



ASX Announcement

Thursday 19th December 2019

Wide High Grade Copper-Gold Drill Result from Surface at Cortadera

Highlights

- First shallow Reverse Circulation (RC) drill results of the phase 2 drilling programme have confirmed and extended bulk tonnage, high grade copper and gold from surface at the second largest porphyry of the Company's Cortadera copper-gold discovery in Chile

Significant Drill Result for CRP0021

80m grading 0.8% copper & 0.3g/t gold from surface

Including a High Grade Chalcocite Enrichment Zone of:

26m grading 1.7% copper & 0.7g/t gold from 54m depth

(plus additional silver credits)

- A second drill rig (RC) has been underway for the past three weeks, testing several areas of shallow, high grade, potential at Cortadera
- Cortadera is delivering bulk tonnage high grade copper and gold from surface and at depth, providing flexibility for large-scale open pit and underground development options
- Regulatory approval has been received to commence clearing 39 new drill platforms, allowing access to expand deep step-out and shallow drilling activities at Cortadera
- Results from diamond drill hole CRP0029D and a further six RC holes are expected early in the New Year

ASX CODE

HCH

Contact

Mr Christian Easterday
Managing Director

E: admin@hotchili.net.au

www.hotchili.net.au





Hot Chili Limited (ASX code HCH) ("Hot Chili" or "Company") is pleased to announce that new drill results are outlining a second large source of bulk tonnage, high grade copper and gold at the Cortadera porphyry discovery in Chile.

Drilling is continuing to grow the discovery, but importantly is providing strong encouragement for both open pit and underground, high grade, development options.

Over the past three weeks, in parallel with diamond drilling activities, a second drill rig has been testing the extent of shallow chalcocite enrichment zones across three of Cortadera's four porphyry centres discovered to date.

Thirteen shallow Reverse Circulation (RC) drill holes (average depth of 130m) have been completed so far, with results returned for seven holes and results pending for six holes.

Results returned from RC drilling across Cuerpo 2 (the second largest porphyry at Cortadera) have confirmed and extended a bulk tonnage zone of high grade copper and gold from surface.

The new drill result from CRP0021 remains open along strike to the east and recorded 80m grading 0.8% copper and 0.3g/t gold from surface, including a high grade chalcocite zone of 26m grading 1.7% copper and 0.7g/t gold from a down-hole depth of 54m.

High grade zones related to chalcocite enrichment have been drill confirmed at Cuerpo 1, 2 and 4, from surface and from shallow depth, with drill intersection copper grades ranging between 0.7% - 1.6% and gold grades ranging between 0.3 - 0.7g/t.

Recently received regulatory approval provides access to expand the Company's phase 2 drilling programme. The expanded programme will also include first drill testing of two exciting, large growth targets identified close to the Cortadera discovery window: Cuerpo 3 North and Cortadera North.

The Company looks forward to the release of more results from the shallow RC drill programme and expansion diamond drill programme early in the New Year.

Hot Chili is well positioned to capitalise on the numerous world-class drill results that have established Cortadera as one the stand-out global copper-gold discoveries of 2019.

Drilling activities are set to accelerate in 2020 toward a first resource estimate and the Directors look forward to advancing various future funding discussions with several large domestic and international groups.



Hot Chili Limited

ACN 130 955 725

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

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009**F:** +61 8 9315 5004**www.hotchili.net.au****For more information please contact:****Christian Easterday**
Managing DirectorTel: +61 8 9315 9009
Email: christian@hotchili.net.auor visit Hot Chili's website at www.hotchili.net.au**Table 1 New Significant DD Drill Results at Cortadera**

| Hole_ID | Coordinates | | | Azim | Dip | Hole Depth | Intersection | | Interval (m) | Copper (% Cu) | Gold (g/t Au) | Silver (ppm Ag) | Molybdenum (ppm Mo) |
|---------|------------------|--------|-----|------|-----|------------|--------------|----|--------------|---------------|---------------|-----------------|---------------------|
| | North | East | RL | | | | From | To | | | | | |
| CRP0021 | 6814266 | 335790 | 989 | -70 | 220 | 120.0 | 0 | 80 | 80 | 0.8 | 0.3 | 3.8 | 1 |
| | <i>including</i> | | | | | | 54 | 80 | 26 | 1.7 | 0.7 | 2.6 | 3 |



