hot chili limited

A NEW COPPER SUPPLIER IS COMING

ANNUAL REPORT 2023

Productora
Project

hot chili limited

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Costa Fuego
Copper Super-Hub

El Fuego
Project
(**Valentina**)

El Fuego
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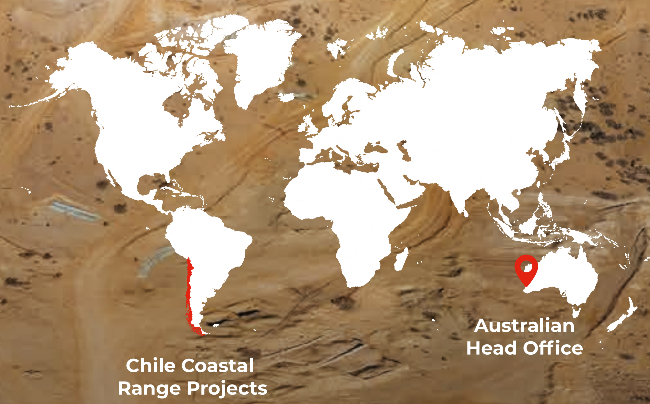
Cortadera
Project
Significant copper-gold porphyry discovery



2023 Key Highlights

OPERATIONAL

Preliminary Economic Assessment (PEA)[1] Released for Costa Fuego Copper-Gold Project

Strong Economics and Leverage

- **Post-tax $NPV_{8\%}$ of US$1.10 B[2]**
- **Pre-tax $NPV_{8\%}$ of US$1.54 B[2]**
- **Low start-up capital intensity, fast payback**
- **16-year mine life for open pit and underground operations**
- **112 ktpa CuEq[2] average production: 95 kt Cu & 49 koz Au for first 14 years**
- **97% of PEA inventory is Indicated Resource**
- **Post-tax NPV8% increases by US$100 M for every U$0.10/lb increase in copper price above US$3.85/lb**

Top 10 Undeveloped Copper Resource

- **Indicated Resource of 725 Mt grading 0.47% CuEq[3] & Inferred Resource of 202 Mt grading 0.36% CuEq[3] containing:**
  - **2.8 Mt Copper (Cu) Indicated and 0.6 Mt Copper Inferred**
  - **2.6 Moz Gold (Au) Indicated, and 0.4 Moz Gold Inferred**
  - **67.4 kt Molybdenum (Mo) Indicated and 13.4 kt Molybdenum Inferred**
  - **10.5 Moz Silver (Ag) Indicated and 2.0 Moz Silver Inferred**
  - **Extremely leveraged to looming structural shortage in copper supply**

[1] The PEA is preliminary in nature and includes 3% of production feed from Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves (NI 43-101) or Ore Reserves (JORC 2012), and there is no certainty that the PEA will be realised. Mineral Resources that are not Mineral Reserves or Ore Reserves do not have demonstrated economic viability. References to "Mineral Reserves" in this report include Ore Reserves (JORC 2012). See page 23 for additional cautionary language.

[2] The copper-equivalent (CuEq) annual production rate was based on the combined processing feed (across all sources) and used long-term commodity prices of: Copper US$ 3.85/lb, Gold US$ 1,750/oz, Molybdenum US$ 17/lb, and Silver US$21/oz; and estimated metallurgical recoveries for the production feed to the following processes: Concentrator (87% Cu, 56% Au, 37% Ag, 58% Mo), Oxide Leach (55% Cu only), & Low-grade Sulphide Leach (40% Cu only).

[3] The resource copper-equivalent (CuEq) considers assumed commodity prices and average metallurgical recoveries for the Mineral Resource from testwork.

CORPORATE

US$15 Million Investment Agreement with Osisko Gold Royalties

The execution of a binding Investment Agreement of US$15 million with Osisko Gold Royalties Limited provided strong endorsement from one of North America's leading royalty-streaming groups. The investment strengthened the Company's cash position to approximately A$26 million and the project is now fully funded for the next 12 to 18 months to deliver the next steps in its growth and development plan.

Key details

- **1% Net Smelter Return (NSR) royalty on copper and 3% NSR royalty on gold**
- **Equivalent to a 1.12% CuEq* NSR royalty across payable metals on Costa Fuego**
- **Strong endorsement and clear "look-through" value**

Mr Stephen Quin joins board as independent non-executive director

The company was pleased to welcome experienced Canadian director Mr Stephen Quin to the board. Mr Quin brings a depth of industry experience from exploration to operations that will be invaluable as the Company advances its Costa Fuego copper hub in Chile.

* CuEq considers assumed commodity prices and average metallurgical recoveries from test work. See qualifying statements page 23.

1 Chairman's Letter

To Our Shareholders,

On behalf of the entire Hot Chili team and my fellow directors, I would like to thank our shareholders and stakeholders for their continued support and am excited to share the key milestones that have shaped Hot Chili's progress over the past year.

Our strategy at Hot Chili is crystal clear: we remain steadfast in our commitment to delivering exceptional value per share for our shareholders within the context of the commodity cycle.

I firmly believe that Hot Chili occupies an enviable position to capitalize on the impending copper supply deficit – an inevitable outcome of the push to electrify everything and a depleted project pipeline. Our flagship Costa Fuego Copper-Gold Project, located in low elevation Chile, stands as a testament to this, boasting quality and size advantages alongside readily accessible infrastructure that can materially shorten development timelines. Copper is unequivocally the most critical of commodities, unparalleled in its electrical and chemical properties, delivering superior conductivity both electrically and thermally. Governments worldwide have finally recognized this fact, with the inclusion of copper in the US Department of Energy's Critical Materials Assessment for 2023—a watershed moment, and follows the lead of Australia, Canada, the EU and many other countries.

The current copper supply situation has reached a perilous juncture:

- Copper inventories are at alarmingly low levels.
- Production and grade profiles are in a state of continuous decline.
- Industry leaders are unwilling to bring new supply online until the world is "screaming" for it.
- Two decades of underinvestment in exploration has yielded few sizeable discoveries.
- Global political and societal support for mining remains underwhelming, further impeding new production.
- Lead times from discovery to production frequently now exceed 20 years.

This impending supply deficit is exacerbated by forecast demand, driven by the global shift towards Net Zero and the related increased copper demand for renewable energy and electric vehicles. Glencore's prediction of a cumulative refined copper deficit of 50.5Mt by 2030 underscores the urgency of bringing on new supply. Mining, by its nature, cannot respond elastically to demand, and supply forecasts indicate that global copper production will start declining from 2025 – going down while demand rises. The only solution to the supply gap is a substantial increase in the copper price that would incentivize new mine development and pressure governments to be more proactively supportive. Companies with substantial development assets and infrastructure advantages, with shorter paths to production, should reap the rewards. Hot Chili is part of this exclusive group.

In 2023, Hot Chili passed significant milestones:

- Successfully completed the Costa Fuego preliminary economic assessment (led by our Chief Operating Officer Grant King), showcasing attractive project economics and significant copper price leverage.
- Attracted Osisko Gold Royalties as a strategic partner with a US$15 million investment, acquiring royalty exposure to all future gold and copper production with zero equity dilution. This includes a buyback option to reduce the royalty in the event of a change of control.
- Welcomed Stephen Quin as an independent director to the Board, bringing invaluable international expertise in the mining industry.
- Secured land access for the Maritime Concession for seawater extraction.
- Established an electrical connection to the grid with the future option for 100% renewable power.
- Expanded the Costa Fuego prospective footprint through property consolidation contiguous with Cortadera.
- Continuously demonstrated Costa Fuego's prospectivity with positive drill results throughout the district (led by our Geology Manager – Chile, Andrea Aravena).

Hot Chili's strategic positioning as a near-term source of copper supply remains underappreciated. Existing and future shareholders will undoubtedly benefit from our unwavering commitment and vision, led by Managing Director Christian Easterday in Australia and supported by Executive Vice President Jose Silva in Chile. One of our most valuable assets, the Maritime Concession, took eight years to secure, in addition to a further two years to secure land access for the Maritime Concession – a testament to its significance as one of the only independently controlled concessions in the country. Water security is a global mining industry risk, impeding the timely development of new copper supply in Chile and worldwide. Hot Chili is in the fortunate position of not only having secured the essential supply of water, but can operate without an expensive desalination plant, and has also secured access to the capacity-limited electrical grid. We believe securing future water supply with the Maritime Concession holds substantial value and are exploring avenues to realize this value as a potential source of future funding. These attributes put Hot Chili in an enviable position compared to its remote, high elevation peer projects.

In closing, I want to express my deep appreciation for the Hot Chili management team, employees, and consultants. Their tireless efforts in creating value per share and systematically de-risking Costa Fuego have benefited all stakeholders. We are only as strong as the people we work with, and Managing Director Christian Easterday has assembled an exceptional team. A special acknowledgment is due to Hot Chili's Resource Development team, led by Resource Development Manager Kirsty Sheerin and including Senior Resource Geologist Chris McKie, Senior Project Geologist Madeline Wallace and Senior Database Administrator Katie Collins. They were awarded first place in the Parker Challenge for their outstanding application and demonstration of professional best practice in a mineral resource estimation out of hundreds of participants worldwide, demonstrating their exceptional capabilities.

I want to reiterate a point I made in my previous Chairman's letter: our industry's biggest challenge is its reputation. Many government regulators and voters fail to recognize that their quality of life is intricately linked to the products of mining. I take immense pride in our industry, but I also believe that our sector's leaders have been remiss in not highlighting the many positives of our industry. I implore those in extractive industries to engage with the public and ensure that our awareness efforts are rooted in fact rather than fleeting emotions.

The times ahead are both challenging and promising, and it is my hope that Hot Chili's continued dedication will not only benefit our shareholders but also contribute to reshaping perceptions about the mining industry as a whole.

Yours sincerely,

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman

2 Review of Operations

Preliminary Economic Assessment (PEA)[1] Released for Costa Fuego Copper-Gold Project

The release of the Costa Fuego PEA is a significant milestone for the Project, which comprises the Cortadera, Productora and San Antonio deposits, and outlines one of the worlds' lowest capital intensity, major copper developments.

The Costa Fuego PEA was prepared by Wood Australia Pty. Ltd. and evaluates a very different project to the Productora Pre-Feasibility Study. It benefits from an expanded resource base, lifting the scale of the Costa Fuego development hub and optimising the infrastructure required to transport the resources to a proposed centralised processing plant at Productora.

Highlights of the Costa Fuego PEA include:

- **Strong Economics:** Costa Fuego PEA delivers using an 8% discount rate and long-term metal price assumptions of US$3.85/lb copper (Cu) and US$1,750/oz gold (Au).
- **Base-case post-tax Net Present Value ($NPV_{8\%}$) of US$1.10 Billion** (approximately, within a range of US$733 Million to US$1.46 Billion) **and Internal Rate of Return (IRR) of 21%** (approximately, within a range of 17% to 25%).
- **Low Start-up Capital:** US$1.05 Billion estimated, resulting in fast 3.5-year payback. Initial phases of open pit mining fully fund development of a bulk underground operation.
- **Low Capital Intensity:** One of the lowest capital intensities of global copper development projects.
- **Approximately 112 ktpa Average CuEq[2] Production Rate:** Including 95 kt Cu and 49 koz Au during primary production (first 14 years) at C1 Cash Cost[4] of US$1.33/lb (estimated, net of by-product credits).
- **Initial Mine Life:** 16-years with 1.41 Mt Cu and 718 koz Au produced for total revenue of approximately US$13.52 Billion and total free cash flow of approximately US$3.28 Billion (post-tax, after operating costs, capital costs, and royalties).

[1] The PEA is preliminary in nature and includes 3% of production feed from Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves (NI 43-101) or Ore Reserves (JORC 2012), and there is no certainty that the PEA will be realised. Mineral Resources that are not Mineral Reserves or Ore Reserves do not have demonstrated economic viability. References to "Mineral Reserves" in this announcement include Ore Reserves (JORC 2012). See page 23-27 for additional cautionary language.

[2] The copper-equivalent (CuEq) annual production rate was based on the combined processing feed (across all sources) and used long-term commodity prices of: Copper US$3.85/lb, Gold US$1,750/oz, Molybdenum US$17/lb, and Silver US$21/oz; and estimated metallurgical recoveries for the production feed to the following processes: Concentrator (87% Cu, 56% Au, 37% Ag, 58% Mo), Oxide Leach (55% Cu only), & Low-grade Sulphide Leach (40% Cu only).

[3] See page 27 for full non-IFRS measures disclaimer.

The strong economics of Costa Fuego are described in Table 1, using financial assumptions of an 8% discount rate and long-term metal price assumptions for the base case of US$3.85/lb copper (Cu) and US$1,750/oz gold (Au).

Table 1. Copper Price Ranges: Lower-, Base-, and Upper-Case Scenarios[5,6]

Project Metric		Units	Copper Price		
			Lower (US$3.50/lb)	**Base (US$3.85/lb)**	Upper (US$4.20/lb)
Pre-Tax	**NPV$_{8\%}$**	US$M	1,046	**1,540**	2,029
	IRR	%	19%	**24%**	29%
Post-Tax	**NPV$_{8\%}$**	US$M	733	**1,100**	1,463
	IRR	%	17%	**21%**	25%
Annual Average Revenue		US$M	779	**845**	911
Annual Average EBITDA		US$M	384	**445**	506
Annual Average Free Cash Flow		US$M	226	**271**	315
Payback period (From First Production)		years	4.25	**3.50**	3.25
Post-Tax NPV$_{8\%}$ /Start-up Capital			0.7	**1.1**	1.4

With the Costa Fuego PEA now complete, the Company has a clear growth and development pathway with a Mineral Resource update planned in Q4 2023, and a Pre-Feasibility Study (PFS) for the Project planned in H2 2024.

[5] Certain terms of measurement used in this Annual Report are not performance measures reported in accordance with International Financial Reporting Standards ("IFRS"). Non-IFRS terms measures used such as "Cash Cost", "All-in Sustaining Costs", "C1", "Expansion Costs", "Free Cashflow" and "All-in costs" are included because these statistics are measures that management uses internally to evaluate performance, to assess how the Project ranks against its peer projects and to assess the overall effectiveness and efficiency of the contemplated mining operations. These performance measures do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

[6] The PEA is preliminary in nature and includes 3% of production feed from Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves, and there is no certainty that the PEA will be realised. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. See page 23-27 for additional cautionary language.

2 Review of Operations (Cont'd)

Figure 1. Costa Fuego Project Roadmap[1]

2023	2024	2025	2026
Delivery of Preliminary Economic Assessment (Q2 2023)	**Delivery of Pre-Feasibility Study (H2 2024)**	**Mineral Resource Upgrade** (H1 2025)	**Delivery of Definitive Feasibility Study** (H1 2026)
Commence Drilling Growth Targets (Q2 2023)	**Delivery of Environmental Impact Assessment** (Q4 2024)	**Development Study & Resource Growth Activities** (Throughout 2025)	**Decision to Mine & Project Financing** (Q4 2026)
Mineral Resource Upgrade (Q4 2023)	**Development Study & Resource Growth Activities** (Throughout 2024)		
Port Agreement Negotiation (Throughout 2023)			

Electrical Connection Secured for Costa Fuego

In August of 2022, Chile´s Central Authority Electrical Regulator approved Hot Chili's application for connection to the Maitencillo sub-electrical power station, located 17 km from the centre of the Costa Fuego copper hub.

Connection to Maitencillo is a key step forward for the development of Costa Fuego, providing access to Chile's national energy grid and its multiple renewable energy providers.

Hot Chili will be able to potentially operate Costa Fuego on a 100% renewable power mix (certified by I-Recs) from nearby solar generators, wind turbines and hydroelectric power – adding significantly to the project's environmental credentials.

Access Granted for Maritime Concession Land for Costa Fuego

In December of 2022, the Company confirmed that the Chilean Naval Authority had officially granted access to the physical land for its Maritime Concession for extraction of sea water.

