

Hot Chili announced on 8th July 2024, the establishment of a new subsidiary water company - Huasco Water - and commenced transfer of water assets previously held by Hot Chili's subsidiary Sociedad Minera El Águila SpA (80% Hot Chili, 20% CMP). The launch of Huasco Water (80% Hot Chili, 20% CMP) leverages Hot Chili's first-mover advantage to potentially supply future water demand for communities, agriculture and new mining developments in the Huasco Valley region of Chile.

In August 2024, Huasco Water appointed international engineering firm ILF Group to manage Huasco Water's regional Water Supply Business Case Study, which is well underway and due for completion in H1 2025 at a level of detail and confidence similar to a PFS.

The pre-feasibility level Water Supply Business Case Study is focussed on the initial stages of potential water supply to the Huasco region, being:

1. Establishing sea water supply for Costa Fuego at a minimum scale of 600 Litres per second (l/s) by 2028. Hot Chili is positioned as a potential foundation customer and negotiation for a water off-take agreement is planned to commence in late 2024; and
2. Establishing scalable, desalinated water supply for third parties in the Huasco Valley region at an initial scale of up to 1,300 l/s from 2030 onwards. Potential customers include projects like CMP's Las Colorados as well as other community, industrial and non-mining projects.

Huasco Water controls the only active granted maritime water concession and most of the necessary permits to provide non-continental water supply to the Huasco Valley, following over a decade of permitting advance for Hot Chili's coastal range Costa Fuego copper-gold project.

A conceptual study completed by Hot Chili in February 2024 (see announcement dated 26 February 2024) outlined potential for significant economic, environmental and social benefits for a variety of potential customers in the Huasco Valley, especially given growing community and regulatory opposition to continental water extraction in the Atacama, and the long lead times involved in securing maritime concessions and associated permitting in Chile.

Hot Chili is in discussion with potential water off-takers in the Huasco Valley and is also engaging with potential infrastructure partners in relation to the potential financing and development of Huasco Water's future industrial water infrastructure.

Hot Chili's approach to potentially outsourcing its water infrastructure aims to provide capital cost savings and project finance optionality for the development of Costa Fuego.

Cash Position and Capital Structure Changes

As of 30 September 2024, the Company had cash of A\$25.7 million and no debt.

The operating expenditure for period ended 30 September 2024 included payments for exploration and evaluation of \$4.1M. Included in this amount was \$3m related to the advancement of the Pre-Feasibility Study and the Environmental Impact Assessment. \$1.1M was spent on exploration activities on the Domeyko landholding.

The investing expenditure for period ended 30 September 2024 included payments for tenements of \$1.9M, relating to landholding Option Agreement payments (including US\$1 million Option payment for El Fuego).

The following summarises the Company's securities on issue:

- 151,420,450 ordinary fully paid shares
- 1,850,001 AUD\$2.25 options expiring 30 September 2024
- 1,259,789 options at CAD\$1.85 expiring 31 January 2025
- 1,914,000 options at AUD \$1.50 expiring 24 July 2026
- 5,429,240 service and performance rights.

Additional ASX Disclosure Information

ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3 - Schedule of Mineral Tenements as of 30 September 2024

The schedule of Mineral Tenements and changes in interests is appended at the end of this activities report.

ASX Listing Rule 5.3.4: Reporting under a use of funds statement in a Prospectus does not apply to the Company currently.

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the quarter per Section 6.1 of the Appendix 5B totalled \$163,000. This is comprised of directors' salaries and superannuation of \$163,000

Health, Safety, Environment and Quality

Field operations during the period included geological reconnaissance activities, reverse-circulation drilling, diamond drilling, core-testing and logging, field mapping, and sampling exercises across the major Cortadera and Productora landholdings, as well as new tenements at Domeyko. Activities on new tenements are run from the Productora or Cortadera operations centres and their safety statistics are included under the figures for all projects.

There were no Lost Time Injuries (LTI) during the quarter.

Hot Chili's sustainability framework ensures an emphasis on business processes that target long-term economic, environmental and social value. The Company is dedicated to continual monitoring and improvement of health, safety and the environmental systems. There is no greater importance than ensuring the safety of our people and their families.