Hot Chili Limited

ACN 130 955 725

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

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009

F: +61 8 9315 5004

www.hotchili.net.au

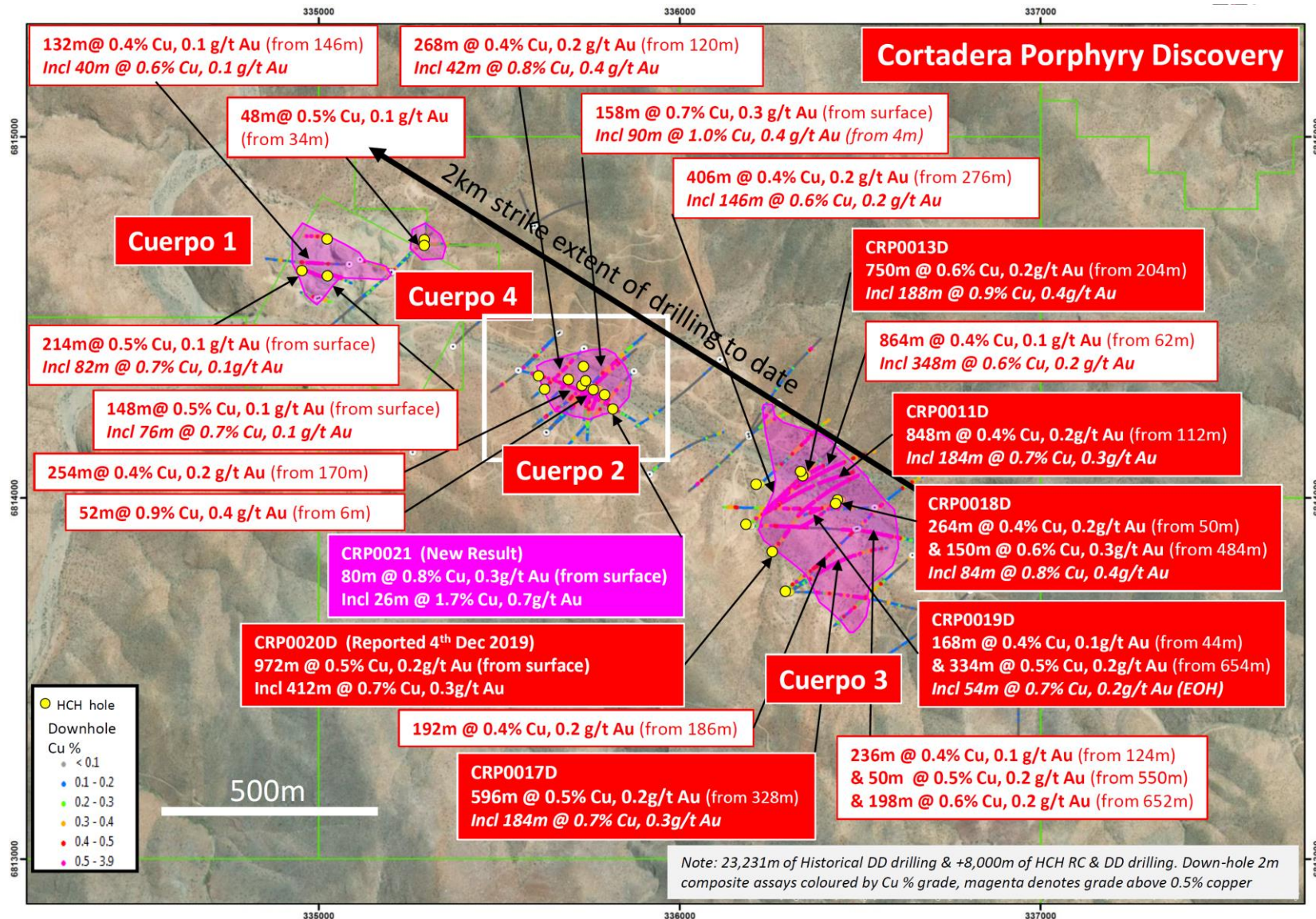


Figure 1 Plan view across the Cortadera discovery area displaying significant historical copper-gold DD intersections across Cuerpo 1, 2,3 and 4 tonalitic porphyry intrusive centres. Note the location of the inset plan area for Cuerpo 2 associated with the following figures. The new HCH drilling intersection recorded in CRP0021 (magenta) and previously reported HCH drill intersections (Red) CRP0020D, CRP0019D, CRP0018D, CRP0017D, CRP0011D and CRP0013D are annotated.

Hot Chili Limited

ACN 130 955 725

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

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009

F: +61 8 9315 5004

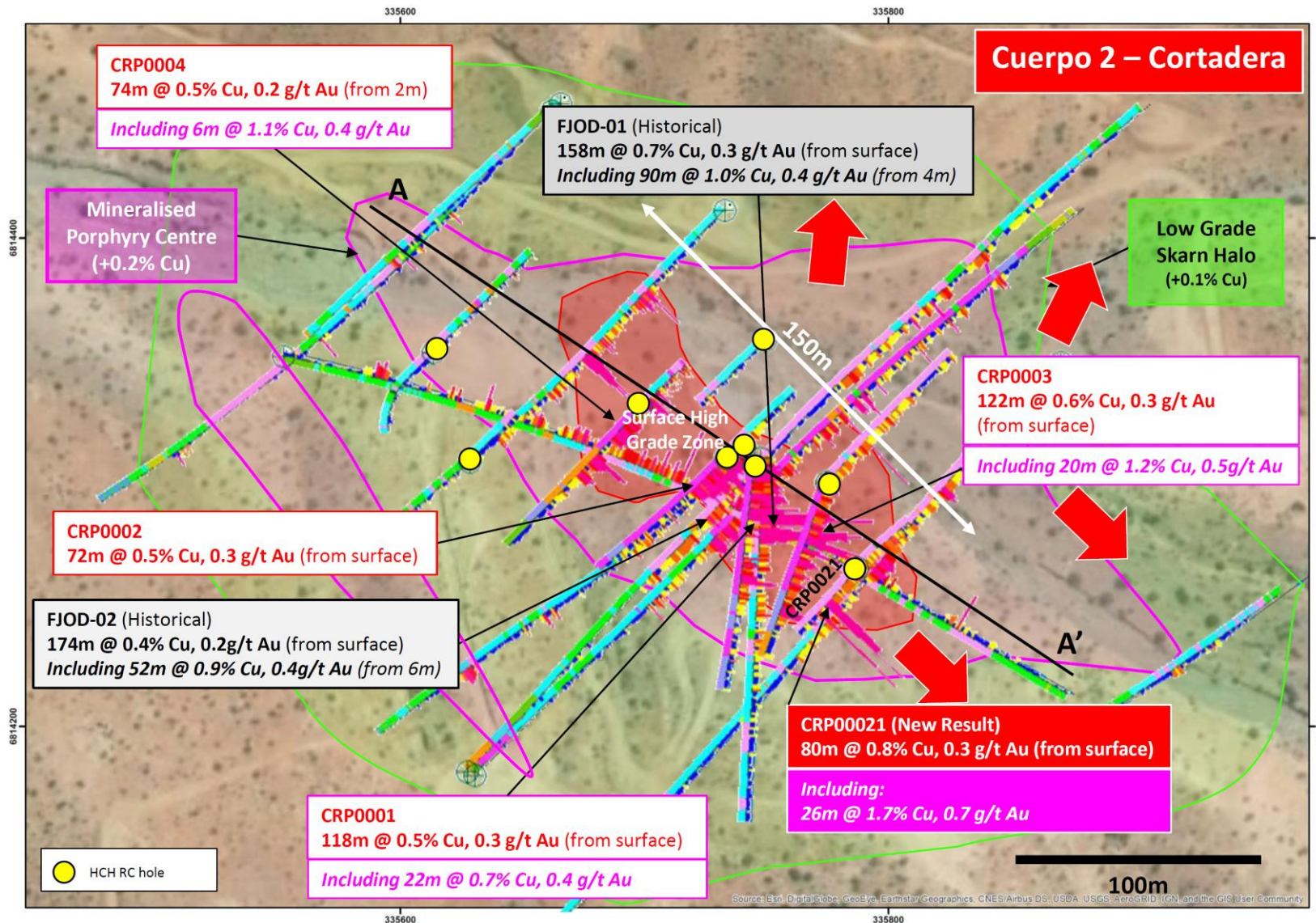
www.hotchili.net.au

Figure 2 Plan view of Cuerpo 2 - the second largest porphyry of the four porphyry centres discovered to date at Cortadera. The plan displays the location and basic geology of the mineralised tonalitic host porphyry in relation to the location of the significant new result released for CRP0021. Note the growing extent of the surface high grade zone (solid red isosurface) and porphyry contact