The Maritime Concession and land access granted will supply raw seawater for processing, which preserves limited regional groundwater resources and reduces the energy intensity of the project, with no water desalination required. The seawater extraction point is just 55 kilometres from the planned Costa Fuego processing facilities at Productora.

Access to the coastal land surrounding the Maritime Concession provides yet another government approval in the Company's regulatory process to develop the Costa Fuego Project.

Hot Chili Field Operations Manager' Victor Huerta with Chilean naval officer following grant of Maritime concession land.

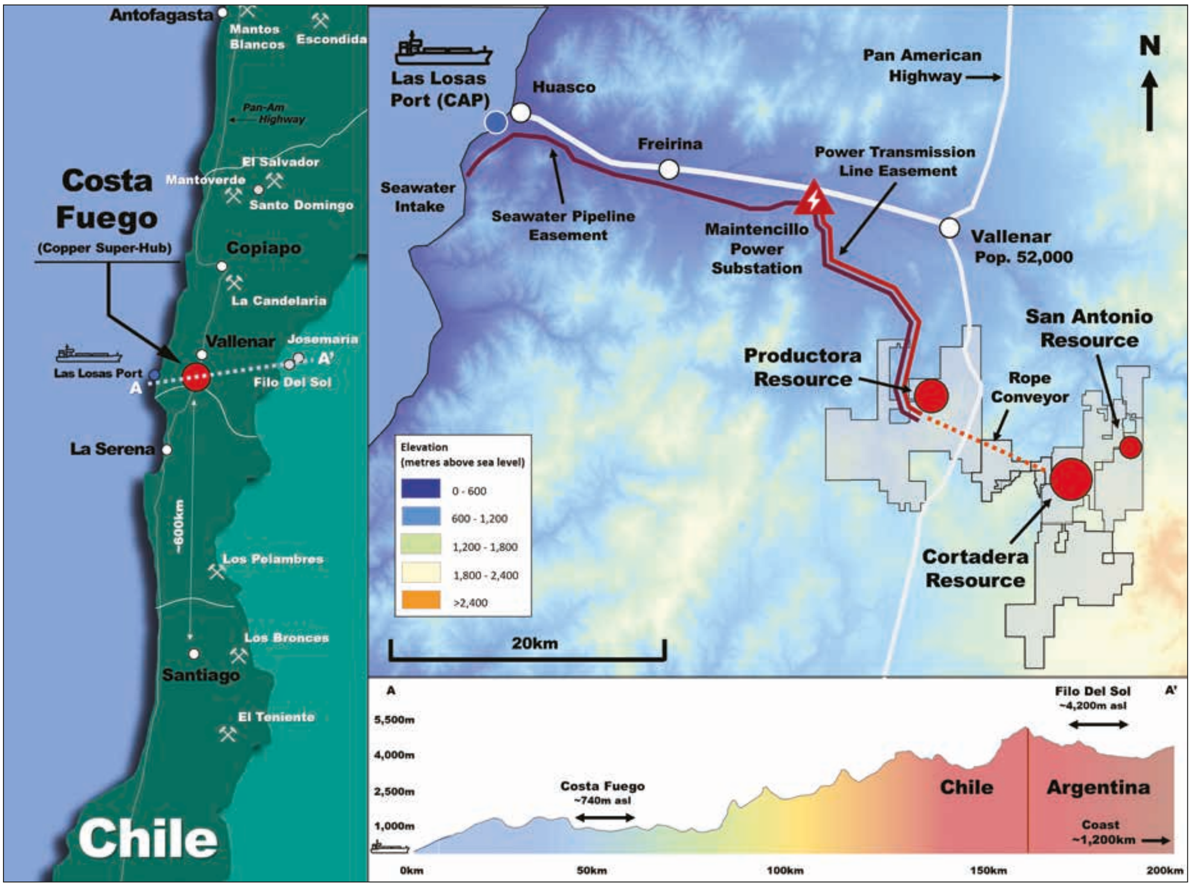
[1] The Mining Project delivery schedule mentioned herein is subject to various risks inherent to the mining industry, and external factors beyond the control of the project stakeholders, including but not limited to, geological and processing challenges, government policies, permits, or regulations, fluctuations in commodity prices, or market conditions. These external factors can impact the Project timeline and potentially result in delays. The delivery schedule provided is based on the best estimates and assumptions available at the time of its creation, and the Project team is committed to minimising disruptions and implementing mitigation measures to the best of their abilities. However, the effectiveness of these measures in avoiding delays cannot be guaranteed.

Port Discussions Advancing

The Company is advancing well with discussions to secure port access and services for the Costa Fuego Project. Several third-party port facilities, including the nearby Las Losas port, have been assessed with competitive proposals being received for both bulk- and rotainer-handling options.

Hot Chili and its advisors are working with potential port partners to customise each proposal ahead of advancing toward commercial agreement. Port facilities represent the final critical infrastructure access required for the Costa Fuego copper hub.

Figure 2. The Costa Fuego Copper Hub



Consolidation Efforts Secure Western Extension to Cortadera

In November of 2022, the Company announced the execution of an Option Agreement with Chilean copper major Antofagasta Minerals S.A. (AMSA) enabling Hot Chili to acquire a 100% interest in AMSA's mining rights adjoining the western margin of Cortadera. This agreement covers the western extensions to the Cortadera copper-gold porphyry resource, the centrepiece of the Company's Costa Fuego copper development in Chile.

Hot Chili also confirmed further consolidation after successfully securing several new prospective mining rights at a government-run, public auction for the Huasco region of Chile. The new mining rights are located alongside mining rights subject to the AMSA Option Agreement.

2 Review of Operations (Cont'd)

Productora Development Study Drilling

Four diamond drill holes completed in 2022 for metallurgical testwork across the Productora resource have returned further wide zones of copper, following analysis of remaining unsampled core.

Stand-out drill results from the MET drilling at Productora include:

MET025	**244m grading 0.8% CuEq*** (0.7% Cu & 0.2g/t Au) from 23m depth
	including 71m grading 1.0% CuEq* (0.8% Cu, 0.2g/t Au)
MET028	**152m grading 0.6% CuEq*** (0.6% Cu & 0.1g/t Au) from 42m depth
	including 39m grading 1.1% CuEq* (1.0% Cu, 0.1g/t Au)
	and 23m grading 0.9% CuEq* (0.8% Cu) from 226m to end of hole
MET027	**277m @ 0.5% CuEq*** (0.4% Cu, 0.1g/t Au) from 49m
	including 25m @ 0.8% CuEq* (0.7% Cu, 0.1g/t Au)
	and 46m @ 1.1% CuEq* (1.0% Cu, 0.2g/t Au)
MET026	**80m grading 0.7% CuEq*** (0.6% Cu, 0.2g/t Au) from 101m depth
	including 23m grading 1.0% CuEq* (0.9% Cu, 0.2g/t Au) from 101m
	and 28m grading 0.9% CuEq* (0.8% Cu, 0.2g/t Au) from 135m

MET025 (179.15m depth down-hole) – vein-hosted and disseminated chalcopyrite and pyrite in tourmaline breccia. Interval graded 2.1% CuEq (1.9% Cu, 0.3% Au, 129ppm Mo).

Resource Extension at Cuerpo 1, Cortadera

In April 2023, the Company confirmed a significant depth extension to the current Mineral Resource below Cuerpo 1 at Cortadera.

Diamond drill hole CORMET001 was completed to a depth of 350m in April 2022 and indicated mineralisation may continue below the Cuerpo 1 Mineral Resource, with the drillhole ending in 6m grading 0.6% Copper. CORMET001 was extended to a depth of 611m, and five further drill holes were completed below Cuerpo 1 to define the limits of the expanded mineralisation extent.

These holes intersected mineralised porphyry (early- and intra-mineral) up to 300m below the Indicated Classified Mineral Resource for Cuerpo 1. These results will be included in a Mineral Resource update, planned for release in Q4 2023.

Significant intersections recorded to date include:

CRP0202D	**270m grading 0.5% CuEq*** (0.4% Cu, 0.1g/t Au) from surface
	including 114m grading 0.7% CuEq* (0.6% Cu, 0.1g/t Au) from 70m
	or including 60m grading 0.9% CuEq* (0.8% Cu, 0.1g/t Au) from 110m
CRP0201D	**54m grading 0.5% CuEq*** (0.4% Cu, 0.1g/t Au, 55ppm Mo) from surface
CORMET001[1]	**84m grading 0.4% CuEq*** (0.4% Cu) from 336m
	including 26m grading 0.6% CuEq* (0.6% Cu, 0.1g/t Au) from 374m
CRP0200D	**256m grading 0.3% CuEq*** (0.3% Cu) from 192m depth
	including 36m grading 0.5% CuEq* (0.5% Cu, 0.1g/t Au) from 210m
	and including 74m grading 0.4% CuEq* (0.4% Cu) from 374m

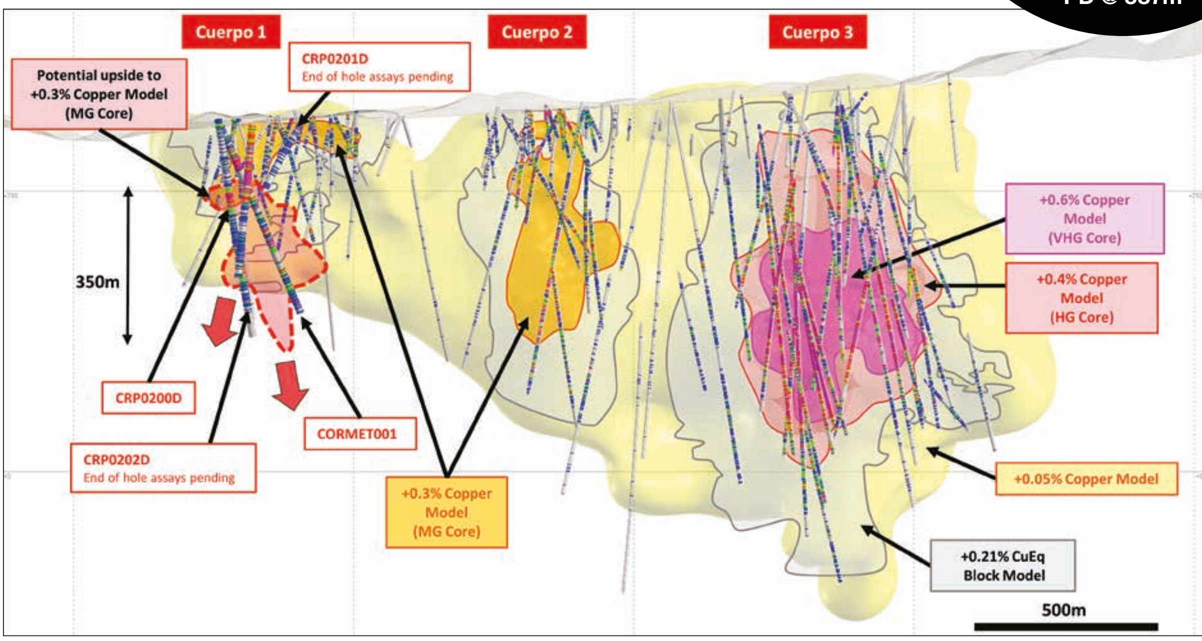


Figure 3. Long section view showing location of Cortadera Resource Extension drillholes into Cuerpo 1 and the potential growth of the +0.3% copper model (MG Core).

2 Review of Operations (Cont'd)

Resource Definition Drilling at High-Grade Satellites

August of 2022 saw the final assay results from Resource Definition drilling at San Antonio and preliminary drilling at Valentina.

San Antonio and Valentina represent shallow high grade open-pit opportunities, with the potential to provide front-end ore sources and make a positive impact on the payback period and overall economics of the Costa Fuego copper-gold development.

San Antonio already has an Inferred Resource of 4.2Mt grading 1.2% CuEq (1.1% Cu, 2.1g/t Ag) for 48kt Cu and 287koz Ag, reported March 2022. The additional drilling, in conjunction with surface mapping will assist the upgrade of Inferred to Indicated Classification in the next San Antonio MRE, schedule for Q4 2023.

Regional Exploration Update

In January of 2023, the Company commenced drilling across several extensional targets of the Cortadera copper-gold Mineral Resource, the centrepiece of the Company's coastal range, low-altitude, Costa Fuego senior copper development in Chile.

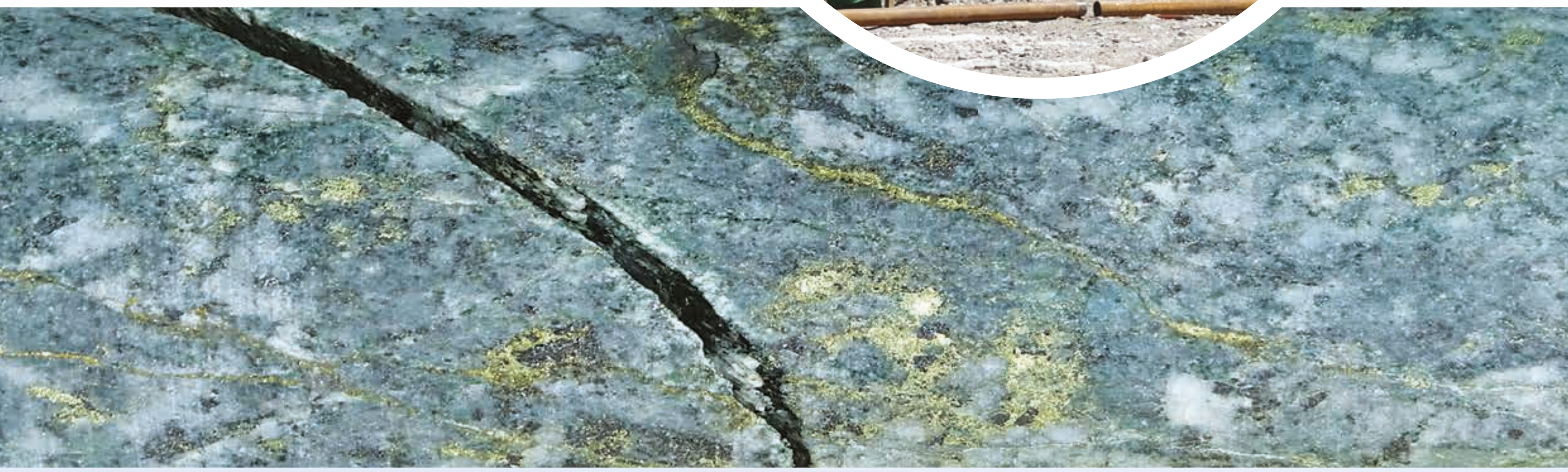
This included drilling into the Cuerpo 4 porphyry target, identified from surface outcropping porphyry, with A+B vein abundance of between 2-5% over a strike length of approximately 500 m.

Diamond drill hole LCD0001 was drilled as a confirmatory twin hole to historical AMSA drill hole COR-03 and recorded the following significant drill intersection:

Significant intersections recorded to date include:

- **128m grading 0.5% CuEq*** (0.4% Cu & 0.1g/t Au) from 28m downhole depth, **including 16m grading 1.3% CuEq*** (1% Cu & 0.5g/t Au) from 28m depth (as announced on 28th November 2022).