Table 2. HSEQ Quarter 3 2024 Performance and Statistics

Deposit	Productora		Cortadera		All Projects	
	Q3 2024	Cum. ²	Q3 2024	Cum. ²	Q3 2024	Cum. ²
LTI events	0	0	0	6	0	8
NLTI events	0	4	0	6	0	11
Days lost	0	0	0	152	19	263
LTIFR index	0	0	0	21	70	19
ISR index	0	0	0	522	1	626
IFR Index	0	48	0	41	0	45
Thousands of man-hours	9.1	83	2.9	291	18.8	420
Incidents on materials and assets	0	1	0	0	0	1
Environmental incidents	0	0	0	0	0	0
Headcount ¹	29	11	14	32	12	51

Notes: HSEQ is the acronym for Health, Safety, Environment and Quality. LTIFR per million-manhours. Safety performance is reported on a monthly basis to the National Mine Safety Authority on a standard E-100 form; (1) Average monthly headcount (2) Cumulative statistics since April 2019.

Tenement Changes During the Quarter

During the quarter, Sociedad Minera La Frontera SpA ("La Frontera") claimed two mining exploration concessions ("CF 10" and "CF 11"), which are in the process of being constituted. Also, some mining right names were standardised with a (-) symbol and six mining rights (Santiago A 1-26; Porfiada XII 1-60; Porfiada A 1-40; Porfiada F 1-50; Cortadera 6 1-60; and Chilis 10 1-38) were reduced in size due to mining right conversion into exploitation leases.

The Company's existing tenements are detailed in the table below.

Table 3. Current Tenement ('Patente') Holdings in Chile as at 30 September 2024

Cortadera Project Tenements

License ID	HCH % Held	HCH % Area Agreement Details Earning (ha)
MAGDALENITA 1/20	100% Frontera SpA	100
ATACAMITA 1/82	100% Frontera SpA	82
AMALIA 942 A 1/6	100% Frontera SpA	53
PAULINA 10 B 1/16	100% Frontera SpA	136
PAULINA 11 B 1/30	100% Frontera SpA	249
PAULINA 12 B 1/30	100% Frontera SpA	294
PAULINA 13 B 1/30	100% Frontera SpA	264
PAULINA 14 B 1/30	100% Frontera SpA	265
PAULINA 15 B 1/30	100% Frontera SpA	200
PAULINA 22 A 1/30	100% Frontera SpA	300
PAULINA 24 1/24	100% Frontera SpA	183
PAULINA 25 A 1/19	100% Frontera SpA	156
PAULINA 26 A 1/30	100% Frontera SpA	294
PAULINA 27A 1/30	100% Frontera SpA	300
CORTADERA 1 1/200	100% Frontera SpA	200
CORTADERA 2 1/200	100% Frontera SpA	200
CORTADERA 41	100% Frontera SpA	1
CORTADERA 42	100% Frontera SpA	1
LAS CANAS 16	100% Frontera SpA	1
LAS CANAS 1/15	100% Frontera SpA	146
CORTADERA 1/40	100% Frontera SpA	374
LAS CANAS ESTE 2003 1/30	100% Frontera SpA	300
CORROTEO 1 1/260	100% Frontera SpA	260
CORROTEO 5 1/261	100% Frontera SpA	261
PURISIMA	100% Frontera SpA	20 1.5% NSR

Note. Frontera SpA is a 100% owned subsidiary company of [Hot Chili Ltd.](#)

Productora Project Tenements

License ID	HCH % Held	HCH % Area Agreement Details Earning (ha)
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 %	0 %	350	25-year Lease Agreement US\$250,000 per year (average for the 25 year term); plus 2% NSR on 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

JULI 25	80% SMEA SpA	300	
JULI 27 1/30	80% SMEA SpA	146	
JULI 27 B 1/10	80% SMEA SpA	48	
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	GSR 1%
JULIETA 1-4	80% SMEA SpA	4	

Note, SMEA SpA is subsidiary company - 80% owned by Hot Chili Limited, 20% owned by CMP (Compañía Minera del Pacífico)