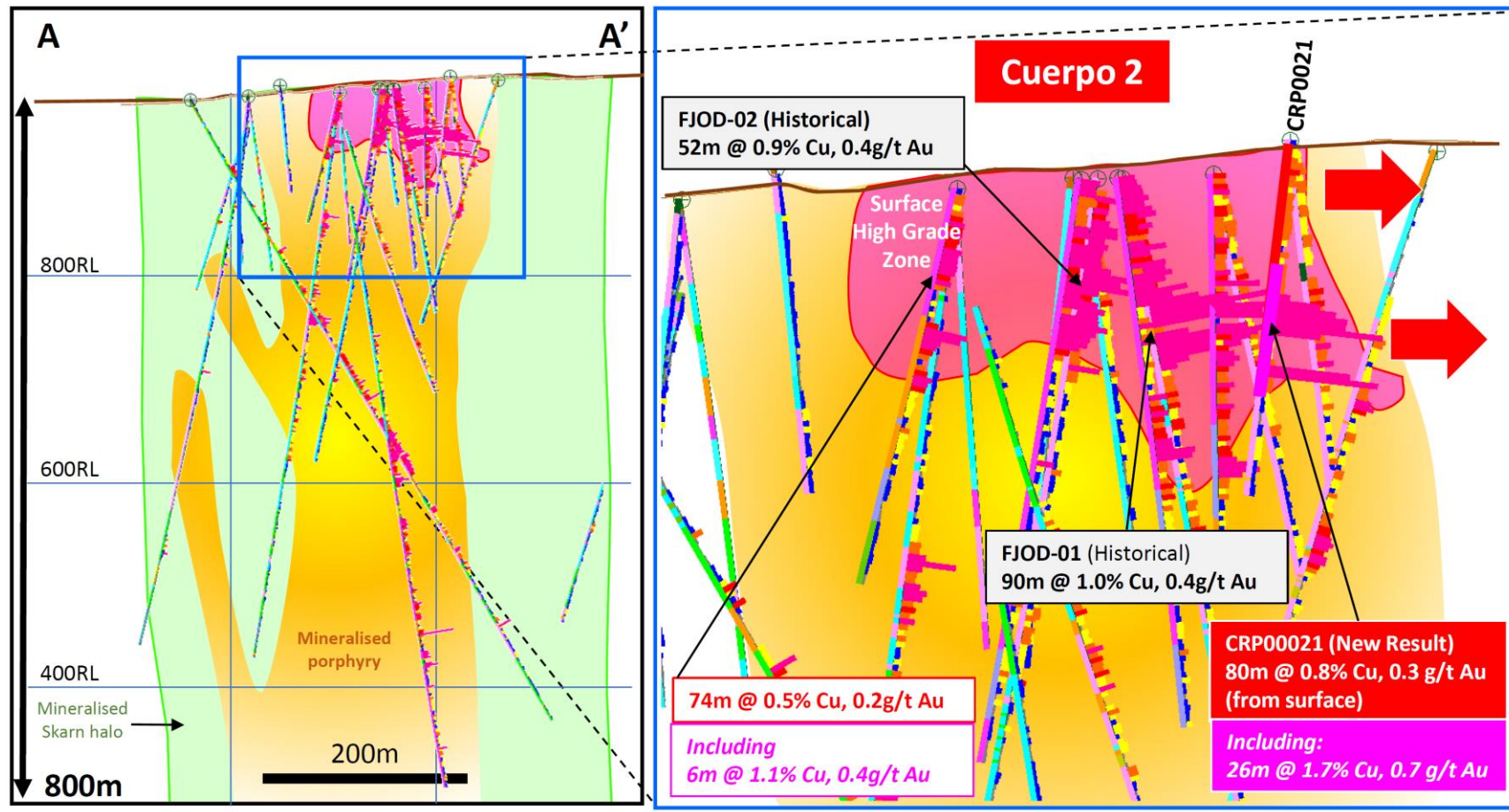


Figure 3 Long Section A-A' displaying selected historical and new DD and RC drill results and an interpretation of Cuerpo 2 - the second largest host tonalitic porphyry intrusion at Cortadera. Note the location hole CRP0021 which has recorded a wide new drilling intersections from surface that remains open to the east.

About Cortadera

Cortadera is a privately-owned, major copper-gold porphyry discovery located along the Chilean coastal range, where historical world-class discovery drill results have only recently been publicly released by Hot Chili in February 2019.

Importantly, Cortadera lies 14km from the Company's large-scale Productora copper development and adjacent to the high grade El Fuego satellite copper projects, as displayed in Figure 5 below.

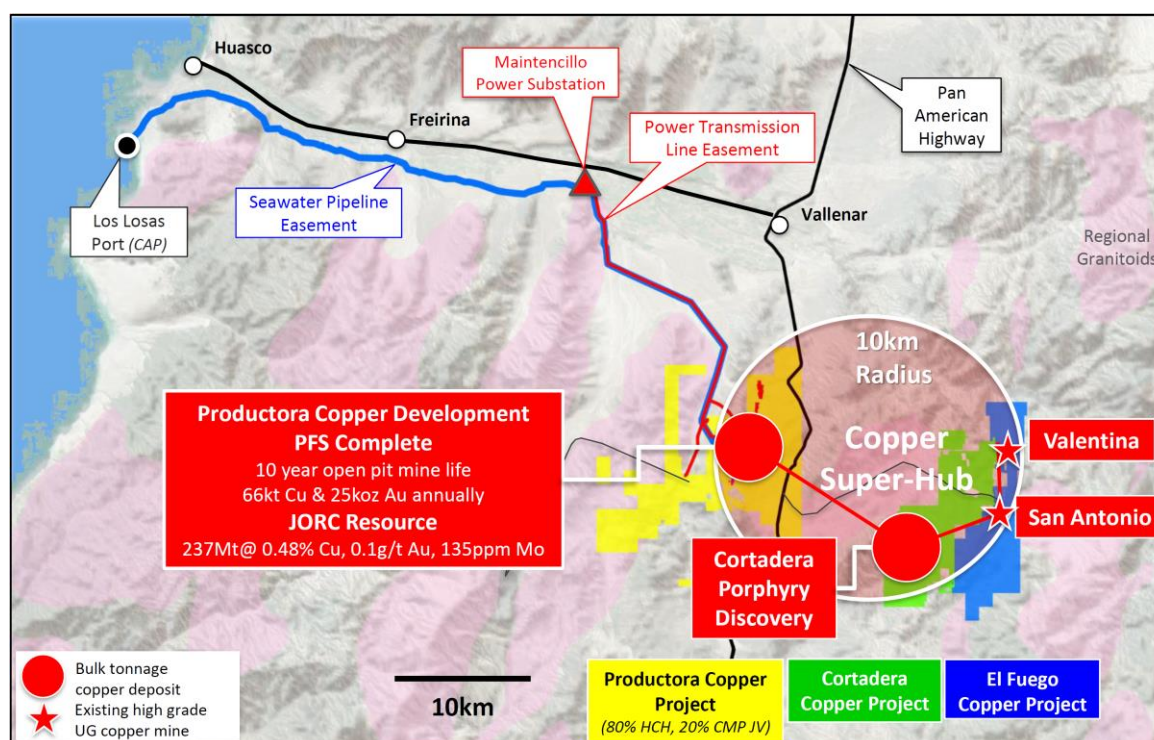


Figure 7 Location of Productora and the Cortadera discovery in relation to the consolidation of new growth projects and coastal range infrastructure

On 22 February 2019, Hot Chili announced the execution of a formal Option Agreement to acquire a 100% interest in Cortadera. In early April, the Company commenced a confirmation drilling programme comprising 17 holes.