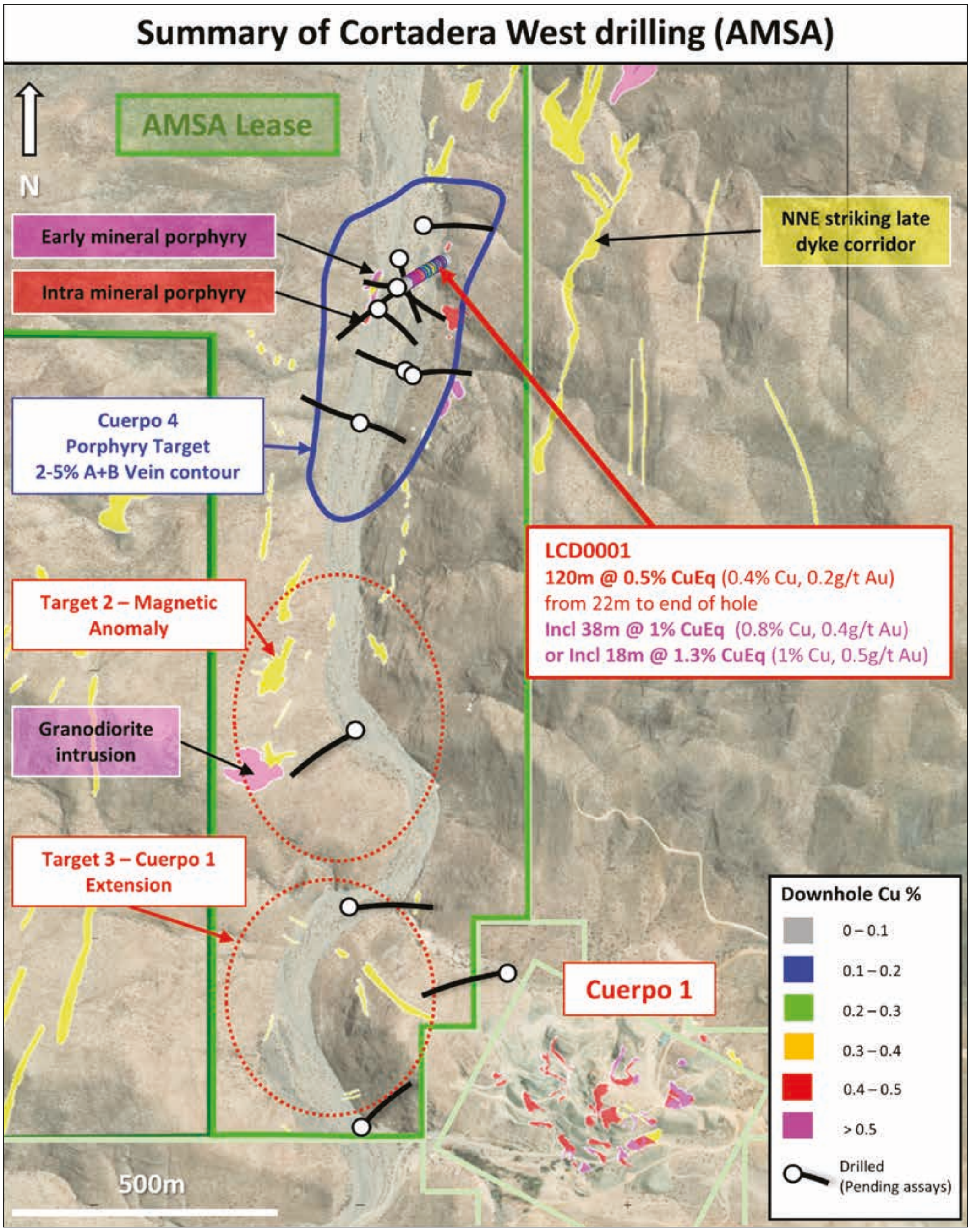
Results from shallow Reverse Circulation and Diamond drilling across Cuerpo 4 have added further definition, confirming a zone of near-surface, low-grade mineralisation measuring approximately 350m in strike extent.



LCD0001 (56m depth) grading 1.0% Cu, 0.7g/t Au, 4.6g/t Ag. Tonalitic porphyry with sericite-chlorite alteration and 2% A-B porphyry vein abundance. Confirmation drill hole across new fourth porphyry at Cortadera.

2 Review of Operations (Cont'd)

Figure 4. Plan view across the Cortadera West tenements (AMSA) displaying surface mapping and the collar locations of drilling returned during the quarter.

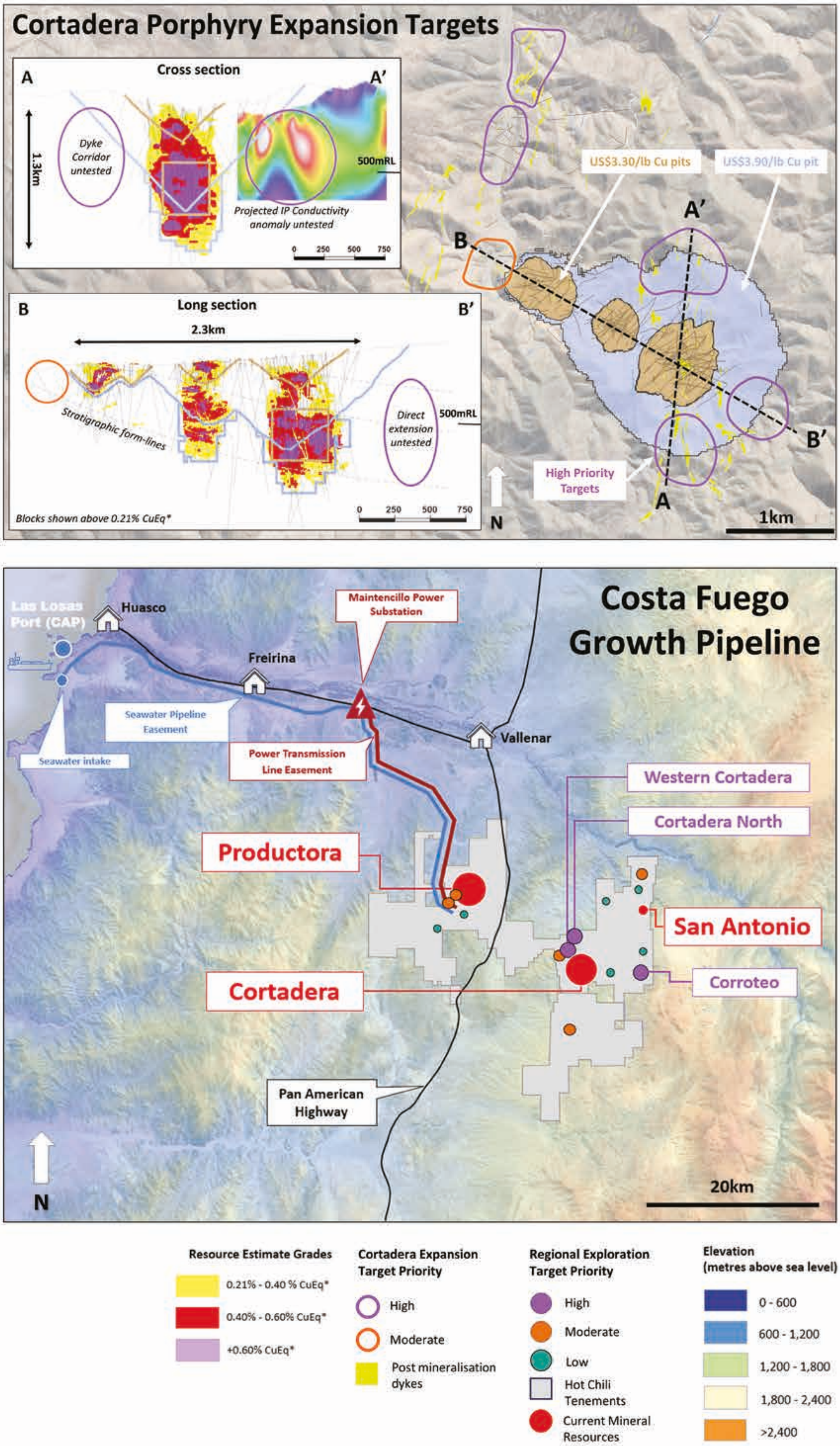


30,000m Drilling Program Underway Across Priority Targets

The Company is currently drilling high priority growth targets proximal to the current resource. Drilling will also test promising greenfield targets as shown in Figure 5.

Further strategic regional consolidation options are concurrently being pursued, with mineral resource estimate updates expected in Q4 2023 and H1 2025.

Figure 5. Maps outlining growth phase and up-scale strategy targets.



2 Review of Operations (Cont'd)

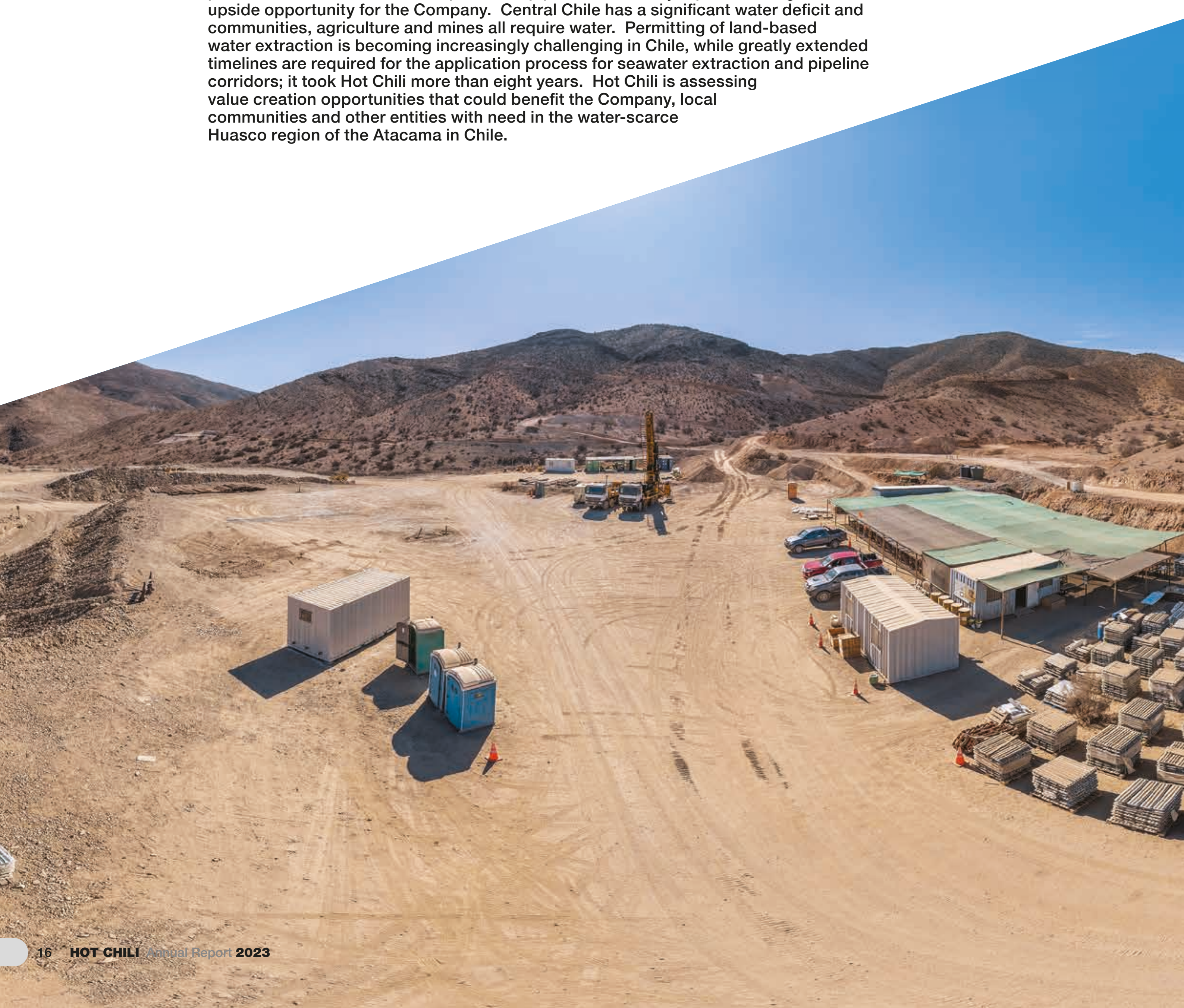
Single, Large Pit Scenario for Cortadera being studied in H2 2023

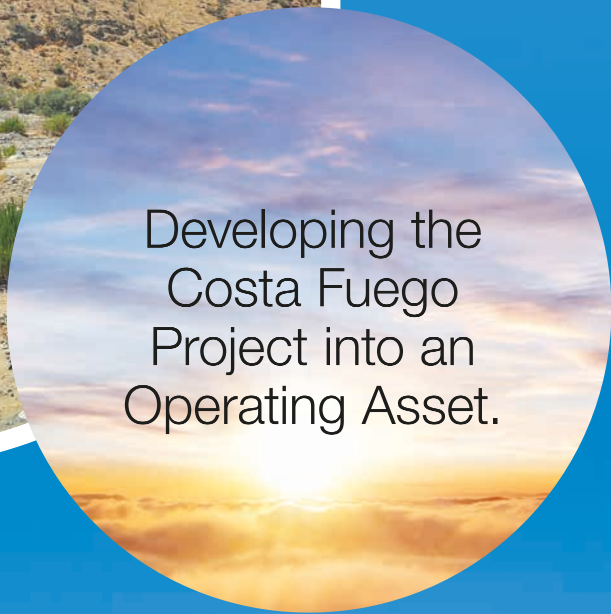
The Company is investigating a large single open pit scenario for Cortadera (with no underground block cave) with the potential to materially increase processing feed inventory and mine-life.

This scenario would necessitate a second PEA, studied while refining of the model inputs for metallurgy, geotechnical engineering, and hydrogeology, to be incorporated into the Pre-feasibility Study (PFS). Once both PEA scenarios are assessed, the Company will select a single scenario to complete the final stages of its PFS for Costa Fuego, which is expected to be completed by H2 2024.

Water Optionality Study Underway

Hot Chili's existing water assets and related infrastructure, including an existing permit to extract seawater and permitted pipeline route, may represent a significant upside opportunity for the Company. Central Chile has a significant water deficit and communities, agriculture and mines all require water. Permitting of land-based water extraction is becoming increasingly challenging in Chile, while greatly extended timelines are required for the application process for seawater extraction and pipeline corridors; it took Hot Chili more than eight years. Hot Chili is assessing value creation opportunities that could benefit the Company, local communities and other entities with need in the water-scarce Huasco region of the Atacama in Chile.





Developing the Costa Fuego Project into an Operating Asset.

2 Review of Operations (Cont'd)

Table 1 Significant Drill Results Reported in Year Ending June 30 2023.