El Fuego Project Tenements

License ID	HCH % Held	HCH % Earning	Area Agreement Details (ha)
Santiago 21 al 36		100% Frontera SpA 76	100% HCH Purchase Option Agreement
Santiago 37 al 43		100% Frontera SpA 26	US\$1,300,000 already paid.
Santiago A, 1 al 26		100% Frontera SpA 244	
Santiago B, 1 al 20		100% Frontera SpA 200	US\$1,000,000 payable September 30th 2020
Santiago C, 1 al 30		100% Frontera SpA 300	US\$2,000,000 payable by September 30th 2020 under El Fuego Option.
Santiago D, 1 al 30		100% Frontera SpA 300	
Santiago E, 1 al 30		100% Frontera SpA 300	(2 additional and conditional payments of US\$1,000,000 each, one, to be paid by December 31, 2030 under the terms of the El Fuego Option detailed at title "Tenement Changes During this quarterly report.)
Prima Uno		100% Frontera SpA 1	
Prima Dos		100% Frontera SpA 2	
Santiago 15 al 19		100% Frontera SpA 25	
San Antonio 1 al 5		100% Frontera SpA 25	
Santiago 1 AL 14 Y 20		100% Frontera SpA 75	
Romero 1 AL 31		100% Frontera SpA 31	
Mercedes 1 al 3		100% Frontera SpA 50	
Kreta 1 al 4		100% Frontera SpA 16	
Mari 1 al 12		100% Frontera SpA 64	
PORFIADA VII 1 al 60		100% Frontera SpA 270	
PORFIADA VIII 1 al 60		100% Frontera SpA 300	
SANTIAGO Z 1/30		100% Frontera SpA 300	
PORFIADA IX 1 al 60		100% Frontera SpA 300	
PORFIADA C 1 al 60		100% Frontera SpA 300	
PORFIADA E 1 al 20		100% Frontera SpA 100	
PORFIADA E 1 al 50		100% Frontera SpA 240	
SAN JUAN SUR 1/5		100% Frontera SpA 10	
SAN JUAN SUR 6/23		100% Frontera SpA 90	
PORFIADA G	100% Frontera SpA		200
CORTADERA 1	100% Frontera SpA		200
CORTADERA 2	100% Frontera SpA		200

CORTADERA 3	100% Frontera SpA	200
CORTADERA 4	100% Frontera SpA	200
CORTADERA 5	100% Frontera SpA	200
CORTADERA 6 1/60	100% Frontera SpA	265
CORTADERA 7, 1-20	100% Frontera SpA	93
SAN ANTONIO 1	100% Frontera SpA	200
SAN ANTONIO 2	100% Frontera SpA	200
SAN ANTONIO 3	100% Frontera SpA	300
SAN ANTONIO 4	100% Frontera SpA	300
SAN ANTONIO 5	100% Frontera SpA	300
DORO 1	100% Frontera SpA	200
DORO 2	100% Frontera SpA	200
DORO 3	100% Frontera SpA	300
PORFIADA I	100% Frontera SpA	300
PORFIADA I	100% Frontera SpA	300
PORFIADA II	100% Frontera SpA	300
PORFIADA III	100% Frontera SpA	300
PORFIADA IV	100% Frontera SpA	300
PORFIADA V	100% Frontera SpA	200
PORFIADA X	100% Frontera SpA	200
PORFIADA VI	100% Frontera SpA	100
PORFIADA B	100% Frontera SpA	200
PORFIADA D	100% Frontera SpA	300
CHILIS 1	100% Frontera SpA	200
CHILIS 3	100% Frontera SpA	100
CHILIS 4	100% Frontera SpA	200
CHILIS 5	100% Frontera SpA	200
CHILIS 6	100% Frontera SpA	200
CHILIS 7	100% Frontera SpA	200
CHILIS 8	100% Frontera SpA	200
CHILIS 9	100% Frontera SpA	300
CHILIS 10 1/ 38		