The drilling has confirmed and extended areas of surface enrichment and wide, higher-grade, copper-gold sulphide mineralisation at depth, which had not previously been closed off by 23,000m of historical diamond drilling.

Hot Chili's recent two drill holes at Cuerpo 3 (the largest of the four porphyries discovered to date) include two of the best intercepts to date at the project and rate as some of the worlds' stand-out copper-gold porphyry drill results ever recorded globally. The Cuerpo 3 porphyry remains open to the north, south and at depth.

During 2019, Hot Chili have delivered four of the world's best copper-gold drill results recorded since January 2018. These are summarised in table 2 below:





**Table 2 SNL List of Best 24 Cu-Au Drill Intercepts Since January 2018
(Ordered by Width of Drill Intersection)**

| Project Name | Company | Country | Hole ID | From (m) | To (m) | Interval (m) | Cu (%) | Au% |
|------------------|------------------------------------|--------------|------------------|----------------|------------|--------------|------------|------------|
| Altar | Aldebaran Resources Inc | Argentina | ALD-18-209 | 482 | 1,537 | 1,055 | 0.5 | 0.2 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-067 | 886 | 1,914 | 1,028 | 0.7 | 0.9 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-043 | 600 | 1,574 | 974 | 0.5 | 0.4 |
| Cortadera | Hot Chili Limited | Chile | CRP0020D | surface | 972 | 972 | 0.5 | 0.2 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-041-D1-D2 | 926 | 1,779 | 853 | 0.5 | 0.6 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-069 | 740 | 1,592 | 852 | 0.8 | 0.6 |
| Timok | Zijin Mining Group Company Limited | Serbia | TC170187 | 1,354 | 2,202 | 848 | 0.8 | 0.2 |
| Cortadera | Hot Chili Limited | Chile | CRP0011D | 112 | 960 | 848 | 0.4 | 0.2 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-042 | 278 | 1,124 | 846 | 0.7 | 0.5 |
| Cascabel | SolGold Plc | Ecuador | 33-D1 | 736 | 1,560 | 824 | 0.5 | 0.4 |
| AntaKori | Regulus Resources Inc | Peru | AK-19-034 | 165 | 985 | 820 | 0.5 | 0.2 |
| Winu | Rio Tinto | Australia | WINU0006 | 46 | 809 | 763 | 0.4 | 0.7 |
| Cortadera | Hot Chili Limited | Chile | CRP0013D | 204 | 954 | 750 | 0.6 | 0.2 |
| Winu | Rio Tinto | Australia | WINU0006 | 68 | 809 | 741 | 0.5 | 0.5 |
| AntaKori | Regulus Resources Inc | Peru | AK-18-014 | 5 | 719 | 714 | 0.7 | 0.4 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-068 | 1,004 | 1,668 | 664 | 0.9 | 1.0 |
| AntaKori | Regulus Resources Inc | Peru | AK-18-021 | 127 | 746 | 619 | 0.7 | 0.4 |
| AntaKori | Regulus Resources Inc | Peru | AK-19-031 | 4 | 614 | 610 | 0.8 | 1.0 |
| Cortadera | Hot Chili Limited | Chile | CRP0017D | 328 | 924 | 596 | 0.5 | 0.2 |
| Timok | Zijin Mining Group Company Limited | Serbia | TC170177 | 1,310 | 1,867 | 557 | 1.0 | 0.2 |
| Kwanika | Kwanika Copper Corporation | Canada | K-180 | 33 | 547 | 514 | 0.6 | 0.8 |
| Cascabel | SolGold Plc | Ecuador | CSD-18-042 | 620 | 1,124 | 504 | 0.9 | 0.6 |
| Kwanika | Kwanika Copper Corporation | Canada | K-182 | 25 | 525 | 500 | 0.7 | 0.8 |
| AntaKori | Regulus Resources Inc | Peru | AK-18-026 | 641 | 1,114 | 473 | 1.2 | 0.2 |

Source- Regulus Resources (TSXV. REG) November 2019 Corporate Presentation (slide 10) as per SNL financial, SNL search criteria include: >450 m interval, primarily copper interval & reported after Jan 1, 2018. Only longest reported interval considered. Results ordered by down-hole width of drill intersection and addition of CRP0020D result.

Cortadera is shaping up as a globally significant standalone copper-gold project which can utilise the Productora project resources, and leverage from a central processing and combined infrastructure approach along the coastline of Chile.

The Company's recent discovery and addition of a higher grade bulk tonnage underground development opportunity at Cortadera places Hot Chili in a unique position amongst potential large-scale global copper-gold developments.



Qualifying Statements

Competent Person's Statement- Exploration Results

Exploration information in this Announcement is based upon work compiled by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person's Statement- Mineral Resources

The information in this Announcement that relates to the Productora Project Mineral Resources, is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is employed by AMC Consultants (AMC), and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012).

Competent Person's Statement- Ore Reserves

The information in this Announcement that relates to Productora Project Ore Reserves, is based on information compiled by Mr Carlos Guzmán, Mr Boris Caro, Mr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA (NCL). Mr Caro is a former employee of Hot Chili Ltd, now working in a consulting capacity for the Company, and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Member of the Chilean Mining Commission. Mr Lorenzen is employed by Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr King is employed by AMEC Foster Wheeler (AMEC FW) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). NCL, Mintrex and AMEC FW have been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Ore Reserve estimate. Mr. Guzmán, Mr Caro, Mr Lorenzen and Mr King have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Forward Looking Statements

This Announcement is provided on the basis that neither the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Announcement and nothing contained in the Announcement is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Announcement contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties and may differ materially from results ultimately achieved.