Hole ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum	Cu Eq
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)	(% Cu Eq)
MET026[1]	6822284	323426	816	90	-62	260	101	181	80	0.6	0.2	1.8	211	0.7
						Including	101	124	23	0.9	0.2	5.4	239	1.0
						& Including	135	163	28	0.8	0.2	0.5	342	0.9
MET027[2]	6821389	323082	858	90	-62	395	0	15	15	0.3	0.0	0.2	105	0.4
							49	326	277	0.4	0.1	0.4	193	0.5
						Including	49	74	25	0.7	0.1	0.2	127	0.8
						& Including	280	326	46	1.0	0.2	0.6	231	1.1
MET028[3]	6822576	322851	790	270	-59	250.1	42	194	152	0.6	0.1	0.2	81	0.6
						Including	46	85	39	1.0	0.1	0.3	31	1.1
							226	250	24	0.8	0.0	0.4	26	0.9
MET025[4]	6820931	323027	884	90	-60	280	23	267	244	0.7	0.2	0.8	144	0.8
						Including	177	248	71	0.8	0.2	0.7	204	1.0
CRP0200D	6814269.2	334736.8	979.3	60	-75	624	192	448	256	0.3	0.0	0.5	20	0.3
							210	246	36	0.5	0.1	0.6	5	0.5
							374	448	74	0.4	0.0	0.6	19	0.4
CRP0201D	6814340	335204	960	272	-57	582.5	0	54	54	0.4	0.1	1.1	55	0.5
							384	426	42	0.3	0.0	0.5	49	0.3
							434	498	64	0.3	0.0	0.7	122	0.3
						Incl	478	492	14	0.5	0.0	1.2	96	0.5
CRP0202D	6814249	334834	975	268	-84	534	0	470	470	0.3	0.0	0.8	38	0.4
						Incl	0	270	270	0.4	0.1	1.2	21	0.5
						& Incl	70	184	114	0.6	0.1	1.9	5	0.7
						& Incl	110	170	60	0.8	0.1	2.5	4	0.9
CORMET001	6814269	334736	976	74	-60	611	222	611	389	0.2	0.0	0.5	21	0.2
						Incl	336	420	84	0.4	0.0	0.7	15	0.4
						Or Including	374	400	26	0.6	0.1	1.0	15	0.6
						& Incl	446	454	8	0.3	0.0	0.4	42	0.3
						& Incl	470	550	80	0.3	0.0	0.5	35	0.3
LCD0001	6815719	334574	870	61	-57	142	22	142	120	0.4	0.2	1.0	2	0.5
						Incl	22	60	38	0.8	0.4	2.4	2	1.0
						Or Including	32	50	18	1.0	0.5	2.9	3	1.3
LCP0002D	6815565	334572	867	159	-69	300	65	118	53	0.1	0.0	0.4	6	0.1
							227	300	73	0.1	0.0	0.3	5	0.1
LCP0003D	6815565	334599	875	92	-76	406.2	10	58	48	0.2	0.0	0.6	65	0.2
							18	22	4	0.3	0.0	0.6	50	0.4
							248	252	4	0.3	0.0	0.6	3	0.3
LCP0004	6815830	334609	870	89	-60	300	12	192	180	0.1	0.0	0.3	14	0.1
LCP0005	6815713	334566	869	229	-64	300	34	142	108	0.1	0.0	0.3	19	0.1
LCD0006	6815677	334540	872	135	-60	167.2	12	148	136	0.2	0.1	0.5	18	0.2
						Incl	22	42	20	0.4	0.2	1.0	16	0.5
						Or Incl	24	28	4	0.8	0.3	2.1	38	1.0

Table 1 Significant Drill Results Reported in Year Ending June 30 2023 (Cont'd).

Hole ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum	Cu Eq
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)	(% Cu Eq)
LCP0007	6815711	334575	870	120	-69	300	108	288	180	0.1	0.0	0.4	3	0.1
						Incl	108	120	12	0.2	0.0	0.5	1	0.2
						Or Incl	108	114	6	0.3	0.1	0.8	2	0.3
LCP0008	6815473	334488	879	291	-59	300	12	266	254	0.1	0.0	0.3	13	0.1
						Incl	12	46	34	0.2	0.0	0.8	16	0.2
LCP0009	6815560	334598	875	290	-57	192	30	114	84	0.1	0.0	0.3	37	0.1
LCP0011	6815560	334598	918	45	-60	257	6	40	34	0.2	0.0	0.4	64	0.3
						Incl	10	12	2	0.5	0.1	1.4	57	0.5
						& incl	18	22	4	0.4	0.2	0.4	183	0.5
LCP0012	6815473	334493	918	45	-60	264	30	70	40	0.1	0.0	0.6	45	0.1
LCP0013	6814886	334488	918	45	-60	132	226	238	12	0.2	0.0	0.4	2	0.2
LCP0014	6814436	334770	918	45	-60	300	0	96	96	0.1	0.0	0.4	13	0.1
LCP0015	6814137	334484	931	255	-60	300	204	208	4	0.3	0.0	0.6	1	0.3
							288	298	10	0.3	0.0	2.2	10	0.3
VAP0004	6823539	342823	946	90	-60	260	163	170	7	1.9	0.0	10.8	2.8	2.0
VAP0007	6823597	342870	942	90	-75	48	46	48	2	1.4	0.0	6.1	3.5	1.5
VAP0009	6823438	342909	947	90	-60	200	27	35	8	5.7	0.1	24.1	1.9	5.9
							46	48	2	1.8	0.0	10.7	1.0	1.9
VAP0011	6823456	342931	947	90	-60	150	4	9	5	0.5	0.0	0.3	2.4	0.5
VALMET-002	6823435	342914	952	90	-60	70.3	27	37	10	5.3	0.0	19.7	2.2	5.4
						or	25	37	12	4.5	0.0	16.5	2.2	4.6
						Including	29	32	3	11.8	0.1	52.6	4.2	12.1
							46	48	2	0.9	0.0	5.6	0.5	1.0
VAP0014	6823505	342957	927	285.91	-56.72	150	68	70	2	1.5	0.0	9.3	2.0	1.5
VAP0015	6823551	342932	910	104.81	-59.98	150	0	4	4	0.7	0.0	3.3	1.3	0.8
							24	27	3	1.4	0.0	8.2	0.7	1.5
VAP0016	6823431	342920	945	130.31	-57.27	80	28	30	2	1.2	0.0	0.4	5.0	1.2
							41	43	2	0.7	0.0	0.3	3.0	0.7
							45	47	2	1.9	0.0	6.7	1.0	2.0
VAP0017	6823545	342836	947	270.2	-59.84	220	179	184	5	1.5	0.0	7.8	0.8	1.5
							179	181	2	3.2	0.0	16.4	1.0	3.3
							189	191	2	0.9	0.0	3.7	0.8	0.9
							196	198	2	1.0	0.0	4.2	1.0	1.0
VAP0027	6823595	342875	934	28	-67	100	46	49	3	1.3	0.0	3.0	1	1.4
VAP0029	6823463	342933	943	265	-64	100	10	16	6	1.3	0.0	0.3	1	1.3
							23	25	2	1.1	0.0	0.8	1	1.1
SAP0042	6819270	342486	1204	89.42	-80.06	150	95	97	2	0.8	0.0	2.5	4.8	0.9
SAP0044	6818761	342437.9	1208.18	239.59	-59.88	170	100	104	4	1.7	0.0	3.9	0.5	1.7
						Including	147	150	3	1.2	0.1	4.1	0.3	1.2
SAP0047	6818793	342448	1213	199.65	-75.04	200	146	151	5	1.0	0.0	2.4	1.4	1.0
SAP0048	6818509	342288	1233	329.3	-58.77	100	11	18	7	1.5	0.1	4.8	3.1	1.6
						Including	12	14	2	3.9	0.2	12.9	7.5	4.0

2 Review of Operations (Cont'd)

Table 1 Significant Drill Results Reported in Year Ending June 30 2023 (Cont'd).

Hole ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum	Cu Eq
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)	(% Cu Eq)
SAP0049	6818601	342317	1235	14.85	-59.57	120	85	88	3	1.3	0.0	3.3	2.0	1.3
SAPMET-001	6818913	342555	1178	329.66	-59.85	165.2	149	150	1	0.8	0.1	0.6	2.8	0.8
SAPMET-002	6818824.3	342424.2	1210.6	254.9	-60.17	130	54	60	6	1.3	0.0	3.9	1.0	1.3
							74	95	21	1.6	0.0	3.2	1.7	1.6
SAPMET-003	6818628	342432	1192	320.72	-61.05	200	133	146	13	1.3	0.0	3.2	2.2	1.3
						Including	140	142	2	3.5	0.1	7.6	1.0	3.7
							175	177	2	2.0	0.0	3.4	0.7	2.0
SAP0053	6818402	342314	1267	347.14	-59.85	200	115	119	4	1.4	0.2	6.4	18.0	1.6
SAP0054	6818545	342409	1217	239.37	-59.92	162	12	14	2	0.7	0.1	4.1	0.8	0.8
SZP0002	6807370	334541	1264	280	-60	486	37	40	3	0.0	0.0	5.5	10	0.1
							80	83	3	0.1	0.0	6.3	7	0.1
SZP0003	333923	6807048	1296	119	-60	420	0	38	38	0.0	0.0	2.9	20	0.0
						Including	24	38	14	0.0	0.0	4.9	9	0.0
SZP0004	334193	6806731	1324	110	61	498	0	30	30	0.0	0.0	4.5	69	0.1
							178	184	6	0.1	0.0	2.5	37	0.1

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

For San Antonio and Valentina significant intercepts are calculated above a nominal cut-off grade of 0.5% Cu, with a minimum estimated true thickness of 1.5m. These parameters are aligned with marginal economic cut-off grades for narrow, high-grade polymetallic copper deposits of similar grade in Chile and elsewhere in the world. Down-hole significant intersection widths are estimated to be at or around 70 per cent of true-widths of mineralisation.

For Santiago Z, significant intersections are calculated above a nominal cut-off grade of 2.5ppm Ag, with a minimum estimated true thickness of 3m. These parameters are suitable for reporting of an early stage, polymetallic exploration project. Down-hole significant intersection widths are estimated to be at or around 70 per cent of true-widths of mineralisation.

* Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,700 USD/oz, Mo=14 USD/lb, and Ag=20 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for each deposit is:

- Cortadera – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t).
- Productora – Recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported). CuEq(%) = Cu(%) + 0.48 x Au(g/t) + 0.00026 x Mo(ppm).
- San Antonio and Valentina – Recoveries of 88% Cu, 72% Au, 88% Mo and 69% Ag. CuEq(%) = Cu(%) + 0.68 x Au(g/t) + 0.00047 x Mo(ppm) + 0.0076 x Ag(g/t).
- Santiago Z - assumes recoveries from the nearby Cortadera Porphyry deposit, as no metallurgical testwork has been completed at Santiago Z.

[1,2,3,4] Drillholes previously reported only metallurgical samples (see 'New High-Grade Results from Costa Fuego' dated 19th July 2022. Subsequent entire drillhole analysis then completed.

Table 2 Details of All Drill Holes Completed at Costa Fuego in Year Ending June 30 2023.

Hole ID	Coordinates (WGS84)			Hole Depth	Azimuth	Dip	Prospect
	North	East	RL				
SAP0051	6818601	342317	1235	100	241	-75	San Antonio
SAP0052	6818402	342314	1265	200	301	-60	San Antonio
SAP0053	6818401	342319	1265	150	347	-60	San Antonio
SAP0054	6818545	342409	1217	162	239	-60	San Antonio
VAP0017	6823545	342836	955	220	105	-60	Valentina
VAP0018	6823648	342873	947	40	88	-69	Valentina
VAP0019	6823659	342944	893	162	271	-57	Valentina
VAP0020	6823586	342819	940	266	90	-63	Valentina
VAP0021	6823396	342907	950	150	50	-70	Valentina
VAP0022	6823507	342967	932	150	231	-60	Valentina
VAP0023	6823810	342890	886	175	235	-60	Valentina
VAP0024	6823688	342823	942	200	89	-60	Valentina
VAP0025	6823688	342822	942	156	120	-57	Valentina
VAP0026	6823575	342879	933	100	36	-70	Valentina
VAP0027	6823595	342875	934	100	28	-67	Valentina
VAP0028	6823545	342892	925	43	24	-66	Valentina
VAP0029	6823463	342933	943	100	265	-64	Valentina
SZP0001	6807677	334429	1212	358	229	-60	Santiago Z
SZP0002	6807370	334541	1264	486	280	-60	Santiago Z
SZP0003	6807042	333930	1295	420	119	-60	Santiago Z
SZP0004	6806724	334193	1317	438	110	-61	Santiago Z
SZP0005	6806921	334515	1317	384	292	-80	Santiago Z
CRP0197	6814326	334829	952	300	97	-72	Cortadera
CORMET001	6814264	334738	970	611	-60	-74	Cuerpo 1
CRP0198D	6814527	334871	957	553	156	-74	Cuerpo 1
CRP0199	6815957	334838	911	318	68	-57	Cortadera North
CRP0200D	6814269	334737	979	625	61	-75	Cuerpo 1
CRP0201D	6814347	335033	958	583	272	-57	Cuerpo 1
CRP0202D	6814249	334834	965	534	269	-84	Cuerpo 1
CRP0203	6814233	334954	978	192	34	-86	Cuerpo 1
LCD0001	6815718	334574	867	142	61	-57	Cuerpo 4
LCD0006	6815681	334536	867	167	135	-60	Cuerpo 4
LCP0002D	6815785	334571	865	300	159	-69	Cuerpo 4
LCP0003D	6815568	334596	871	406	92	-76	Cuerpo 4
LCP0004	6815833	334609	864	300	89	-60	Cuerpo 4
LCP0005	6815719	334563	868	300	229	-64	Cuerpo 4

2 Review of Operations (Cont'd)

Table 2 Details of All Drill Holes Completed at Costa Fuego in Year Ending June 30 2023 (Cont'd).

Hole ID	Coordinates (WGS84)			Hole Depth	Azimuth	Dip	Prospect
	North	East	RL				
LCP0007	6815717	334572	867	300	120	-69	Cuerpo 4
LCP0008	6815477	334488	872	300	291	-59	Cuerpo 4
LCP0009	6815570	334591	871	192	291	-57	Cuerpo 4
LCP0010	6815721	334571	870	156	270	-57	Cuerpo 4
LCP0011	6815560	334598	875	257	130	-57	Cuerpo 4
LCP0012	6815472	334499	875	264	125	-56	Cuerpo 4
LCP0013	6814883	334496	890	300	240	-60	Las Canas Target 2
LCP0014	6814436	334765	931	300	255	-60	Las Canas Target 3
LCP0015	6814137	334484	918	300	45	-60	Las Canas Target 3
LCP0016	6814548	334491	904	300	90	-60	Las Canas Target 3

3 Qualifying Statements

The Mineral Resource summary for the Costa Fuego Project is presented in Table 3.

Mineral Resource Statement

Table 3 Costa Fuego Combined Mineral Resource (Effective Date 31st March 2022).

Costa Fuego Open Pit Resource		Grade					Contained Metal				
Classification (+0.21% CuEq[7])	Tonnes (Mt)	CuEq[7] (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	576	0.46	0.37	0.10	0.37	91	2,658,000	2,145,000	1,929,000	6,808,000	52,200
M+I Total	**576**	**0.46**	**0.37**	**0.10**	**0.37**	**91**	**2,658,000**	**2,145,000**	**1,929,000**	**6,808,000**	**52,200**
Inferred	147	0.35	0.30	0.05	0.23	68	520,000	436,000	220,000	1,062,000	10,000

Costa Fuego Underground Resource		Grade					Contained Metal				
Classification (+0.30% CuEq[7])	Tonnes (Mt)	CuEq[7] (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	148	0.51	0.39	0.12	0.78	102	750,000	578,000	559,000	3,702,000	15,000
M+I Total	**148**	**0.51**	**0.39**	**0.12**	**0.78**	**102**	**750,000**	**578,000**	**559,000**	**3,702,000**	**15,000**
Inferred	56	0.38	0.30	0.08	0.54	61	211,000	170,000	139,000	971,000	3,400

Costa Fuego Total Resource		Grade					Contained Metal				
Classification	Tonnes (Mt)	CuEq[7] (%)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Copper Eq (tonnes)	Copper (tonnes)	Gold (ounces)	Silver (ounces)	Molybdenum (tonnes)
Indicated	725	0.47	0.38	0.11	0.45	93	3,408,000	2,755,000	2,564,000	10,489,000	67,400
M+I Total	**725**	**0.47**	**0.38**	**0.11**	**0.45**	**93**	**3,408,000**	**2,755,000**	**2,564,000**	**10,489,000**	**67,400**
Inferred	202	0.36	0.30	0.06	0.31	66	731,000	605,000	359,000	2,032,000	13,400

[1] Mineral Resources are reported on a 100% Basis - combining Mineral Resource estimates for the Cortadera, Productora 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 CIM Definition Standards (2014) and were estimated in accordance with the CIM 2019 Best Practices Guidelines, as required by NI43-101.