100% Frontera SpA

CHILIS 11	100% Frontera SpA	200
CHILIS 12 1/60	100% Frontera SpA	300
CHILIS 13	100% Frontera SpA	300
CHILIS 14	100% Frontera SpA	300
CHILIS 15	100% Frontera SpA	300
CHILIS 16	100% Frontera SpA	300
CHILIS 17	100% Frontera SpA	300
CHILIS 18	100% Frontera SpA	300
SOLAR 1	100% Frontera SpA	300
SOLAR 2	100% Frontera SpA	300
SOLAR 3	100% Frontera SpA	300
SOLAR 4	100% Frontera SpA	300
SOLAR 5	100% Frontera SpA	300
SOLAR 6	100% Frontera SpA	300
SOLAR 7	100% Frontera SpA	300
SOLAR 8	100% Frontera SpA	300
SOLAR 9	100% Frontera SpA	300
SOLAR 10	100% Frontera SpA	300
SOLEDAD 1	100% Frontera SpA	300
SOLEDAD 2	100% Frontera SpA	300
SOLEDAD 3	100% Frontera SpA	300
SOLEDAD 4	100% Frontera SpA	300
CF 1	100% Frontera SpA	300
CF 2	100% Frontera SpA	300
CF 3	100% Frontera SpA	300
CF 4	100% Frontera SpA	300
CF 5	100% Frontera SpA	200
CHAPULIN COLORADO 1/3	100% Frontera SpA	3
PEGGY SUE 1/10	100% Frontera SpA	100
DONA FELIPA 1 al 10	100% Frontera SpA	50
ELEANOR RIGBY 1/10	100% Frontera SpA	100
CF 6		

100% Frontera SpA

CF 7	100% Frontera SpA	100	
CF 8	100% Frontera SpA	200	
CF 9	100% Frontera SpA	100	
MARI 1	100% Frontera SpA	300	
MARI 6	100% Frontera SpA	300	
MARI 8	100% Frontera SpA	300	
FALLA MAIPO 2 1/10	100% Frontera SpA	99	
FALLA MAIPO 3 1/8	100% Frontera SpA	72	
FALLA MAIPO 4 1/26	100% Frontera SpA	26	
ARBOLEDA 7 1/25	Option AMSA	100% Frontera SpA 234	100% HCH Purchase Option Agreement
NAVARRO 1 41/60	Option AMSA	100% Frontera SpA 81	US\$1,500,000 to be paid by November 15, 2020
NAVARRO 2 21/37	Option AMSA	100% Frontera SpA 78	
MONICA 21/40	Option AMSA	100% Frontera SpA 85	
MONICA 41/52	Option AMSA	100% Frontera SpA 39	
CORDILLERA 1/5		100% Frontera SpA 20	100% HCH Purchase Option Agreement
QUEBRADA 1/10		100% Frontera SpA 28	US\$100,000 already paid
ALBORADA III 1/35		100% Frontera SpA 162	
ALBORADA IV 1/20		100% Frontera SpA 54	US\$200,000 payable by November 14th 2020
ALBORADA VII 1/25		100% Frontera SpA 95	US\$3,700,000 payable by November 14th 2020
CAT IX 1/30		100% Frontera SpA 150	
CATITA IX 1/20		100% Frontera SpA 100	NSR 1% for underground mining and 1,5% for surface mining
CATITA XII 1/13		100% Frontera SpA 61	
MINA HERREROS III 1/6		100% Frontera SpA 18	
MINA HERREROS IV 1/10		100% Frontera SpA 23	
HERREROS 1/14		100% Frontera SpA 28	
VETA 1/17		100% Frontera SpA 17	
PORSIACA 1/20		100% Frontera SpA 20	