The Announcement contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements including estimates of Mineral Resources. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of the Announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the Announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Announcement nor any information contained in the Announcement or subsequently communicated to any person in connection with the Announcement is, or should be taken as, constituting the giving of investment advice to any person.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---------------------|---|--|
| Sampling techniques | <ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> | <p>This announcement updates activities at Hot Chili Limited’s (“Hot Chili” or the “Company”) Cortadera Project. This includes assay results from the current drilling programme being undertaken at the Cortadera copper-gold porphyry discovery.</p> <p>Reverse circulation drilling (RC) was used to produce a 1m bulk sample and representative 2m cone split samples (nominally a 12.5% split) were collected using a cone splitter.</p> <p>Geological logging was completed, and mineralised sample intervals were determined by the geologists to be submitted as 2m samples for RC drilling. In RC intervals assessed as unmineralised, 4m composite (scoop) samples were collected for laboratory for analysis. If these 4m composite samples return results with anomalous grade the corresponding original 2m split samples are then routinely submitted to the laboratory for analysis.</p> <p>The samples were crushed and split at the laboratory, with up to 3kg pulverised, with a 50g samples analysed by Industry standard methods.</p> <p>The sampling techniques used are deemed appropriate for exploration and resource development purposes for this type of mineralisation.</p> <p>The data compiled for historical drilling at the Cortadera project has been collated from SCM Carola documents.</p> <p>Historical drilling at the Cortadera project is diamond core (DD). There have been 29 diamond holes drilled for a total of 19,268m. A further 10 diamond holes for a further 3,963m has been completed along-strike at Purisima..</p> <p>Historical and Hot Chili diamond sampling was predominantly HQ3 (61.24mm) half core. 99% of the sample data is comprised of 2m composited samples (which were taken at every 2m interval).</p> <p>These results comprise 30g fire assay for gold, and for copper, either 4-acid or 3-acid digest followed by either an ICP-MS, ICP-AAS or HF-ICP-AES.</p> <p>Hot Chili Limited (“the Company”) has verified as much as possible the location, orientation, splitting and sampling methods, analytical techniques, and assay values. The Company has not</p> |

| Criteria | JORC Code explanation | Commentary |
|------------------------------|---|---|
| | | completed a comprehensive review of the SCM Carola QA/QC data but notes that a substantial amount of QAQC data is available for review and the Company has undertaken a high level initial review of the SCM Carola QA/QC data. |
| <i>Drilling techniques</i> | <ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> | <p>Hot Chili's Reverse Circulation drilling used 140 to 130mm diameter drill bits. RC drilling employed face sampling hammers ensuring contamination during sample extraction is minimised.</p> <p>Historical and Hot Chili diamond drilling used HQ bits (HQ; 96mm external, 61.24mm internal).</p> |
| <i>Drill sample recovery</i> | <ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> | <p>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.</p> <p>All DD drilling undertaken utilised HQ core with sampling undertaken via half core cutting and 2m sample intervals, aligned with historical DD sampling and drilling techniques.</p> <p>Logging of all samples followed established company procedures which included recording of qualitative fields to allow discernment of sample reliability. This included (but was not limited to) recording: sample condition, sample recovery, sample method.</p> <p>The initial drilling programme is now complete and a final assessment of sample recovery and condition is planned to be undertaken. The majority of drilling has had no material recovery issues.</p> <p>No quantitative analysis of samples weights, sample condition or recovery has been undertaken.</p> <p>Twinned drilling analysis has been undertaken at the project to compare RC versus historical HQ diamond drilling. No significant variance has been identified.</p> <p>Historical diamond drilling recovery has not been quantitatively assessed. A preliminary inspection of core photography was undertaken, and no material issues were noted.</p> <p>Methods taken to maximise historical sample recovery, quality, condition are not known.</p> <p>No analysis of historical samples weights, sample condition or recovery has been undertaken.</p> |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| Logging | <ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> | <p>Geological logging of samples followed established company and industry common procedures. Qualitative logging of samples included (but was not limited to) lithology, mineralogy, alteration and weathering.</p> <p>Every metre (100%) of HCH drilling was geologically logged.</p> <p>The total length of the relevant mineralised interval(s) is provided in the main body of the report.</p> <p>Geological logs have been provided as part of third-party historical data, these have been reviewed and are deemed to be of an appropriate standard. All geological logs are fully available and Hot Chili has also completed verification and re-logging programme of historical diamond drill core where required</p> |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | <p>Splitting of RC samples occurred via cone splitter by the RC drill rig operators. Cone splitting of RC drill samples occurred regardless of the sample condition.</p> <p>RC drilling sample weights range from 0.3kg to 7.0kg, but typically between 2-4kg, and generally averaging around 3.2kg.</p> <p>Half core 2m sample intervals have been utilised for Hot Chili's HQ diamond core, in-line with previous historical diamond core sampling</p> <p>All samples were submitted to ALS Coquimbo (Chile) for multi-element analysis. The sample preparation included:</p> <p>Samples were then split via rotatory splitter to achieve ~1kg split,</p> <ul style="list-style-type: none"> – This split was then pulverised such that a minimum of 85% passes 75um and 150g was used for analytical pulp (ICP-AES), also 30g was used for fire assay fusion (gold). – 150g pulps derived from sample preparation (outlines in the previous sections) were used for multi-element 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-OG62, which is a 4-acid digestion, followed by AES measurement to 0.001%Cu – Samples determined to be either oxide or transitional in weathering were also analysed using a copper soluble method Cu-AA05 |

| Criteria | JORC Code explanation | Commentary |
|--|---|--|
| | | <ul style="list-style-type: none"> – Pulp samples were subsequently analysed for gold by ALS method Au-ICP21; a 30g lead-collection Fire Assay, followed by ICP-OES to a detection limit of 0.001ppm Au. <p>Sample collection, size and analytical methods are deemed appropriate for the style of exploration.</p> <p>Historical Half diamond core was sampled. All samples were submitted to either ACTLABS (Chile), ACME Labs (now Bureau Veritas, Chile), ALS Global (Chile) or Andes Analytical Assay (Chile).</p> <p>Hot Chili Limited has verified the historical sampling methods, analytical techniques, and assay values. The Company has undertaken a high-level initial review of the SCM Carola QA/QC data.</p> <p>The lab specific methods used at the time of historical drilling are yet to be confirmed, and will be verified as part of the Company's due diligence.</p> <p>Sample length collection methods of historical diamond sampling are considered acceptable for the exploration of these styles of mineralisation.</p> |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i> | <p>All Hot Chili samples were assayed by industry standard methods through commercial laboratories in Chile (ALS Coquimbo). Typical analysis methods are detailed in the previous section and are consider 'near total' values.</p> <p>Hot Chili undertakes several steps to ensure quality of sampling. These include, but are not limited to, the use of duplicates, certified reference material and blank media:</p> <ul style="list-style-type: none"> – Routine 'standard' (mineralised pulp) Certified Reference Material (CRM) was inserted at a nominal rate of 1 in 50 samples. – Routine 'blank' material (mineralised quartz) was inserted at a nominal rate of 1 in 100 samples at the logging geologist's discretion. – Routine field duplicates for RC samples were submitted at a rate of 1 in 50 samples. – The drilling programme is still underway, and while the full analysis of quality parameters has yet to be undertaken, no significant issues have been noted. <p>No umpire checks were undertaken by Hot Chili during this period. The analytical laboratories provided their own routine quality controls within their own practices. No significant issues have been noted.</p> <p>All historical Cortadera samples were assayed by industry standard methods through commercial laboratories in Chile (ACTLABS, ALS Global, or Andes Analytical Assay).</p> |