[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 CMP Productora (a 100% subsidiary of 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 has an Option Agreement with a private party to earn a 90% 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] Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. Process recoveries: Cortadera and San Antonio – Weighted recoveries of 82% Cu, 55% Au, 82% Mo and 37% Ag. CuEq(%) = Cu(%) + 0.56 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t). Productora – Weighted recoveries of 84% Cu, 47% Au, 47% Mo and 0% Ag (not reported). CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm). Costa Fuego – Recoveries of 83% Cu, 53% Au, 69% Mo and 23% Ag. CuEq(%) = Cu(%) + 0.52 x Au(g/t) + 0.00039 x Mo(ppm) + 0.0027 x Ag(g/t).

[7] Resource Copper Equivalent (CuEq) grades are calculated based on the formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery)+(Au ppm × Au price per g/t × Au_recovery)+ (Ag ppm × Ag price per g/t × Ag_recovery)) /(Cu price 1% per tonne × Cu recovery). The base case cut-off grade for mineral resources considered amenable to open pit extraction methods at the Cortadera, Productora and San Antonio deposits is 0.21% CuEq while the cut-off grade for mineral resources considered amenable to underground extraction methods at the Cortadera deposit is 0.3% CuEq.

[8] 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.

Mineral Reserve Statement

There were material changes to the Productora Project Ore Reserve between 1st July 2022 and 30th June 2023. The previous Ore Reserve estimate was released to the public on the 2nd March 2016 and included material from Alice and Productora deposits. Hot Chili released a Preliminary Economic Assessment in June 2023, which superseded the existing 2016 Productora Pre-Feasibility Study; Hot Chili no longer has Reserves at Productora.

3 Qualifying Statements (Cont'd)

Resource Estimates and Exploration Results Compliance Statement

The references to mineral resource estimates in this Annual Report been extracted from the estimate of mineral resources contained in the Company's announcement to ASX dated 31 March 2022 "Hot Chili Delivers Next Level of Growth", a copy of which is available on the Company's website at www.hotchili.net.au/investors/asx-announcements/. The Company confirms that it is not aware of any new information or data that materially affects the information included in this report about the Company's mineral resources and that all material assumptions and technical parameters underpinning the mineral resource estimates continue to apply and have not materially changed.

The references to exploration results in this Annual Report have been extracted from the Company's announcements to ASX dated 4 April 2023, "New Drill Results Boost Cortadera's Copper-Gold Growth Potential", 23 February 2023, "Hot Chili Confirms Fourth Porphyry at Cortadera", 28 November 2022 "Hot Chili Executes Option to Secure Major Extension to Cortadera" , 31 October 2022, "New Results Boost Growth for Costa Fuego" and 19 July 2022 "New High Grade Drill Results at Costa Fuego", copies of which are available on the Company's website at www.hotchili.net.au/investors/asx-announcements/. The Company confirms that it is not aware of any new information or data that materially affects the information included in this report about the Company's exploration results.

Technical Information

Certain scientific, technical and economic information contained in this Annual Report is derived from the PEA. For readers to fully understand such information, they should read the PEA technical report prepared in accordance with NI 43-101 (available on www.sedarplus.ca or at www.hotchili.net.au) in its entirety, including all qualifications, assumptions, limitations and exclusions that relate to the information set out in this report. The PEA is intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in this Annual Report is subject to the assumptions and qualifications contained in the PEA.

The scientific and technical information in this Annual Report, other than such information derived from the PEA, has been reviewed and approved by Mr Christian Easterday, MAIG, Hot Chili's Managing Director and Chief Executive Officer, and a qualified person within the meaning of NI 43-101.

3 Qualifying Statements (Cont'd)

Forward Looking Statements

This Annual Report 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 this report and nothing contained in this report 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. This report 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.

This report contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements, including statements relatingto: estimates of Mineral Resources; exploration and development activities and the specifications, targets, results, analyses, interpretations, benefits, costs and timing of them; certain plans, strategies, aspirations and objectives of management; and completion of and anticipated dates for certain results, studies and reports. Forward-looking statements are frequently characterized by words such as "expand", "demonstrate", "continue" "potential", "prospective", "priority", "anticipate", "expect", "impact", "intersect", "discover", and variations of these words as well as other similar words or statements that certain events or conditions "could", "may", "will" or "would" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such risks include, but are not limited to, the actual results of current and planned exploration activities; the potential to expand the MREs beyond their current limits, to upgrade inferred to indicated MREs, and to convert unclassified material within the MRE-limiting pit to mineral resources; the ability to further improve confidence in the MREs and the potential for, and timing of, a larger, updated MRE; the timing and conclusions of future economic evaluations; changes in project parameters as plans to continue to be refined; copper, gold and other metals price volatility; currency fluctuations and general economic conditions; increased production costs and variances in recovery rates from those assumed in mining plans; the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources; as well as political and operational risks and governmental regulation and judicial outcomes.The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base their decisions on forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail and are cautioned not to place undue reliance on forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. These statements speak only as of the date of this report.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. 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 this report, 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 this report and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of this report nor any information contained in this report or subsequently communicated to any person in connection with this report is, or should be taken as, constituting the giving of investment advice to any person.

Note to US Investors

This report has been prepared in accordance with the requirements of the securities laws in effect in Canada and Australia, which differ from the requirements of United States securities laws. The terms “mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined, in and are required to be disclosed by, NI 43-101 and JORC; however, these terms are not defined terms under the US Securities and Exchange Commission’s (SEC) S-K 1300 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of an “indicated mineral resource” or “inferred mineral resource” will ever be upgraded to a higher category or converted into mineral reserves in accordance with S-K 1300. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” or “contained tonnes” in a mineral resource is permitted disclosure under Canadian and Australian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC S-K 1300 standards as in place tonnage and grade without reference to unit measures. Accordingly, information contained in this Report contain descriptions of the Company’s mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

Non IFRS Financial Performance Measures

“Total Cash Cost”, “All-in Sustaining Cost”, “All-in cost LOM”, “C1”, and “Free Cashflow” are not performance measures reported in accordance with International Financial Reporting Standards (“IFRS”). These performance measures are included because these statistics are key performance measures that management uses to monitor performance. Management uses these statistics to assess how the Costa Fuego Project compares against its peer projects and to assess the overall effectiveness and efficiency of the contemplated mining operations. These performance measures do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

4 Corporate Activities

The Company is pleased to have attracted a strategic investment by Osisko Gold Royalties, and welcomed Mr Stephen Quin as Independent Non-Executive Director.

Appointment of New Canadian Director

Following the resignation of two of Hot Chili's long standing director's in November 2022, the Company was pleased to announce the appointment of Canadian Director Mr Stephen Quin as independent non-executive director.

Mr Quin is a graduate of the Royal School of Mines, London, with a BSc (Honours) in Mining Geology and has 41 years of experience in all stages of the mining industry, from exploration to mine development, operations and closure.

Mr Quin has also assumed the roles of Chair of the Audit and Risk Committee, Chair of the ESG and Nomination Committee and member of the Remuneration Committee.

Unmarketable Parcel Share Sale Facility

During the last quarter of 2023, the Company established a share sale facility (Facility) for shareholders who held fully paid shares on the Australian register of the Company (Shares) valued at less than A$500 (Unmarketable Parcel). This enabled shareholders to sell their Unmarketable Parcel without having to act through a broker or pay brokers fees.

The facility, whilst benefiting small shareholders, also benefits the company who reduce the administrative costs associated with maintaining a larger number of shareholdings on the Company's registry.

This was also the final step associated with the consolidation of the company's shares that was undertaken prior to the TSXV listing in January 2022.

US$15 Million Investment Agreement with Osisko Gold Royalties

On 28 June 2023, the Company was pleased to announce the execution of a binding US$15 million Investment Agreement with Osisko Gold Royalties Ltd ("Osisko") for a 1.0% Net Smelter Return (NSR) royalty on copper and a 3% NSR royalty on gold (the "Osisko NSR") (the "Investment") across the Company's Costa Fuego Copper-Gold Project ("the Project").

Completion of the Investment and receipt of the US$15 million ("Royalty Consideration"), which was subject to satisfaction of customary conditions, was announced 26th July 2023 (see page 33 of this report Subsequent events).

The Investment Agreement provides strong endorsement of the Project from a leading North American royalty-streaming group. It provides a clear "look-through" value given the Osisko NSR is equivalent to a 1.12% CuEq[1] NSR royalty across payable metals for US$15 million and Hot Chili's market capitalisation at the time of announcing the royalty was US$80 million.

The Royalty Consideration will be applied to advancing the Costa Fuego Pre-Feasibility Studies (PFS), resource growth drilling activities and general advancement of the project.

The Investment Agreement between Hot Chili Limited, its Chilean subsidiaries holding title to the properties comprising the Costa Fuego Project (each a Seller), and Osisko, provides for the purchase by Osisko from each Seller of a net smelter return royalty with respect to a share of the copper and gold production from the Project. The Royalty will be payable monthly based on net smelter return revenues generated by the Project. Deductions applicable against the royalty payments are typical of those in a net smelter return calculation but exclude taxes and government royalties.

A Buy-back clause in the event of a Change of Control Event occurring prior to the 4th anniversary of Closing, states the Seller shall be entitled to reduce the Royalty percentage such that the resulting royalty rate applicable on payable copper becomes 0.5% and the royalty rate applicable on payable gold becomes 2.5% in exchange for a payment to Osisko in an amount as follows:

i. 130% of the Royalty Consideration if exercised prior to the 2nd anniversary of Closing;
ii. 140% of the Royalty Consideration if exercised between the 2nd and 3rd anniversary of Closing; and
iii. 150% of the Royalty Consideration if exercised between the 3rd and 4th anniversary of Closing.

Osisko to have a Right of First Offer (ROFO) with respect to the sale of any future royalty, stream, or similar interests by Hot Chili.

The Royalty is secured against all property, assets, undertaking and rights of each Seller, including the Project.

Our Role in the Community

The Company has developed a strong connection to the community over the last decade of project advancement. Local community engagement has become embedded into the pathway we travel to build our project so that the people most affected are on the journey with us. We hold regular public meetings to maintain our engagement and wherever possible, we recruit locally so that these substantial employment opportunities and flow-on benefits are captured nearby. The company also supports the community by:

- Procuring local goods and services to support the region's businesses,
- Providing support to communities in the vicinity of our projects in times of need (floods, snow, water shortage),
- Continue our programme of public meetings with Supporting two orphanages in Freirina and Vallenar, including additional funding in Vallenar to provide for children with disabilities.

The Company has recently partnered with a local sociological and psychological health institution (associated with University of Chile) to provide counselling support services in the region. The community response to this endeavour has been inspiring, confirming the value of this approach in improving mental-health outcomes. Accordingly, the company will expand this programme in the coming year.

A Plan for ESG

The Company's ESG Framework is continuing to develop, having established our roadmap to a Sustainability Report which will be published in the second half of 2024. This will precede the key milestones of the submission of the Costa Fuego Environmental Impact Assessment and the publication of the project's Pre-feasibility Study.

To support the sustainability the Company:

- Has formed an ESG Board Committee chaired by Stephen Quin to ensure compliance with best practice,
- Is in the process of finalising the company's ESG policy, and
- Will partner with specialists Digbee ESG, to publish and benchmark the company's ESG credentials using their ESG ratings platform, which has been developed specifically to meet the needs of the mining industry.

A new copper supplier is coming

5 Directors' Report

The Directors have pleasure in presenting their report, together with the financial statements, for Hot Chili Limited (the "Company") and its controlled entities (together referred to as the "consolidated entity" or the "Group") for the year ended 30 June 2023 and the auditor's report thereon.

Directors

The names of the Directors of Hot Chili Limited during the financial year and to the date of this report are:

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman

Christian E Easterday
Managing Director

Roberto de Andraca Adriasola
Non-Executive Director

Mark Jamieson
Non-Executive Director

Stephen Quin
Independent Non-Executive Director
(appointed 5 May 2023)

George R Nickson
Independent Non-Executive Director
(retired 29 November 2022)

Dr Allan Trench
Independent Non-Executive Director
(resigned 30 November 2022)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Directors' Information

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman

Dr Nicole Adshead-Bell is a geologist with a deep understanding of the mining industry from over 27 years bridging the gap between the technical, corporate (executive and non-executive director), institutional investor and investment banking segments of the business – within an ESG framework.

Dr Adshead-Bell resides in Canada and is currently a non-executive director of Altius Minerals Corp. (TSX), Dundee Precious Metals Corp. (TSX) and Matador Mining Ltd (ASX). Her career includes Managing Director and CEO of ASX-listed Brazilian gold producer Beadell Resources Ltd (prior to its acquisition by a Canadian mining company; Director of Mining Research at Sun Valley Gold LLC (SEC registered precious metals focused fund); Managing Director, Investment Banking, Haywood Securities Inc. (Canadian independent investment dealer) and Mining Analyst covering copper, zinc and uranium commodities and companies at Dundee Securities Corp. (former Canadian independent investment dealer). While at Haywood she was involved in approximately 20 public transactions including streaming, mergers, acquisitions and divestures and raising approximately C$1.8 billion in equity/ convertible debenture financings.

More recently she established Cupel Advisory Corp. to focus on investments and advisory services in the mining sector. Over the past 10 years Nicole has held directorships with several public companies including First Majestic Silver Corp. (TSX/NYSE), Pretium Resources Inc. (TSX/NYSE, acquired by Newcrest in 2022), Dalradian Resources Inc. (TSXV, acquired by Orion Mine Finance in 2018) and Bravo Mining Corp (TSXV).

Dr Adshead-Bell has a PhD in structural/economic geology from James Cook University, Townsville, Australia where she also completed her geology undergraduate and honours degrees.

Christian Ervin Easterday
Managing Director

Mr Easterday is a geologist with over 20 years' experience in the mineral exploration and mining industry and is a founding director of Hot Chili, having led the Company since its public listing in 2010. He holds an Honours Degree in Geology from the University of Western Australia, a Masters degree in Mineral Economics from Curtin University of Technology and a Masters Degree in Business Administration from Curtin's Graduate School of Business.

Mr Easterday held several senior positions and exploration management roles with top- tier gold companies including Placer Dome, Hill 50 Gold and Harmony Gold, specialising in structural geology, resource development and mineral economic valuation. Mr Easterday has extensive experience in various aspects of project negotiation drawing together his commercial, financial and project valuation skills. This work has involved negotiations and valuations covering gold, copper, uranium, iron ore, nickel, and tantalum resource projects in Australia and internationally. Mr Easterday is a Member of The Australian Institute of Geoscientists.

Mr Easterday has not held any directorships in any public listed company in Australia in the last three years.

Roberto de Andraca Adriasola
Non-Executive Director

Mr de Andraca Adriasola is an executive with 25 years' experience in the financial and mining business. He is currently a Director of CAP S.A – one of the largest iron ore producers and the largest steel maker in Chile. He also oversaw the construction of the first desalination plant dedicated 100% to producing water for mining companies in the north of Chile.

Mr de Andraca Adriasola has international finance experience with Chase Manhattan Bank, ABN Amro and Citigroup, working both in Chile and in New York. He holds an MBA from the Adolfo Ibanez Business School of Chile. He is a director of Puerto Los Losas, a port in the Atacama Region of Chile.

He was elected to the board of directors of CAP S.A. on 18 April 2017; prior to that date he held the position of Vice President of Business Development. Mr de Andraca Adriasola has not held any directorships in any public listed company in Australia in the last three years.

5 Directors' Report (Cont'd)

Mark Jamieson
Non-Executive Director

Mr Jamieson is currently General Manager Resource Engineering for Glencore's global copper asset group leading technical support and governance in geology, mine engineering and asset optimisation for development projects, operations and joint ventures.

Mr Jamieson brings 20+ years of technical and project experience in open pit and underground operations, including sub level and block cave mines with Newcrest, MMG and Barrick Gold across Australia, Africa, South East Asia and South America.

Mr Jamieson holds a bachelor's degree with honours in Geotechnical Engineering from RMIT University, and a Masters of Engineering Science in Mining Geomechanics from The University of New South Wales. Mr Jamieson has not held any directorships in any public listed company in Australia in the last three years.