MARSELLESA 1/5	100% Frontera SpA 50	100% HCH Purchase Option Agreement US\$100,000 paid at signature (already satisfied) US\$100,000 payable by November 14th 2027 US\$150,000 payable by November 14th 2027 US\$1,000,000 by November 14, 2027 NSR 1%
COMETA 1 1/60	100% Frontera SpA 300	Option may be exercised, alternatively, within 12 months of the date of grant at the discretion of the holder.
COMETA 2 1/60	100% Frontera SpA 300	● If the Option is exercised within 12 months from the date of grant, the consideration for the Option is US\$2.500.000:
COMETA 3 1/60	100% Frontera SpA 300	
COMETA NORTE 1 B 1/40	100% Frontera SpA 200	a) US\$100,000 already satisfied and
COMETA NORTE 2 B 1/40	100% Frontera SpA 200	
COMETA ESTE 1B	100% Frontera SpA 200	b) US\$ 2.400.000 within 12 months from the date of grant of the Option.
COMETA ESTE 2B	100% Frontera SpA 200	● If the Option is exercised within 18 months from the date of grant, the consideration for the Option is US\$2.700.000 or US\$3.300.000, depending on the date the Option is exercised, as indicated below:
COMETA ESTE 3B	100% Frontera SpA 300	
COMETA ESTE 4B	100% Frontera SpA 300	
COMETA 4B	100% Frontera SpA 200	a) US\$100,000 already satisfied;
COMETA SUR UNO D	100% Frontera SpA 200	b) US\$200,000 within 12 months from the date of grant of the Option.
COMETA SUR DOS D	100% Frontera SpA 200	
COMETA 4A	100% Frontera SpA 300	c) If the Option is exercised, the consideration for the purchase of the Cometa concessions is US\$2,000,000 if the Option is exercised by Hot Chili within 18 months from the date of grant of the Option or US\$3,000,000 if the Option is exercised within 30 months from the date of grant of the Option, subject to applicable regulatory approvals, including approval by the TSX Venture Exchange ("TSXV"), elect to satisfy the consideration in cash (100%), or in cash (50%) and Hot Chili (50%) issued at a price per share equal to the 15-day VWAP at the date of exercise of the Option, at the minimum price permitted by the TSXV.
COMETA 3D	100% Frontera SpA 200	
COMETA IV D	100% Frontera SpA 300	
COMETA V D	100% Frontera SpA 300	
COMETA VI D	100% Frontera SpA 300	
COMETA NORTE 1 D	100% Frontera SpA 200	
COMETA NORTE 2 D	100% Frontera SpA 200	
COMETA NORTE 3 D	100% Frontera SpA 300	
COMETA NORTE 4 D	100% Frontera SpA 200	
COMETA NORTE 5 D	100% Frontera SpA 100	
COMETA OESTE I D	100% Frontera SpA 200	
COMETA OESTE II D		

100% Frontera SpA

ANTONIO 1 1/56	Option Domeyko	100% Frontera SpA 280	100% HCH Purchase Option Agreement
			US\$120,000 (already satisfied)
			US\$100,000 payable by April 19th 2025
			US\$100,000 payable by April 19th 2026
			US\$200,000 payable by April 19th 2027
			US\$3.480,000 payable by April 19th 2028
			NSR 1%
ANTONIO 1/40		100% Frontera SpA 200	
ANTONIO 10 1/21		100% Frontera SpA 63	
ANTONIO 19 1/30		100% Frontera SpA 128	
ANTONIO 21 1/20		100% Frontera SpA 60	
ANTONIO 5 1/40		100% Frontera SpA 200	
ANTONIO 9 1/40		100% Frontera SpA 193	
EMILIO 1 1/8		100% Frontera SpA 38	
EMILIO 3 1/9		100% Frontera SpA 45	
INES 1/40		100% Frontera SpA 200	
LORENA 1/2		100% Frontera SpA 2	
MERCEDITA 1/7		100% Frontera SpA 22	
PRIMO 1 1/6		100% Frontera SpA 36	
SANTIAGUITO 5 1/24		100% Frontera SpA 114	
CAZURRO 1		100% Frontera SpA 200	
CAZURRO 2		100% Frontera SpA 200	
CAZURRO 3		100% Frontera SpA 300	
CAZURRO 4		100% Frontera SpA 300	
CAZURRO 5		100% Frontera SpA 100	
CAZURRO 6		100% Frontera SpA 200	
CAZURRO 7		100% Frontera SpA 200	
CAZURRO 8		100% Frontera SpA 200	
CERRO MOLY 1		100% Frontera SpA 300	

CERRO MOLY 2	100% Frontera SpA	300
CERRO MOLY 3	100% Frontera SpA	300
CERRO MOLY 4	100% Frontera SpA	300
CF SUR 1	100% Frontera SpA	300
CF SUR 2	100% Frontera SpA	300
CF SUR 3	100% Frontera SpA	300
CF SUR 4	100% Frontera SpA	300
CF SUR 5	100% Frontera SpA	200
CF SUR 6	100% Frontera SpA	300
CF SUR 7	100% Frontera SpA	300
CF SUR 8	100% Frontera SpA	300
CF SUR 9	100% Frontera SpA	200
CF SUR 10	100% Frontera SpA	200
CF SUR 11	100% Frontera SpA	300
CF SUR 12	100% Frontera SpA	300
CF SUR 13	100% Frontera SpA	300
CF SUR 14	100% Frontera SpA	300
CF SUR 15	100% Frontera SpA	200
CF SUR 16	100% Frontera SpA	300
CF SUR 17	100% Frontera SpA	300
CF SUR 18	100% Frontera SpA	300
CF SUR 19	100% Frontera SpA	300
CF SUR 20	100% Frontera SpA	300
CF SUR 21	100% Frontera SpA	300
CF SUR 22	100% Frontera SpA	300
CF SUR 23	100% Frontera SpA	200
CF SUR 24	100% Frontera SpA	200
CF SUR 25	100% Frontera SpA	300
CF SUR 26	100% Frontera SpA	300
CF SUR 27	100% Frontera SpA	300
CF SUR 28	100% Frontera SpA	200
CF SUR 29		