| Criteria | JORC Code explanation | Commentary |
|---------------------------------------|---|---|
| | | <p>Typical analysis methods used for historical samples included;</p> <ul style="list-style-type: none"> For copper and multi-element; either 4-acid or 3-acid digest followed by either an ICP-MS, ICP-AAS, or a HF digest with ICP-AES. E.g. ACTLAB method 3ACID-AAS, ALS method Cu-AA61, Andes Analytical Assay method (4A-AAS1E01 or ICP_AES_HH22). Gold grades were analysed for Fire Analysis (30g charge). E.g. ACTLABS method FA-AAS, ALS method Au-AA23, Andes Analytical Assay method AEF_AAS1EE9. <p>No formal assessment of SCM Carola standards, duplicates or umpire testing has been undertaken. Although a high level assessment of all assays which includes approximately 10% QAQC samples has been undertaken.</p> <p>No assessment of laboratories standards and practices has been undertaken for historical drilling.</p> |
| Verification of sampling and assaying | <ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> | <p>The SCM Carola documents indicate that there has been some previous umpire sample test work. Hot Chili has not quantitatively reviewed this data.</p> <p>Hot Chili has commenced a programme of quarter core sampling across selected intervals of historical half diamond core</p> <p>Twinned drilling at the Cortadera project has commenced to compare RC to previous HQ diamond drilling. One twin drill hole is expected to be completed at each of the three porphyry bodies defined (Purisima, Cuerpo 2 and Cuerpo 3)</p> <p>All retained core and pulp samples are stored in a secured site and are available for verification if required.</p> |
| Location of data points | <ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> | <p>RC drill collars were set out using a hand held GPS and final collars were collected using a handheld GPS. The WGS84 UTM zone 19S coordinate system was used for all undertakings.</p> <p>Downhole surveys for RC drilling by Hot Chili were completed by the drilling contractor using a north-seeking gyroscope. Holes without downhole survey use planned or compass bearing/dip measurements for survey control.</p> <p>Drill collar survey methods undertaken by SCM Carola are yet to be verified, however all collars were located by Hot Chili and have been surveyed using a DGPS.</p> <p>Downhole surveys were completed on some of the Cortadera drilling. Holes without downhole survey use planned or compass bearing/dip measurements for survey control.</p> |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| <i>Data spacing and distribution</i> | <ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> | <p>The PSAD56 zone 19S coordinate system was used for all Cortadera undertakings</p> <p>The spacing and location of the majority of the historical diamond drilling at the Cortadera project is variable and ranges from approximately 80m to 300m. Sampling has been undertaken at 2m intervals.</p> <p>The spacing and location of data is currently only being considered for exploration purposes with additional RC and diamond drilling being undertaken by Hot Chili to establish a Mineral Resource.</p> |
| <i>Orientation of data in relation to geological structure</i> | <ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> | <p>Historical drilling completed and current drilling being completed at Cortadera is nominally perpendicular to mineralisation where practical and where known. The relationship of mineralisation widths to the intercepts of drilling undertaken by other previous companies is unknown and yet to be assessed, however copper-gold porphyry mineralisation is typically fairly homogenous meaning a limited chance of bias likely to be caused from drilling orientation.</p> <p>A list of the drill holes and orientations is stated in section 2 of this table for all historical diamond drilling and a list of drill holes reported in this announcement is contained within the body of this announcement.</p> <p>Considering the types of mineralisation at the Cortadera projects, the drilling orientations and subsequent sampling is considered to be unbiased in its representation for exploration reporting purposes.</p> |
| <i>Sample security</i> | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <p>Hot Chili has strict chain of custody procedures that are adhered. 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's custody.</p> <p>The measures taken to ensure sample security during historical drilling are unknown. All retained core and pulp samples are currently stored in a secured site and are available for verification if required.</p> |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | None completed. |