Stephen Quin
Independent Non-Executive Director (appointed 5 May 2023)

Mr Quin is a graduate of the Royal School of Mines, London, with a BSc (Honours) in Mining Geology and has 41 years' experience in all stages of the mining industry, from exploration to mine development, operations and closure.

He most recently spent a decade as President & CEO of gold explorer/developer Midas Gold Corp. and, prior to that, President of copper miner Capstone Mining Corp. and, prior to the merger with Capstone, was President & CEO of copper developer and operator Sherwood Copper Corp. Prior to Sherwood, Mr Quin was Executive Vice President of gold producer and explorer Miramar Mining Corp. and its copper exploration affiliate, Northern Orion Exploration. He started his career with what became Imperial Metals Corp. where he was a responsible for the advancement of their polymetallic copper-zinc project through a feasibility study and permitting.

Mr Quin has a combination of technical, governance, and capital markets experience having led multiple studies on projects in the copper and gold sectors, ranging from preliminary economic assessments to feasibility studies, permitting, mine financing and development, operations and closure, and also has experience with base metals and platinum group metal projects.

From a governance perspective, he has sat on and/or chaired numerous board committees, has led governance enhancing efforts at a number of companies and has been an advocate of prioritizing ESG since well before the acronym became popular.

On a capital markets front, Mr Quin has been involved in over C$1 billion in financing and more than C$750 million in M&A for companies where he was CEO or a senior executive, and has extensive contacts on both the sell-side and buy-side of the market. Mr Quin is a non-executive director of Bravo Mining Corp. (TSXV:BRVO), Kutcho Copper Corp. (TSXV:KC) and West Vault Mining (TSXV:WVM), and is non-executive Chair of TGD Gold Corp. (TSXV:TDG). He also serves as technical advisor to a number of copper and gold explorers and developers.

Mr Quin was on the board of Chalice Mining (ASX:CHN) until November 24, 2021.

George Randall Nickson

Independent Non-Executive Director
(retired 29 November 2022)

Mr Nickson has over 36 years of global experience in the mining industry, including 14 years based in Chile devoted to copper exploration. His career includes work across a range of base and precious metals, bulk commodities and energy. He holds an honours degree in Geological Engineering and a Masters degree in Business Administration.

Mr Nickson is currently engaged as an independent consultant to the exploration sector, specializing in business development, commercial advisory and business evaluations. Prior to that he spent 16 years with BHP, where he worked in a variety of senior technical, exploration management and business development roles while based in Chile, Brazil and Australia. He is a member of the Australasian Institute of Mining & Metallurgy and the Prospectors and Developers Association of Canada. Mr Nickson has not held any directorships in any public listed company in Australia in the last three years.

Dr Allan Trench
Independent Non-Executive Director
(resigned 30 November 2022)

Dr Trench is a geologist/geophysicist and business management consultant with over 28 years experience across a broad range of commodities. His minerals sector experience spans strategy formulation, exploration, project development and mining operations. Dr Trench holds degrees in geology, a doctorate in geophysics, a Masters degree in Mineral Economics and a Masters degree in Business Administration. He currently acts or acted as independent director to Essential Metals Ltd (previously Pioneer Resources Ltd), commenced 5 September 2008, Enterprise Metals Ltd, commenced 3 April 2012 and Emmerson Resources Ltd, commenced 3 March 2015.

Dr Trench has previously worked with McKinsey & Company as a management consultant, with Woodside Petroleum in strategy development and with WMC both as a geophysicist and exploration manager. He is an Associate Consultant with international metals and mining advisory firm CRU Group has contributed to the development of CRU's uranium practice, having previously managed the CRU Group global copper research team.

Dr Trench maintains academic links as a Professor at the University of Western Australia (UWA) Business School and also research professor at the Centre for Exploration Targeting, UWA.

Corporate Information

Hot Chili Limited is a Company limited by shares and is domiciled in Australia.

Principal Activities

The principal continuing activity of the consolidated entity is mineral exploration.

Results of Operations

The results of the consolidated entity after providing for income tax and non-controlling interest for the year ended 30 June 2023 was a loss of $5,225,065 (2022: $7,146,653).

Dividends

No dividends were paid or declared since the end of the previous year. The Directors do not recommend the payment of a dividend.

Review of Operations

Refer to Review of Operations Report in Section 2.

Significant Changes in the State of Affairs

There were no significant changes to the Company's state of affairs during the year or subsequent to the end of the reporting period, other than what has been reported in other parts of this report.

Matters Subsequent to the End of the Financial Year

On 26 July 2023, the Group announced the receipt of the proceeds of US$15 million in exchange for the sale of a 1.0% Net Smelter Return (NSR) royalty on copper and a 3% NSR royalty on gold across the Company's Costa Fuego Copper-Gold Project located 600 km north of Santiago in the coastal range of the Atacama Region, Chile. The proceeds were received from Osisko Gold Royalties Ltd under the investment agreement on closing date, 25 July 2023.

On 31 July 2023, 1,900,008 performance rights lapsed due to vesting conditions not being met by that date. On 14 August 2023, the Company filed a National Instrument 43-101 Technical Report for its Costa Fuego Copper Gold project in Chile. The report titled "Costa Fuego Copper Project NI 43–101 Technical Report Preliminary Economic Assessment" and dated August 2023, with an effective date of 28 June 2023 (the "Technical Report"), was prepared pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43- 101"). It is available for review on both SEDAR+ (www.sedarplus.ca) and the Company's website (www.hotchili.net.au). The Technical Report supports the news release dated 28 June 2023 announcing the Costa Fuego Copper-Gold Project Preliminary Economic Assessment.

On 22 August 2023, the Company issued 345,000 service rights and 345,000 performance rights which have the same terms and conditions as the service and performance rights granted and issued in May 2023 (see Notes 23(a)(i) and 23(b)(ii) for details of the service and performance rights granted and issued in May 2023).

On 28 August 2023, the Company announced a binding letter of intent with Bastion Minerals Limited for the grant to Hot Chili of an option to acquire 100% of Bastion's Cometa Project in Chile ("Cometa"), located near Hot Chili's Costa Fuego Copper-Gold Project in the coastal range of the Atacama Region, Chile.

Other than the above, the Directors are not aware of any matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results of Operations

Further information on the likely developments in the operations of the consolidated entity and the expected results of operations have been included in the Review of Operations in Section 2. These include:

- Continued derisking of the project, including advancing toward a commercial agreement to secure port access and services for the Costa Fuego Project.
- Explore further regional consolidation opportunities adjacent to the Cortadera and Productora resources.
- Present an updated mineral resource estimate to the market that includes results of exploration and resource definition drilling since the last update in March 2022.
- Continue with the announced 30,00m drill program focusing on priority targets proximal to the current resource.
- Investigate a single open pit scenario for Cortadera with an increased mine life, for comparison with the current PEA, which incorporates a block cave.

The above planned milestones are planned to lead into the delivery of a Pre-Feasibility Study for the Costa Fuego hub in H2 2024 as well as the key delivery of the Environmental Impact Assessment in Q4 2024.

Associated Risks and Opportunities

The developments and roadmap summarised above are subject to the various risks inherent in the mining industry as well as external factors beyond the control of the projects stakeholders which can impact the project timeline, resulting in delays. Further discussion of these risks are listed on page 24 under the Forward Looking Statements. Material risks and opportunities to the near term future prospects and operations that are considered and managed by the board and management are noted here:

- Access to capital
- Costs and Capital management
- Social license to operate
- Integration of project management, permitting and people
- Environment, climate and weather
- Water, power, access, easements, surface rights, infrastructure, permitting

Extensive disclosure on risks and opportunities associated with the project are outlined in the NI 43-101 Technical Report Preliminary Economic Assessment Effective Date 28 June released by the Company 14 August 2023.

Corporate Governance Statement

The Board is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administering its corporate governance structures to promote integrity and responsible decision making.

The Company's corporate governance structures, policies and procedures are described in its Corporate Governance Statement which is available on the Company's website at http://www.hotchili.net.au/about/corporate-governance-procedures-and-policies/

Security Holding Interests of Directors

At Reporting Date	Ordinary Shares		Options Over Ordinary Shares		Service Rights		Performance Rights	
Directors	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
Dr Nicole S Adshead-Bell	30,000	203,453	-	-	-	153,000	-	-
Christian E Easterday	438,430	176,548	-	-	-	828,750	-	828,750
Roberto de Andraca Adriasola	130,000	-	-	-	87,000	-	-	-
Mark Jamieson	-	-	-	-	-	-	-	-
Stephen Quin	-	-	-	-	87,000	-	-	-

Unissued Shares under Option and Performance Rights Vested

There were 14,009,790 unissued ordinary shares under option as at the date of this report. The details of the options are as follows:

Listed Options

Expiry Date	No. Shares Under Option	Exercise Price
31 January 2024	10,900,000	C$2.50

Unlisted Options

Expiry Date	No. Shares Under Option	Exercise Price
30 September 2024	1,850,001	$2.25
28 January 2025	1,259,789	C$1.85

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

There were also 3,161,864 service rights and 2,834,864 performance rights at the date of this report, however, none of the vesting conditions of these performance rights have been met and therefore none of the performance rights are exercisable at the date of this report.

Shares Issued on the Exercise of Options

No listed options or unlisted options were exercised during or since the end of the financial year.

Options and Rights Expired, Lapsed or Cancelled

On 30 November 2022, 500,000 unlisted options exercisable at $5.00 each expired. No other listed or unlisted options expired during or since the end of the financial year.

On 31 July 2023, 1,900,008 performance rights which were granted in previous financial years were cancelled as the vesting conditions of those performance rights were not met by 31 July 2023. No other service rights or performance rights expired during or since the end of the financial year.

Directors Benefits

During or since the financial year ended 30 June 2023, no Director of the consolidated entity has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements) by reason of a contract made by the consolidated entity with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Company Secretary and Chief Financial Officer

Ms Beattie is a Chartered Accountant with 20 years' experience in corporate and financial services globally. She joined Hot Chili in November 2021.

Indemnification and Insurance of Directors and Officers

During the financial year, the consolidated entity maintained an insurance policy which indemnifies the directors and officers of Hot Chili Limited in respect of any liability incurred in connection with the performance of their duties as directors or officers of the consolidated entity. The consolidated entity's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

Indemnification and Insurance of Auditor

The consolidated entity has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or related entity.

Directors' Meetings

The number of directors' meetings attended by each of the Directors of the Company during the year were:

	Board Meetings		Audit & Risk Committee		Remuneration Committee	
Director	Held[1]	Attended	Held[1]	Attended	Held[1]	Attended
Nicole Adshead-Bell	6	6	3	3	2	2
Christian E Easterday	6	6	-	-	-	-
Roberto de Andraca Adriasola	6	5	-	-	-	-
Mark Jamieson	6	6	-	-	-	-
Stephen Quin	2	2	-	-	-	-
George Randall Nickson	2	2	3	2	2	2
Dr Allan Trench	2	2	3	3	2	2

[1] Held indicates the number of meetings available for attendance by the director during the tenure of each director.

Environmental Issues

The consolidated entity's exploration and mining operations are subject to environment regulation under the law of Chile. No bonds are necessary in respect of the consolidated entity's tenement holdings.

The Directors advise that during the year ended 30 June 2023 no claim has been made by any competent authority that any environmental issues, condition of license or notice of intent has been breached.

The Directors have considered compliance with the *National Greenhouse and Energy Reporting Act 2007* which requires entities to report annual greenhouse gas emissions and energy use. For the measurement period, 1 July 2022 to 30 June 2023, the Directors have assessed that there are no current reporting requirements but may be required to do so in the future.

Occupational Health and Safety

Health and safety actions are framed within the "Quality, Environment, Safety and Occupational Health Integrated Policy" that states that people's health and safety is safeguarded within the different fields of our activity. Hot Chili Limited strictly follows the Chilean safety rules and communicates a set of key performance indicators to the Chilean Mining Safety Authority on a monthly basis. Health and safety activities follow an action plan aimed to prevent and control different forms of risk at Company operations. The plan covers specific areas such as the Compliance of Legal and Other Standards, Risk Assessment and Control, Occupational Health, Emergency Response, Training, Incidents - Corrective and Preventive Action, Management of Contractors and Suppliers, Audit and Management Review.

Hot Chili Limited provides continuous training to enable employees to perform their work safely and efficiently. Training focuses on six areas where the risks are more evident according to the nature of our operations: Safe Driving, Drilling Platform Operations, Emergency Plans and Protection from Ultraviolet Radiation, Dust and Noise Emissions.

In terms of safety performance, "Lost Time Incident Frequency Rate (LTIFR)"* is the main indicator we monitor to make sure our action plan remains effective and relevant. The LTIFR during the last 24 months (until 30 June 2023) is 18.

**LTIFR = number of lost time injuries in accounting period *1,000,000 / total thousands of hours worked in accounting period.*

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001.*

Non-Audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* set by the Accounting Professional & Ethical Standards Board.

Non-audit services that have been provided by the entity's auditor, RSM Australia Partners, have been disclosed in Note 29.

Officers of the Company Who are Former Partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

5 Directors' Report (Cont'd)

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the consolidated entity or intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or any part of those proceedings.

The consolidated entity was not a party to any such proceedings during the year.

Rounding of amounts

The consolidated entity is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission. As such, the amounts contained in this report and in the financial report have been rounded to the nearest dollar in accordance with that Corporations Instrument, unless otherwise stated.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' Report.

REMUNERATION REPORT (AUDITED)

The remuneration report outlines the key management personnel arrangements for Hot Chili Limited and its subsidiaries ("Hot Chili" or the "Company"), in accordance with the requirements of the *Corporations Act 2001* and its regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors (executive or otherwise).

The information provided in this remuneration report has been audited.

1. Principles Used to Determine Amount and Nature of Remuneration

The objective of the entity's executive reward framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The reward framework should align executive reward with the achievement of strategic objectives of the organisation and the creation of value for shareholders. It should provide the ability to attract, retain and motivate the best incumbents to perform at a high level. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- transparency; and
- capital management.

The Remuneration Committee is responsible for the process of determining and reviewing remuneration arrangements for directors and executives. In doing so, the Remuneration Committee is guided by the objectives and responsibilities as set out in the Remuneration Committee Charter, a copy of which is available on the Company's website.

2. Use of Remuneration Consultants

With this objective, the Remuneration Committee engaged Remsmart Consulting Services (Remsmart) (formerly BDO Reward WA Pty Ltd) in May 2022 to undertake a review of remuneration and develop a fit for purpose remuneration approach for the business. The review encompassed a benchmarking process to assist the Committee in assessing the position and competitiveness of the remuneration package of the Non-executives Directors and the Managing Director and then to extend this benchmarking process to all senior personnel so that the Committee and the Managing Director could assess the positioning and competitiveness of the executive and senior management.

Remsmart Consulting Services (formerly BDO Reward Pty Ltd) was paid a fee of A$46,750 during the year ended 30 June 2023 for this review.

3. Senior Executives

The Company has structured an executive remuneration framework that is market competitive and aligns the interest of shareholders with that of the participants in the Employee Incentive Plan:

- Base pay;
- Superannuation;
- Benefits;
- Short term incentives (STI); and
- Long term incentives (LTI).

The total of these comprise the executive's total remuneration.

Base Pay

Base pay is the total cost of employment that is reflective of current markets conditions and has been benchmarked to peers. It should attract and retain high quality executives through market competitive and fair remuneration.

The current base remuneration for key management personnel was last reviewed with effect from January 2023. Using the information compiled in the benchmarking report by Remsmart, the Company selected the minimum to target range for proficient personnel to set the base pay for executives and senior management.

Superannuation

Superannuation is paid to Australian-based employees at statutory rates. Canadian and Chilean based directors and employees are not paid superannuation.