100% Frontera SpA

CF SUR 30	100% Frontera SpA	200
CF SUR 31	100% Frontera SpA	300
CF SUR 32	100% Frontera SpA	300
CF SUR 33	100% Frontera SpA	300
CF SUR 34	100% Frontera SpA	300
CF SUR 35	100% Frontera SpA	300
CF 10	100% Frontera SpA	200
CF 11	100% Frontera SpA	200

Note. Frontera SpA is a 100% owned subsidiary company of Hot Chili Limited

Qualifying Statements

Qualified Persons - NI 43-101

The information pertaining to the Mineral Resource Estimates included in this Report has been reviewed and approved by Ms. Elizabeth Haren (FAUSIMM (CP) & MAIG) of Haren Consulting Pty Ltd. All other scientific and technical information in this Report has been reviewed and approved by Mr Christian Easterday, MAIG, Hot Chili's Managing Director and Chief Executive Officer. Each of Ms. Haren and Mr. Easterday are a qualified person within the meaning of NI 43-101.

Competent Persons - JORC

The information in this Report that relates to Mineral Resources for Cortadera, Productora (including Alice) 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 Fellow 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.

The information in this announcement that relates to Exploration Results for the Domeyko project is based upon information 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 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 the report 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 Report.

Cautionary Note for U.S. Investors Concerning Mineral Resources

NI 43-101 is a rule of the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Technical disclosure contained in this report has been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System. These standards differ from the requirements of the U.S. Securities and Exchange Commission ("SEC") and resource information contained in this report may not be comparable to similar information disclosed by domestic United States companies subject to the SEC's reporting and disclosure requirements.

All amounts in this report are in U.S. dollars unless otherwise noted.

Forward Looking Statements

This report contains certain statements that are "forward-looking information" within the meaning of Canadian securities legislation and Australian securities legislation (each, a "forward-looking statement"). Forward-looking statements reflect the Company's current expectations, forecasts, and projections with respect to future events, many of which are beyond the Company's control, and are based on certain assumptions. No assurance can be given that these expectations, forecasts, or projections will prove to be correct, and such forward-looking statements included in this report should not be unduly relied upon. Forward-looking information is by its nature prospective and requires the Company to make certain assumptions and is subject to inherent risks and uncertainties. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "could", "estimate", "expect", "may", "plan", "potential", "project", "should", "toward", "will", "would" and similar expressions are intended to identify forward-looking statements.

The forward-looking statements within this Report are based on information currently available and what management believes are reasonable assumptions. Forward-looking statements speak only as of the date of this report. In addition, this report may contain forward-looking statements attributed to third-party industry sources, the accuracy of which has not been verified by the Company.

In this Report, forward-looking statements relate, among other things, to: prospects, projections and success