Section 2 Reporting of Exploration Results

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

| Criteria | JORC Code explanation | Commentary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|------------------|------------------|----------------|----------------|-------------------|----------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|--------------------------|------------------|-------------------|-------------------|------------------|--------------|--------------|------------------|------------------|-------------|---------|----------|-----------|--------|--------|-----|-----|-------|
| Mineral tenement and land tenure status | <ul style="list-style-type: none">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. | <p>Cortadera Project tenements and details:</p> <table><tr><td>Magdalenita 1/20</td><td>Corroteo 5 1/261</td><td>Las Cañas 1/15</td></tr><tr><td>Atacamita 1/82</td><td>Paulina 27 A 1/30</td><td>Cortadera 1/40</td></tr><tr><td>Paulina 11B 1/30</td><td>Paulina 15 B 1/30</td><td>Paulina 24 A 1/24</td></tr><tr><td>Paulina 10B 1/20</td><td>Paulina 22 A 1/30</td><td>Paulina 25 A 1/20</td></tr><tr><td>Amalia 942 A 1/10</td><td>Cortadera 1 1/200</td><td>Las Cañas Este 2003 1/30</td></tr><tr><td>Paulina 12B 1/30</td><td>Cortadera 2 1/200</td><td>Paulina 26 A 1/30</td></tr><tr><td>Paulina 13B 1/30</td><td>Cortadera 41</td><td>Cortadera 42</td></tr><tr><td>Paulina 14B 1/30</td><td>Corroteo 1 1/280</td><td>Lo Cañas 16</td></tr></table> | Magdalenita 1/20 | Corroteo 5 1/261 | Las Cañas 1/15 | Atacamita 1/82 | Paulina 27 A 1/30 | Cortadera 1/40 | Paulina 11B 1/30 | Paulina 15 B 1/30 | Paulina 24 A 1/24 | Paulina 10B 1/20 | Paulina 22 A 1/30 | Paulina 25 A 1/20 | Amalia 942 A 1/10 | Cortadera 1 1/200 | Las Cañas Este 2003 1/30 | Paulina 12B 1/30 | Cortadera 2 1/200 | Paulina 26 A 1/30 | Paulina 13B 1/30 | Cortadera 41 | Cortadera 42 | Paulina 14B 1/30 | Corroteo 1 1/280 | Lo Cañas 16 | | | | | | | | |
| Magdalenita 1/20 | Corroteo 5 1/261 | Las Cañas 1/15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Atacamita 1/82 | Paulina 27 A 1/30 | Cortadera 1/40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paulina 11B 1/30 | Paulina 15 B 1/30 | Paulina 24 A 1/24 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paulina 10B 1/20 | Paulina 22 A 1/30 | Paulina 25 A 1/20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amalia 942 A 1/10 | Cortadera 1 1/200 | Las Cañas Este 2003 1/30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paulina 12B 1/30 | Cortadera 2 1/200 | Paulina 26 A 1/30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paulina 13B 1/30 | Cortadera 41 | Cortadera 42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Paulina 14B 1/30 | Corroteo 1 1/280 | Lo Cañas 16 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exploration done by other parties | <ul style="list-style-type: none">Acknowledgment and appraisal of exploration by other parties. | <p>Previous exploration at the project included:</p> <ul style="list-style-type: none">Historical surface workings1990's. Mount Isa Mining Company Chile undertook mapping, trench sampling, some geophysical surveying and limited drilling.2001. SCM Carola undertook field surveys including sampling. <p>2011-2012. Minera Fuego undertook surface mapping, drilling and surface sampling</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Geology | <ul style="list-style-type: none">Deposit type, geological setting and style of mineralisation. | <p>The Cu-Au-Mo mineralisation at Cortadera is associated with multiple porphyry intrusions. These porphyries have intruded into the early to mid Cretaceous Totorralillo and Nantoco Formations (variously stratified chemical sediments, volcanoclastics, bioclastics, volcanic breccias, and andesitic volcanic units) along an apparent NW structure. These porphyries appear to exhibit typical Cu-Au porphyry veining networks and associated alteration styles. As typical in porphyry deposits, Cu and Au are strongly related, and higher-grade Cu and Mo are associated with high vein density.</p> <p>Local oxide mineralisation encountered in drilling and observed at surface suggests supergene mineralisation</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Drill hole Information | <ul style="list-style-type: none">A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<ul style="list-style-type: none">easting and northing of the drill hole collarelevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collardip and azimuth of the hole | <p>The coordinates and orientations for all of the historical Cortadera drill holes are provided below:</p> <table><tr><th>hole_id</th><th>easting</th><th>northing</th><th>RL</th><th>Datum</th><th>azimuth</th><th>dip</th><th>hole_depth</th></tr><tr><td>FJOD-01</td><td>335750.0</td><td>6814312.0</td><td>977.2</td><td>PSAD56</td><td>180</td><td>-60</td><td>300.7</td></tr><tr><td>FJOD-02</td><td>335743.3</td><td>6814316.0</td><td>976.9</td><td>PSAD56</td><td>225</td><td>-69</td><td>542.6</td></tr><tr><td>FJOD-03</td><td>335598.1</td><td>6814752.7</td><td>1015.5</td><td>PSAD56</td><td>315</td><td>-70</td><td>323.1</td></tr></table> | hole_id | easting | northing | RL | Datum | azimuth | dip | hole_depth | FJOD-01 | 335750.0 | 6814312.0 | 977.2 | PSAD56 | 180 | -60 | 300.7 | FJOD-02 | 335743.3 | 6814316.0 | 976.9 | PSAD56 | 225 | -69 | 542.6 | FJOD-03 | 335598.1 | 6814752.7 | 1015.5 | PSAD56 | 315 | -70 | 323.1 |
| hole_id | easting | northing | RL | Datum | azimuth | dip | hole_depth | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-01 | 335750.0 | 6814312.0 | 977.2 | PSAD56 | 180 | -60 | 300.7 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-02 | 335743.3 | 6814316.0 | 976.9 | PSAD56 | 225 | -69 | 542.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-03 | 335598.1 | 6814752.7 | 1015.5 | PSAD56 | 315 | -70 | 323.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Criteria | JORC Code explanation | Commentary | | | | | | | |
|--|-----------------------|------------|----------|-----------|--------|--------|-----|-----|--------|
| <ul style="list-style-type: none">○ 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. | | FJOD-04 | 337169.0 | 6814370.0 | 1212.0 | PSAD56 | 350 | -60 | 278.0 |
| | | FJOD-05 | 334476.8 | 6814324.5 | 916.9 | PSAD56 | 350 | -75 | 511.5 |
| | | FJOD-06 | 335629.0 | 6814182.1 | 994.5 | PSAD56 | 46 | -49 | 587.9 |
| | | FJOD-07 | 335873.7 | 6814350.8 | 985.4 | PSAD56 | 225 | -48 | 514.8 |
| | | FJOD-08 | 335735.0 | 6814413.7 | 980.2 | PSAD56 | 224 | -70 | 589.9 |
| | | FJOD-09 | 336539.9 | 6813972.9 | 1034.5 | PSAD56 | 271 | -49 | 630.7 |
| | | FJOD-10 | 335296.7 | 6814717.2 | 961.1 | PSAD56 | 227 | -60 | 536.2 |
| | | FJOD-11 | 335201.2 | 6814625.9 | 959.5 | PSAD56 | 227 | -50 | 451.9 |
| | | FJOD-12 | 335663.7 | 6814454.5 | 983.4 | PSAD56 | 227 | -55 | 248.0 |
| | | FJOD-13 | 336111.3 | 6814383.4 | 1007.4 | PSAD56 | 227 | -60 | 623.4 |
| | | FJOD-14 | 335667.2 | 6814457.7 | 983.5 | PSAD56 | 227 | -55 | 600.0 |
| | | FJOD-15 | 336274.7 | 6814265.6 | 1029.6 | PSAD56 | 227 | -60 | 712.9 |
| | | FJOD-16 | 336440.3 | 6814154.7 | 1043.3 | PSAD56 | 227 | -65 | 710.4 |
| | | FJOD-17 | 336488.7 | 6813913.6 | 1034.9 | PSAD56 | 227 | -65 | 599.3 |
| | | FJOD-18 | 336644.4 | 6813840.6 | 1045.3 | PSAD56 | 227 | -60 | 629.4 |
| | | FJOD-19 | 335591.6 | 6814752.6 | 1015.2 | PSAD56 | 54 | -78 | 1123.4 |
| | | FJOD-20 | 335553.2 | 6814353.5 | 966.2 | PSAD56 | 102 | -60 | 697.9 |
| | | FJOD-21 | 335114.7 | 6814659.9 | 961.0 | PSAD56 | 109 | -74 | 350.3 |
| | | FJOD-22 | 336190.0 | 6814175.5 | 1006.0 | PSAD56 | 30 | -60 | 631.3 |
| | | FJOD-23 | 336191.4 | 6813924.8 | 1027.3 | PSAD56 | 48 | -65 | 1007.0 |
| | | FJOD-24 | 335027.2 | 6814621.1 | 970.4 | PSAD56 | 110 | -75 | 250.8 |
| | | FJOD-25 | 334956.0 | 6814633.1 | 970.6 | PSAD56 | 110 | -75 | 281.4 |
| | | FJOD-26 | 335001.4 | 6814553.8 | 953.4 | PSAD56 | 110 | -70 | 98.7 |
| | | FJOD-27 | 334996.7 | 6814552.3 | 953.4 | PSAD56 | 290 | -75 | 191.6 |
| | | FJOD-28 | 335260.9 | 6814125.9 | 974.6 | PSAD56 | 305 | -70 | 545.7 |
| | | FJOD-29 | 336493.4 | 6813914.7 | 1035.0 | PSAD56 | 45 | -75 | 715.2 |
| | | FJOD-30 | 336192.2 | 6814169.4 | 1006.2 | PSAD56 | 45 | -80 | 713.4 |
| | | FJOD-31 | 336805.8 | 6813742.7 | 1059.9 | PSAD56 | 227 | -60 | 728.1 |
| | | FJOD-32 | 336198.0 | 6813922.3 | 1027.4 | PSAD56 | 90 | -65 | 1085.6 |