3. Senior Executives (Cont'd)

Benefits

The Company provides coverage under the director and officer insurance policy and travel insurance policy for appropriate persons. Chile-based employees are paid mandatory and non-waivable employments benefits that encompass occupational injuries insurance, unemployment insurance and disability and survivors' insurance.

Short and Long-Term Incentives

It is an underlying premise of the incentive plan that executives should not be unjustly enriched at the expense of the Company, but rather share in the value they create over a designated period. The plan should:

- Attract and retain a high standard of managerial and technical personnel for the benefit of the Company;
- Allow for reward where the Company achieves or exceeds stated goals
- Align the interests of plan participants with shareholder interests; and
- Provide reward for exceptional performance and not reward an executive for performing their "day" job.

The workings of the plan allow for a short-term annual retention scheme and a long term incentive plan over a three year period.

The Employee Incentive plan was approved at the Annual General Meeting held 30 November 2022. The terms of the performance rights were approved by the board prior to the General Meeting held 10 May 2023. Terms and conditions of the Service and performance rights issued to directors and the Managing Director were approved by shareholders at this same meeting. Should the rights vest, the vested rights can be exercised any time between vesting and the expiry date.

Short-Term Incentives

The aim of the short-term incentives is attraction and retention of key staff engaged in the Company's business.

- The retention award may be realised in rights. The terms of the rights granted under the plan shall be determined by the Board from time to time (subject to shareholder approval for any rights to be granted to non-executive directors and the managing director). The rights themselves do not carry the right to vote, the right to dividends or a return of capital or participation in the surplus assets of the Company on winding up.
- The award provides recognition for continuity, loyalty and commitment to the Company,
- From the Company's perspective, the risk of losing key skills or even teams is reduced and it assists the Company in managing their salary overhead structure in a constrained manner.
- The incumbent is required to be under the employ of the Company at the end of a period to qualify for the rights (subject to good leaver provisions)

Long-Term Incentive Plan (LTIP)

While the short-term plan should drive continuity, the long-term incentive plan should drive behaviour. The structure of the performance rights compromising the long-term incentive portion of the plan have been determined with the following objectives:

- The deferred award is linked to the achievement of the long-term business objectives of the Company.
- It is linked to both market and non-market objectives.
- In determining the terms of the market-based performance rights, it is noted that Investors commonly value their portfolio on both absolute and relative total return. An absolute return measure reflects the level of performance that a shareholder requires from their leadership. A relative return reflects the market's view of the leadership team's performance as measured against an appropriate peer group. The Company's peer group has been selected with the following criteria - relative to both the exchanges that it is listed on, relative to the stage and size of the Company, relative to the commodity and region of the Costa Fuego project - and is disclosed below.
- The key non-market objective is the growth in resource of the Company, either by commercial means or exploration and development activity.
- A further key non-financial measure but relevant to the well-being of employees and to the perception, reputation and development of the Company is a long-term safety performance measure.

The long-term incentives are performance rights measured over a 3 year performance cycle. The current LTIP rights issued in the reporting period are subject to a 3 year performance period up to 10 May 2026. The rights are subject to the following vesting criteria before they vest:

1) An overall requirement of, subject to terms and conditions, continued employment at the Company.
2) 10% are assesses based on safety as measure by LTIFR and zero fatalities. These may vest in three tranches subject to performance under the conditions as measured at the end of each calendar year.
3) 25% of overall long terms incentives are based on Relative Shareholder Return.

   The assessment of the Relative Shareholder Return will be made at the end of each performance period with vesting to occur in the line with the table below:

Percentile Ranking Compared to Peer Group	Amount of Performance Rights to Vest
< 50th Percentile	Zero
50th to 75th percentile	Pro-rata between 50% and 100%
≥ 75th Percentile	100%

5 Directors' Report (Cont'd)

REMUNERATION REPORT (AUDITED) (CONT'D)

Each tranche (8.33% each period) will be measured for the periods ended 31 December 2023, 31 December 2024 and 31 December 2025 and the level of vesting will be determined at the end of each performance period. This results in no return to employees for an average performance, a scaled return for out-performance with the possibility of further vesting on the attainment of the stretch target. To achieve the incentive target for the relative shareholder return performance measure, the Company must outperform 49.9% of the peer group established by the board and to achieve the stretch must outperform 74.9% of the peer group. The representative peer group comprise the following:

ASX	TSX/TSXV
AIC Mines (ASX: A!M)	Arizona Sonoran Copper (TSX: ASCU)
Blackstone Minerals (ASX: BSX)	Entrée Resources Ltd. (TSX: ETG)
Dreadnought Resources Ltd (ASX: DRE)	Generation Mining Ltd (TSX: GENM)
Eagle Mountain Mining Ltd (ASX: EM2)	Laurion Mineral Exploration Inc. (TSXV: LME)
KGL Resources Ltd (ASX: KGL)	Los Andes Copper Ltd. (TSXV: LA)
Latin Resources Ltd (ASX: LRS)	Marimaca Copper Corp. (TSX: MARI)
Legend Mining Ltd (ASX: LEG)	Max Resource Corp. (TSXV: MAX)
Orecorp Ltd (ASX: ORR)	Nevada Copper Corp. (TSX: NCU)
Rex Minerals Limited (ASX: RXM)	Northern Dynasty Minerals (TSX: NDM)
Titan Minerals Ltd (ASX: TTM)	Northisle (TSX: NCX)
	Northwest Copper (TSX: NWST)
	Troilus Gold Corp (TSX: TLG)
	Trilogy Metals (TSX: TMQ)
	Tudor Gold Corp. (TSX: TUD)
	Western Copper and Gold Corporation (TSX: WRN)

4) A further 25% of overall long-term incentives are based on absolute share price performance over the same three year period. There is an incentive target and a stretch target. 50% of these rights can vest on the attainment of the incentive target (an increase in HCH VWAP to A$1.69, a 55% increase in share price at grant date) and 100% on attainment of the stretch target (increase in HCH VWAP to A$2.72).

5) 40% of the performance rights are based on an increase in mineral resources, with an incentive target and a stretch target (see table below).

Performance Measure	Level of Vesting	Performance Period	Notes
Total Resource between 1.2 billion and 1.4 billion tonnes	50% plus straight line increases between 1.2 billion and 1.4 billion tonnes	From date of grant to 31 December 2025	Mineral resource growth measured by Company reporting to the ASX global independently estimated JORC complaint mineral resources and reserves, for all Company projects reported at or above (a) 0.21% Cu equivalent or greater for open pit mineral resources and (b) 0.3% Cu equivalent or greater for underground mineral resources
Total Resources greater than 1.4 billion tonnes	100%		

4. Non-Executive Directors

Shareholders approve the maximum aggregate remuneration for non-executive Directors. The aggregate non-executive directors' remuneration was set at a maximum of A$600,000 at a general meeting of shareholders prior to the Company's IPO in 2010.

Fees paid to non-executive Directors are recommended by the Remuneration Committee and approved by the Board. The non-executive directors receive fixed fee remuneration consisting of a cash fee and statutory Superannuation contributions for Australian directors, and additional fees for committee roles. The fees reflect the demands made on, and the responsibilities of, the directors.

As outlined in section 2 of the Remuneration Report "Use of Remuneration Consultants", the Remuneration Committee received advice from an independent remuneration consultant.

In this case, Remsmart provided the Remuneration Committee with a separate remuneration report assessing the fees of non-executive directors against a benchmark peer group to ensure that non-executive directors fees are appropriate and in line with the market. The report found that fees paid to non-executive directors and the on-executive chair were deficient given the directors experience, skill and expertise. It was recommended by the consultants that the Company provide non-performance based equity in lieu of the deficit in cash fees with the purpose of:

- Ensuring a strong alignment between the board and the shareholder interests; and
- Has the advantage of preservation of operational cashflow.

Only the cash fees of the non-executive chair were revised upwards. The report also recommended additional fees as payment for committee roles. These are tabled below:

Base Fees	**2023 (A$)**	**2022 (A$)**
Chair	68,000	45,000
Other non-executive directors	46,000	42,000 to 45,990
Committee (Audit & Risk, ESG and Nomination, Remuneration)		
Each Chair	9,000	-
Each Committee Member	5,500	-

Approval for allocation of service rights to directors over three years was approved at a general meeting of shareholders held 10 May 2023. Details of service rights held by directors are detailed in Section 7.3 *Director and Other KMP Interests in Service Rights.*

REMUNERATION REPORT (AUDITED) (CONT'D)

5. Key Management Personnel

The directors and other key management personnel ("KMP") of the consolidated entity during or since the end of the financial year were:

Non-Executive Directors	Position
Dr Nicole S Adshead-Bell	Independent Non-Executive Chairman
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Stephen Quin (appointed 5 May 2023)	Independent Non-Executive Director
George R Nickson (retired 29 November 2022)	Independent Non-Executive Director
Dr Allan Trench (resigned 30 November 2022)	Independent Non-Executive Director

Executive Director	Position
Christian E Easterday	Managing Director

Other KMP	Position
José Ignacio Silva	Country Manager and Chief Legal Counsel
Grant King	Chief Operating Officer
John Hearne (resigned 9 December 2022)	Executive Studies Manager

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

6. Remuneration of Directors and Other KMP for the Reporting Period

2023	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
	Salary and Fees	Other Benefits	Superannuation	Service and Performance Rights[1]	Total	Performance Related
Name	$	$	$	$	$	%
Directors						
Dr Nicole S Adshead-Bell	59,333	-	-	17,048	**76,381**	22.3
Christian E Easterday	400,000	-	42,000	(14,792)	**427,208**	(3.5)
Roberto de Andraca Adriasola	45,993	-	-	9,694	**55,687**	17.4
Mark Jamieson[2]	-	-	-	-	**-**	-
Stephen Quin[3]	11,583	-	-	9,694	**21,277**	45.6
George R Nickson[4]	19,163	-	-	-	**19,163**	-
Dr Allan Trench[5]	17,500	-	1,838	-	**19,338**	-
	553,572	**-**	**43,838**	**21,644**	**619,054**	**3.5**
Other KMP						
José Ignacio Silva	294,334	-	-	(88,322)	**206,012**	(42.9)
Grant King	275,000	-	28,875	(93,808)	**210,067**	(44.7)
John Hearne[6]	121,988	85,994[6]	14,421	27,672	**250,075**	11.1
	691,322	**85,994**	**43,296**	**(154,458)**	**666,154**	**(23.2)**
Total	**1,244,894**	**85,994**	**87,134**	**(132,814)**	**1,285,208**	**(10.3)**

[1] To date, no performance rights vesting conditions have been met and thus there have been no issues of shares to directors or KMP. The share-based payments values disclosed above are based on accounting estimates using valuation models for each class of service or performance rights as outlined in more detail in Note 23.

[2] Mark Jamieson has elected to forego an entitlement to remuneration as a non-executive director on the basis that he is entitled to remuneration as an employee of Glencore Australia.

[3] Appointed 5 May 2023.

[4] Retired 29 November 2022.

[5] Resigned 30 November 2022.

[6] Resigned 9 December 2022. Mr Hearne was also given a redundancy payment of $85,994 upon resignation.

REMUNERATION REPORT (AUDITED) (CONT'D)

2022	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
	Salary and Fees	Other Benefits	Superannuation	Performance Rights[1]	Total	Performance Related
Name	$	$	$	$	$	%
Directors						
Dr Nicole S Adshead-Bell[2]	22,500	-	-	-	**22,500**	-
Murray E Black[3]	47,333	-	4,733	-	**52,066**	-
Christian E Easterday	400,000	-	40,000	75,607	**515,607**	14.7
Roberto de Andraca Adriasola	45,990	-	-	-	**45,990**	-
Mark Jamieson[4,5]	-	-	-	-	**-**	-
George R Nickson	45,990	-	-	-	**45,990**	-
Dr Allan Trench	42,000	-	4,200	-	**46,200**	-
	603,813	**-**	**48,933**	**75,607**	**728,353**	**10.4**
Other KMP						
José Ignacio Silva	245,021	-	-	86,429	**331,450**	26.1
Grant King	242,500	-	24,250	86,429	**353,179**	24.5
John Hearne	252,083	-	25,208	235,115	**512,406**	45.9
Melanie Leighton[6]	62,500	125,000	6,250	(50,025)	**143,725**	(34.8)
	802,104	**125,000**	**55,708**	**357,948**	**1,340,760**	**26.7**
Total	**1,405,917**	**125,000**	**104,641**	**433,555**	**2,069,113**	**21.0**

[1] During the previous financial year, no performance rights vesting conditions have been met and thus there have been no issues of shares to directors or KMP. The share-based payments values disclosed above are based on accounting estimates using valuation models for each class of service or performance rights as outlined in more detail in Note 23.

[2] Appointed 5 January 2022.

[3] To date of retirement 1 March 2022.

[4] Appointed 2 September 2021.

[5] Mark Jamieson has elected to forego an entitlement to remuneration as a non-executive director on the basis that he is entitled to remuneration as an employee of Glencore Australia.

[6] Resigned 1 October 2021. Ms Leighton was also given a redundancy payment of $125,000 on 30 September 2021 and expenses previously recognised as part of share-based payments in previous years and related to unvested performance rights was reversed upon her resignation.

7. Director and Other KMP Interests in the Shares, Options, Performance Rights and Convertible Notes of the Company

7.1 Director and Other KMP Interests in Shares

The number of shares in the Company held during the financial year, and up to 30 June 2023, by each director and other KMP of Hot Chili Limited, including their personally related parties, is set out below. There were no shares granted as compensation during the year.

As outlined above, the short-term incentive program aims to maintain employee retention, without the use of Company cash resources. Service rights are issued in three tranches to vest at the end of each calendar year should the employee remain in the Company's employment. The long-term incentives ("LTI") include long service leave and performance rights. These LTIs may be granted to eligible employees both to reward employees for performance in the realisation of strategic outcomes and long-term growth in shareholder wealth and to provide recognition for contribution. The terms of the performance rights seek to align employees and shareholder interests by:

1. Focusing on the creation of shareholder value and returns;
2. Focusing on the delivery of key strategic goals of the Company;
3. Attract employees with knowledge to support and develop the Company's ongoing business and activities and;
4. Seeking to retain competent and experienced individuals in key roles.

	Balance at the Start of the Year No.	Granted as Compensation No.	Received on Exercise of Options No.	Other Changes during the Year No.	Balance at the End of the Year No.
Directors					
Dr Nicole S Adshead-Bell	78,453	-	-	155,000	233,453
Christian E Easterday	579,684	-	-	35,294	614,978
Roberto de Andraca Adriasola	130,000	-	-	-	130,000
Mark Jamieson	-	-	-	-	-
Stephen Quin	-	-	-	-	-
George R Nickson	-	-	-	-	-
Dr Allan Trench	18,025	-	-	(18,025)[1]	-
	806,162	**-**	**-**	**172,269**	**978,431**
Other KMP					
José Ignacio Silva	151,045	-	-	-	151,045
Grant King	11,572	-	-	-	11,572
John Hearne	2,000	-	-	(2,000)[2]	-
	164,617	**-**	**-**	**(2,000)**	**162,617**
Total	**970,779**	**-**	**-**	**170,269**	**1,141,048**

[1] Represents balance held by Dr Trench on his date of resignation on 30 November 2022.

[2] Represents balance held by Mr Hearne on his date of resignation on 9 December 2022 following his redundancy.

REMUNERATION REPORT (AUDITED) (CONT'D)

7.2 Director and Other KMP Interests in Options

Since the end of the previous financial year, no directors or other KMP held any options in the Company.