of the Company and its projects; the ability of the Company to expand mineral resources beyond current mineral resource estimates; the results of current and planned geophysical programs; the results and impacts of planned drilling to extend mineral resources and to identify new deposits; the Company's ability to convert mineral resources to mineral reserves; the timing and outcomes of current and future planned economic studies including the planned PFS and DFS; the potential to develop a water business in the Huasco valley and the future economics thereof; the timing and results of the Water Supply Business Case Study; whether or not a second maritime water extraction permit will be granted; whether or not water offtake agreements and/or infrastructure partner agreements will be entered into and, if so, on what terms; the timing and outcomes of regulatory processes required to obtain permits for the development and operation of the Costa Fuego Project, including the EIA; whether or not the Company will make a development decision and the timing thereof; and estimates of planned exploration costs and the results thereof.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking statements in this Report, including, but not limited to, the following material factors: operational risks; risks related to the cost estimates of exploration; sovereign risks associated with the Company's operations in Chile; changes in estimates of mineral resources of properties where the Company holds interests; recruiting qualified personnel and retaining key personnel; future financial needs and availability of adequate financing; fluctuations in mineral prices; market volatility; exchange rate fluctuations; ability to exploit successful discoveries; the production at or performance of properties where the Company holds interests; ability to retain title to mining concessions; environmental risks; financial failure or default of joint venture partners, contractors or service providers; competition risks; economic and market conditions; and other risks and uncertainties described elsewhere in this report and elsewhere in the Company's public disclosure record.

Although the forward-looking statements contained in this Report are based upon assumptions which the Company believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this Report, the Company has made assumptions regarding: future commodity prices and demand; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing; and assumptions underlying estimates related to adjusted funds from operations. The Company has included the above summary of assumptions and risks related to forward-looking information provided in this Report to provide investors with a more complete perspective on the Company's future operations, and such information may not be appropriate for other purposes. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom.

For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made herein, please refer to the public disclosure record of the Company, including the Company's most recent Annual Report, which is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile. New factors emerge from time to time, and it is not possible for management to predict all those factors or to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The forward-looking statements contained in this Report are expressly qualified by the foregoing cautionary statements and are made as of the date of this Report. Except as may be required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statement to reflect events or circumstances after the date of this Report or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise. Investors should read this entire report and consult their own professional advisors to ascertain and assess the income tax and legal risks and other aspects of an investment in the Company.

Mineral Resource Statement

Costa Fuego Combined Mineral Resource (Effective Date 26th February 2024)

1 Mineral Resources are reported on a 100% Basis - combining Mineral Resource estimates for the Cortadera, Productora, Alice and San Antonio deposits. All figures are rounded, reported to appropriate significant figures and reported in accordance with the Joint Ore Reserves Committee Code (2012) and NI 43-101. Mineral Resource estimation practices are in accordance with CIM Estimation of Mineral Resource and Mineral Reserve Best Practice Guidelines (November 29, 2019) and reported in accordance CIM Definition Standards for Mineral Resources and Mineral Reserves (May 10, 2014) that are incorporated by reference into NI 43-101.

2 The Productora deposit is 100% owned by Chilean incorporated company Sociedad Minera El Aguila SpA (SMEA). SMEA is a joint venture (JV) company - 80% owned by Sociedad Minera El Corazón SpA (a 100% subsidiary of Hot Chili Limited), and 20% owned by Compañía Minera del Pacífico S.A (CMP).

3 The Cortadera deposit is controlled by a Chilean incorporated company Sociedad Minera La Frontera SpA (Frontera). Frontera is a subsidiary company - 100% owned by Sociedad Minera El Corazón SpA, which is a 100% subsidiary of Hot Chili Limited.

4 The San Antonio deposit is controlled through Frontera (100% owned by Sociedad Minera El Corazón SpA, which is a 100% subsidiary of Hot Chili Limited) and Frontera has an Option Agreement to earn a 100% interest.

5 The Mineral Resource Estimates in the tables above form coherent bodies of mineralisation that are considered amenable to a combination of open pit and underground extraction methods based on the following parameters: Base Case Metal Prices: Copper US\$ 3.00/lb, Gold US\$ 1,700/oz, Molybdenum US\$ 14/lb, and Silver US\$20/oz.

6 All Mineral Resource Estimates were assessed for Reasonable Prospects of Eventual Economic Extraction (RPEEE) using both Open Pit and Block Cave Extraction mining methods at Cortadera and Open Pit mining methods at Productora, Alice and San Antonio.