| Criteria | JORC Code explanation | Commentary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|---------|----------|-----------|-------|--------|----|-----|-------|---------|----------|-----------|-------|--------|----|-----|-------|---------|----------|-----------|--------|--------|----|-----|-------|---------|----------|-----------|--------|--------|----|-----|--------|---------|----------|-----------|-------|--------|----|-----|--------|---------|----------|-----------|-------|--------|-----|-----|-------|---------|----------|-----------|--------|--------|---|-----|-------|
| | | <table><tr><td>FJOD-33</td><td>335631.8</td><td>6814180.8</td><td>994.4</td><td>PSAD56</td><td>45</td><td>-68</td><td>947.2</td></tr><tr><td>FJOD-34</td><td>335201.1</td><td>6814623.6</td><td>959.6</td><td>PSAD56</td><td>45</td><td>-70</td><td>647.3</td></tr><tr><td>FJOD-35</td><td>335915.0</td><td>6814060.0</td><td>1024.0</td><td>PSAD56</td><td>45</td><td>-70</td><td>845.2</td></tr><tr><td>FJOD-36</td><td>336303.0</td><td>6813740.0</td><td>1058.0</td><td>PSAD56</td><td>90</td><td>-70</td><td>1025.5</td></tr><tr><td>FJOD-37</td><td>335372.0</td><td>6814431.0</td><td>951.0</td><td>PSAD56</td><td>45</td><td>-70</td><td>1000.0</td></tr><tr><td>FJOD-38</td><td>335125.0</td><td>6814675.0</td><td>956.0</td><td>PSAD56</td><td>270</td><td>-60</td><td>446.5</td></tr><tr><td>FJOD-39</td><td>336942.0</td><td>6813225.0</td><td>1150.0</td><td>PSAD56</td><td>0</td><td>-90</td><td>743.5</td></tr></table> <p>All drill holes completed by Hot Chili have been reported in this announcement and previous announcements to the ASX made on 5th June 2019 and 9th May 2019.</p> <p>Any quoted results in the main report body, from historic or previous company drilling or sampling programmes, has been provided for historic and qualitative purposes only.</p> <p>All historic or previous company drilling results not included may be due to; a) uncertainty of result, location or other unreliability, b) yet to be assessed by Hot Chili, c) unmineralised, d) unsampled or unrecorded, or e) not considered material.</p> | FJOD-33 | 335631.8 | 6814180.8 | 994.4 | PSAD56 | 45 | -68 | 947.2 | FJOD-34 | 335201.1 | 6814623.6 | 959.6 | PSAD56 | 45 | -70 | 647.3 | FJOD-35 | 335915.0 | 6814060.0 | 1024.0 | PSAD56 | 45 | -70 | 845.2 | FJOD-36 | 336303.0 | 6813740.0 | 1058.0 | PSAD56 | 90 | -70 | 1025.5 | FJOD-37 | 335372.0 | 6814431.0 | 951.0 | PSAD56 | 45 | -70 | 1000.0 | FJOD-38 | 335125.0 | 6814675.0 | 956.0 | PSAD56 | 270 | -60 | 446.5 | FJOD-39 | 336942.0 | 6813225.0 | 1150.0 | PSAD56 | 0 | -90 | 743.5 |
| FJOD-33 | 335631.8 | 6814180.8 | 994.4 | PSAD56 | 45 | -68 | 947.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-34 | 335201.1 | 6814623.6 | 959.6 | PSAD56 | 45 | -70 | 647.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-35 | 335915.0 | 6814060.0 | 1024.0 | PSAD56 | 45 | -70 | 845.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-36 | 336303.0 | 6813740.0 | 1058.0 | PSAD56 | 90 | -70 | 1025.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-37 | 335372.0 | 6814431.0 | 951.0 | PSAD56 | 45 | -70 | 1000.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-38 | 335125.0 | 6814675.0 | 956.0 | PSAD56 | 270 | -60 | 446.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| FJOD-39 | 336942.0 | 6813225.0 | 1150.0 | PSAD56 | 0 | -90 | 743.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Data aggregation methods | <ul style="list-style-type: none"><i>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.</i><i>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.</i><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | <p>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.</p> <p>No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections.</p> <p>No metal equivalent values have been reported.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Relationship between mineralisation widths and | <ul style="list-style-type: none"><i>These relationships are particularly important in the reporting of Exploration Results.</i><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> | <p>Drilling at the Cortadera project was nominally perpendicular to mineralisation, where known and practical.</p> <p>The relationship of mineralisation widths to the intercepts of drilling undertaken by other previous companies is unknown and is currently being assessed.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| <i>intercept lengths</i> | <ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | |
| <i>Diagrams</i> | <ul style="list-style-type: none"> 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 announcement. A plan view of reported significant intersection drill holes are included. |
| <i>Balanced reporting</i> | <ul style="list-style-type: none"> 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. | <p>It is not practical to report all exploration results as such unmineralised intervals. Low or non-material grades have not been reported, however a full list of drill hole coordinate and orientation details is stated above.</p> <p>All drill hole locations are reported and a table of significant intervals is provided in the announcement.</p> |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none"> 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. | Available data from historic or previous exploration parties includes some surface mapping, surface geochemical surveys and geophysical surveys (Ground magnetics, airborne magnetics and Induced Polarisation surveys). Where possible, historic exploration data has been supported by selected sampling and geological mapping undertaken by Hot Chili. |
| <i>Further work</i> | <ul style="list-style-type: none"> 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. | Potential work across the Cortadera project may include further verification drilling, sampling, assaying and QA/QC. Other further work may also include mapping, surface sampling, ground or airborne geophysics as well as in-fill or exploratory drilling. |