7 Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. Process recoveries:

Cortadera - Weighted recoveries of 82% Cu, 55% Au, 81% Mo and 36% Ag. $CuEq(\%) = Cu(\%) + 0.55 \times Au(g/t) + 0.00046 \times Mo(ppm) + 0.0043 \times Ag(g/t)$

San Antonio - Weighted recoveries of 85% Cu, 66% Au, 80% Mo and 63% Ag. $CuEq(\%) = Cu(\%) + 0.64 \times Au(g/t) + 0.00044 \times Mo(ppm) + 0.0072 \times Ag(g/t)$

Alice - Weighted recoveries of 81% Cu, 47% Au, 52% Mo and 37% Ag. $CuEq(\%) = Cu(\%) + 0.48 \times Au(g/t) + 0.00030 \times Mo(ppm) + 0.0044 \times Ag(g/t)$

Productora - Weighted recoveries of 84% Cu, 47% Au, 48% Mo and 18% Ag. $CuEq(\%) = Cu(\%) + 0.46 \times Au(g/t) + 0.00026 \times Mo(ppm) + 0.0021 \times Ag(g/t)$

Costa Fuego - Recoveries of 83% Cu, 53% Au, 71% Mo and 26% Ag. $CuEq(\%) = Cu(\%) + 0.53 \times Au(g/t) + 0.00040 \times Mo(ppm) + 0.0030 \times Ag(g/t)$

8 Copper Equivalent (CuEq) grades are calculated based on the formula: $CuEq\% = ((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_recovery) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_recovery) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_recovery) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_recovery)) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu \text{ recovery})$. The base case cut-off grade for Mineral Resources considered amenable to open pit extraction methods at the Cortadera, Productora, Alice and San Antonio deposits is 0.20% CuEq, while the cut-off grade for Mineral Resources considered amenable to underground extraction methods at the Cortadera deposit is 0.27% CuEq. It is the Company's opinion that all the elements included in the CuEq calculation have a reasonable potential to be recovered and sold.

9 Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. These Mineral Resource estimates include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorised as Mineral Reserves. It is reasonably expected that the majority of Inferred mineral resources could be upgraded to Measured or Indicated Mineral Resources with continued exploration.

Appendix 5B

10 The effective date of the estimate of Mineral Resources is February 26th, 2024. Hot Chili confirms it is not aware of any new information or Mining exploration entity for oil and gas exploration entity announcement and all material assumptions and technical parameters quarterly cash flow report estimates in the Resource Announcement continue to apply and have not materially changed.

11 Hot Chili Limited is not aware of political, environmental, or other risks that could materially affect the potential development of the Mineral Resources other than as disclosed in this Report. A detailed list of Costa Fuego Project risks is included in Chapter 25.12 of the Technical Report "Costa Fuego Copper Project - NI 43-101 Technical Report Mineral Resource Estimate Update" dated April 8th, 2024.

Name of entity

Hot Chili Limited

ABN Quarter ended ("current quarter")

91 130 955 725 30 September 2024

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities	-	-
1.1 Receipts from customers		
1.2 Payments for	(4,106)	(4,106)
(a) exploration & evaluation *		
(a) development	-	-
(b) production	-	-
(c) staff costs	(734)	(734)
(d) administration and corporate costs	(1,222)	(1,222)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	209	209
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(5,853)	(5,853)
* Included in this amount was \$3m related to the advancement of the Pre-Feasibility Study and the Environmental Impact Assessment. \$1.1m was spent on exploration activities on the Domeyko landholding.		
2. Cash flows from investing activities	-	-
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	(1,915)	(1,915)
(c) property, plant and equipment	(11)	(11)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

2.2 Proceeds from the disposal of:	-	-
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
2.6 Net cash from / (used in) investing activities	(1,926)	(1,926)
3. Cash flows from financing activities	-	-
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(117)	(117)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(117)	(117)
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	33,742	33,742
5. Reconciliation of cash and cash equivalents Current quarter Previous quarter		
4.2 Net cash from / (used in) operating activities (item 1.9 above) at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	(5,853)	(5,853)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,926)	(1,926)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(117)	(117)
4.5 Effect of movement in exchange rates on cash and cash equivalents	(266)	(266)
4.6 Cash and cash equivalents at end of period	25,580	25,580
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	25,580	33,752

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	163
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

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

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

7.5 Unused financing facilities available at quarter end

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

N/A

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(5,853)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(5,853)
8.4 Cash and cash equivalents at quarter end (item 4.6)	25,580
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	25,580
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.37

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A".

Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

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

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

N/A

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

N/A

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

N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.
Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024

Authorised by: By the Board

(Name of body or officer authorising release - see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee - eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For full JORC disclosures, please refer to ASX announcements found [here](#).

Contact

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