7.3 Director and Other KMP Interests in Service Rights

Directors and other KMP holdings of service rights in the Company are as follows:

	Balance at the Start of the Year No.	Granted as Compensation[1] No.	Rights Exercised / Expired No.	Other Changes During the Year No.	Balance at the End of the Year No.
Directors					
Dr Nicole S Adshead-Bell	-	153,000	-	-	153,000
Christian E Easterday	-	828,750	-	-	828,750
Roberto de Andraca Adriasola	-	87,000	-	-	87,000
Stephen Quin	-	87,000	-	-	87,000
	-	**1,155,750**	**-**	**-**	**1,155,750**
Other KMP					
José Ignacio Silva	-	483,176	-	-	483,176
Grant King	-	447,525	-	-	447,525
	-	**930,701**	**-**	**-**	**930,701**
Total	**-**	**2,086,451**	**-**	**-**	**2,086,451**

[1] Refer to Note 23(a) of the notes to the financial statements for details of the issue of service rights. The total fair value of service rights granted to KMP on 10 May 2023 amounted to $2,044,722.

No service rights were vested and exercisable at the end of the financial year.

7.4 Director and Other KMP Interests in Performance Rights

Directors and other KMP holdings of performance rights in the Company are as follows:

	Balance at the Start of the Year No.	Granted as Compensation[1] No.	Rights Exercised / Expired No.	Other Changes During the Year No.	Balance at the End of the Year No.
Directors					
Christian E Easterday	400,002	828,750	-	-	1,228,752
	400,002	**828,750**	**-**	**-**	**1,228,752**
Other KMP					
José Ignacio Silva	300,000	483,176	-	-	783,176
Grant King	300,000	447,525	-	-	747,525
John Hearne	300,000	-	-	(300,000)[2]	-
	900,000	**930,701**	**-**	**(300,000)**	**1,530,701**
Total	**1,300,002**	**1,759,451**	**-**	**(300,000)**	**2,759,453**

[1] Refer to Note 23(b) of the notes to the financial statements for details of the issue of performance rights. The total fair value of performance rights granted to KMP on 10 May 2023 amounted to $1.408.426 and are broken down as follows:
- Class A performance rights $172,427
- Class B performance rights $339,296
- Class C performance rights $206,999
- Class D performance rights $689,704

[2] Represents balance held by Mr Hearne on his date of resignation on 9 December 2022 following his redundancy.

No performance rights were vested and exercisable at the end of the financial year.

8. Service Contracts

The Company has executive service, labour or other agreements with the following KMP:

Term of Contract	Notice Period	Termination Entitlements	Other Details
CE Easterday			
Executive Service Agreement with Initial term of 3 years from 9 September 2013 and then ongoing until terminated by either party. Under the agreement, Mr Easterday receives an annual salary of $400,000, plus superannuation. Mr Easterday's remuneration is subject to annual review.	After the initial term, the agreement continues until either Mr Easterday terminates by giving the Company 6 months' notice, or the Company terminates by giving Mr Easterday 6 months' notice or payment in lieu of notice up to an amount equivalent to 6 months' remuneration.	Upon termination of the agreement, Mr Easterday will be entitled to termination benefits in accordance with Part 2D.2 of the *Corporations Act 2001*. The termination benefits (including any amount of payment in lieu of notice) must not exceed the amount equal to one times the executive's average annual base salary in the last 3 years of service with the Company, unless the benefit has first been approved by the Company's shareholders in a general meeting.	Post termination non-competition restraints up to a maximum of 12 months.
JI Silva			
The Company, through one of its Chilean subsidiary entities, Sociedad Minera El Águila SpA ("SMEA"), has a labour agreement with Mr José Ignacio Silva, as Country Manager for Chile and Chief Legal Counsel of the Company. Mr Silva's annual salary was reviewed during the year to $320,000 per annum, effective from 1 January 2023.	Either party may give notice that the agreement will terminate with 1 months' notice.	Such agreement will continue until either Mr Silva terminates by giving the Company 1 months' notice or the Company terminates by giving Mr Silva 1 months' notice or payment in lieu of notice up to an amount equivalent to 1 months' remuneration.	Mr Silva is not subject to any post termination non-competition restraints. The Company may terminate the agreement summarily for any serious incidents or wrongdoing by Mr Silva.
G King			
Mr King commenced employment with Hot Chili Limited on 7 September 2020. Mr King's annual salary was reviewed during the year to $300,000 per annum, effective from 1 January 2023.	Either party may give notice that the agreement will terminate with 3 months' notice.	Such agreement will continue until either Mr King terminates by giving the Company 3 months' notice or the Company terminates by giving Mr King 3 months' notice or payment in lieu of notice up to an amount equivalent to 3 months' remuneration.	Mr King is subject to post termination non-competition restraints up to a maximum of 6 months. The Company may terminate the agreement summarily for any serious incidents or wrongdoing by Mr King.

KMP have no entitlement to termination payments in the event of removal for misconduct.

5 Directors' Report (Cont'd)

REMUNERATION REPORT (AUDITED) (CONT'D)

9. Non-Executive Directors

Each of the Non-Executive Directors have signed letters of appointment. The key features of the respective appointments are (inclusive of board and committee fees):

At Reporting Date	Dr Nicole S Adshead-Bell	Roberto de Andraca Adriasola	Mark Jamieson	Stephen Quin[1]	George R Nickson[2]	Dr Allan Trench[3]
Term	N/A	N/A	N/A	N/A	N/A	N/A
Remuneration	A$7,333 per month	A$3,833 per month	-	A$5,792 per month	A$3,833 per month	A$3,868 per month incl. of superannuation
Termination Benefits	Nil	Nil	Nil	Nil	Nil	Nil

[1] Since appointment on 5 May 2023.
[2] Until retirement on 29 November 2022.
[3] Until resignation on 30 November 2022.

10. Additional Information

The earnings of the consolidated entity for the five years to 30 June 2023 are summarised below:

	2023 A$	2022 A$	2021 A$	2020 A$	2019 A$
Other income	170,795	2,520,701	60,465	3,289,606	238,112
Expenses	(5,594,579)	(9,799,457)	(9,304,467)	(4,555,219)	(4,470,482)
EBITDA	(5,416,529)	(4,780,485)	7,525,912	680,324	(2,184,855)
EBIT	(5,547,227)	(4,870,519)	7,530,689	671,646	(2,196,264)
Loss after income tax	(5,423,784)	(7,278,756)	(9,744,002)	(1,265,613)	(4,232,370)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

	2023	2022	2021[1]	2020[1]	2019[1]
Share price at financial year end ($)	1.12	0.75	1.70	0.85	1.56
Basic earnings/(loss) per share (cents per share)	(4.37)	(7.49)	(17.37)	(3.50)	(23.50)

[1] Updated to reflect post consolidation share price and basic earnings/(loss) per share amounts.

11. Other Transactions with Directors, Other KMP and Their Related Parties

There were no transactions that occurred with directors, other KMP and their related parties during the current financial year, other than the reimbursement of expenses.

12. Adoption of Year Ended 30 June 2022 Remuneration Report

At the Annual General Meeting held on 30 November 2022, shareholders adopted the 30 June 2022 Remuneration Report with a clear majority of 22,736,704 votes in favour, being 94.09% of votes cast.

END OF REMUNERATION REPORT (AUDITED)

This report is made in accordance with a resolution of the Board of Directors made pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Signed for on behalf of the Board of Directors by:

C Easterday

Christian E Easterday
Managing Director

Dated this 29th day of September 2023
Perth, Western Australia

6 Auditors' Independence Declaration

RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Hot Chili Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 29 September 2023

AIK KONG TING
Partner

7 Auditors' Report

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT

To the Members of HOT CHILI LIMITED

Opinion

We have audited the financial report of Hot Chili Limited (Company) and its subsidiaries (Group), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed this matter
Exploration and Evaluation Expenditure Refer to Note 11 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of $220,436,849 as at 30 June 2023. We considered this to be a key audit matter due to the significant management judgment involved in assessing the carrying value in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, including: • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss; and • Assessing whether exploration activities have reached a stage at which the existence of economically recoverable reserves may be determined.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Assessing whether the rights to tenure of those areas of interest are current; • Testing the option agreement payments are up to date; • Testing on a sample basis of additions to supporting documentation and checking the amounts capitalised during the year are in compliance with the Group's accounting policy and relate to the area of interest; • Assessing and evaluating management's assessment of whether indicators of impairment existed at the reporting date; • Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; • Assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; and • Assessing the appropriateness of the disclosures in the financial statements.
Share-based payment Refer to Note 23 in the financial statements	
During the year, the Group issued performance rights and service rights to key management personnel and employees. Management has accounted for these instruments in accordance with AASB 2 *Share-Based Payment*. We considered this to be a key audit matter due to: • The complexity of the accounting associated with recording these instruments and management estimation in determining the fair value of instruments granted; • Management judgement is required to determine the probability of vesting conditions of these instruments and the inputs used in the valuation model to value these instruments; and • The recognition of the share-based payment expense is complex due to the variety of vesting conditions attached to these instruments.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining an understanding of the terms and conditions of these instruments granted; • Assessing the completeness of the instruments granted/expired/lapsed at reporting date; • Assessing the appropriateness of management's valuation methodology used to determine the fair value of these instruments granted; • Testing the key inputs used in the valuation model for each instrument granted; • Critically assessing management's determination of the vesting probability of each instrument; and • Assessing the appropriateness of the disclosures in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

7 Auditors' Report (Cont'd)

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2023. In our opinion, the Remuneration Report of Hot Chili Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

AIK KONG TING
Partner

Perth, WA
Dated: 29 September 2023

8 Directors' Declaration

In the opinion of the Directors:

a) the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

b) the attached financial statements and notes thereto comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;

c) the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

Signed for on behalf of the Board of Directors by:

Christian E Easterday
Managing Director

Dated this 29th day of September 2023
Perth

9 Statement of Profit or Loss & Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

		Consolidated Entity	
		2023	2022
	Note	$	$
Interest income		170,795	3,688
Gain on revaluation of derivative liability	4	-	2,425,593
Other income	4	-	91,420
Total Income		**170,795**	**2,520,701**
Depreciation		(130,698)	(90,034)
Convertible notes compliance		-	(48,500)
Corporate fees		(359,220)	(549,709)
Legal and professional		(588,185)	(882,042)
Employee benefits expense		(2,322,005)	(2,145,481)
Administration expenses		(1,076,963)	(982,687)
Accounting fees		(15,848)	(266,326)
Other expenses	5	(1,263,900)	(1,181,380)
Foreign exchange gain/(loss)		119,145	(466,471)
Share-based payments reversal/(expense)	23	90,447	(774,902)
Finance costs		(47,352)	(2,411,925)
Total Expenses		**(5,594,579)**	(9,799,457)
Loss before income tax		(5,423,784)	(7,278,756)
Income tax expense	6	-	-
Loss After Income Tax		**(5,423,784)**	**(7,278,756)**
Other comprehensive income		-	-
Total Comprehensive Loss		**(5,423,784)**	**(7,278,756)**
Loss Attributable To:			
Non-controlling interests		(198,719)	(132,103)
Owners of Hot Chili Limited		(5,225,065)	(7,146,653)
		(5,423,784)	**(7,278,756)**
Basic and diluted loss per share (cents) attributable to the owners of Hot Chili Limited	7	(4.37)	(7.49)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

10 Statement of Financial Position

AS AT 30 JUNE 2023

	Note	Consolidated Entity 2023 $	2022 $
Current Assets			
Cash and cash equivalents	8	2,948,964	23,721,808
Other current assets	13	271,678	69,898
Total Current Assets		3,220,642	23,791,706
Non-Current Assets			
Plant and equipment	10	134,721	75,149
Exploration and evaluation expenditure	11	220,436,849	207,436,542
Right-of-use assets	12	277,591	292,274
Other non-current assets	13	362,688	-
Total Non-Current Assets		221,211,849	207,803,965
Total Assets		**224,432,491**	**231,595,671**
Current Liabilities			
Trade and other payables	14	1,202,362	6,376,830
Provisions	15	231,546	107,368
Lease liabilities	16	124,490	67,081
Total Current Liabilities		1,558,398	6,551,279
Non-Current Liabilities			
Provisions	15	16,218	9,145
Lease liabilities	16	209,118	263,767
Total Non-Current Liabilities		225,336	272,912
Total Liabilities		**1,783,734**	**6,824,191**
Net Assets		**222,648,757**	**224,771,480**
Equity			
Contributed equity	19	269,189,573	269,189,573
Share-based payments reserve	20(a)	5,230,152	5,517,849
Foreign currency translation reserve	20(b)	1,222	1,222
Accumulated losses	21	(71,081,853)	(68,785,934)
Capital and Reserves Attributable to Owners of Hot Chili Limited		203,339,094	205,922,710
Non-controlling interests	22	19,309,663	18,848,770
Total Equity		**222,648,757**	**224,771,480**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

11 Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

Consolidated Entity	Contributed Equity $	Share-Based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Non-Controlling Interest ("NCI") $	Total Equity $
Balance at 30 June 2022	269,189,573	5,517,849	1,222	(68,785,934)	18,848,770	224,771,480
Reclassification of historical allocation of NCI and accumulated losses	-	-	-	2,754,221	(2,754,221)	-
NCI contributions from previous periods[1,2]	-	-	-	(22,325)	1,477,934	1,455,609
Balance at 1 July 2022	**269,189,573**	**5,517,849**	**1,222**	**(66,054,038)**	**17,572,483**	**226,227,089**
Loss for the year	-	-	-	(5,225,065)	(198,719)	(5,423,784)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(5,225,065)**	**(198,719)**	**(5,423,784)**
Options expired	-	(197,250)	-	197,250	-	-
Share based payments reversal	-	(90,447)	-	-	-	(90,447)
NCI contribution[1]	-	-	-	-	1,935,899	1,935,899
Balance at 30 June 2023	**269,189,573**	**5,230,152**	**1,222**	**(71,081,853)**	**19,309,663**	**222,648,757**
Balance at 1 July 2021	188,314,123	2,774,476	1,222	(62,179,021)	18,980,873	147,891,673
Loss for the year	-	-	-	(7,146,653)	(132,103)	(7,278,756)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(7,146,653)**	**(132,103)**	**(7,278,756)**
Shares issued during the period	88,444,420	2,508,211	-	-	-	90,952,631
Share issue costs	(7,568,970)	-	-	-	-	(7,568,970)
Options expired	-	(539,740)	-	539,740	-	-
Share-based payments	-	774,902	-	-	-	774,902
Balance at 30 June 2022	**269,189,573**	**5,517,849**	**1,222**	**(68,785,934)**	**18,848,770**	**224,771,480**

1 The above NCI contribution was made by Compañía Minera del Pacífico S.A. ("CMP") to maintain its interest of 20% in Sociedad Minera El Águila SpA

2 Adjustments have been made to the figures disclosed for exploration and evaluation assets, opening retained earnings, and non-controlling interests. These were the result of reclassifications to gross-up NCI contributions previously offset against exploration and evaluation assets. The effect of these adjustments was to increase exploration and evaluation assets by $1,455,609, increase the minority interest by $1,477,934, and decrease retained earnings by $22,325.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

12 Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated Entity 2023 $	2022 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(5,408,260)	(6,101,583)
Interest received		159,509	3,688
Interest paid		(417)	(2,582)
Other receipts		-	91,420
Net Cash Used in Operating Activities	9	(5,249,168)	(6,009,057)
Cash Flows from Investing Activities			
Payments for plant and equipment	10	(102,700)	(42,816)
Payments for tenements	11	(1,536,835)	(23,254,689)
Payments for exploration and evaluation		(13,856,439)	(25,584,862)
Net Cash Used in Investing Activities		(15,495,974)	(48,882,367)
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	76,813,915
Proceeds from exercise of options		-	3,822,245
Share issue costs		-	(5,060,759)
Repayment of lease liabilities		(146,847)	(100,323)
Net Cash (Used in) / Provided by Financing Activities		(146,847)	75,475,078
Net (decrease)/increase in cash held		(20,891,989)	20,583,654
Cash and cash equivalents at the beginning of the year		23,721,808	3,604,625
Foreign exchange differences on cash		119,145	(466,471)
Cash and Cash Equivalents at the End of the Year	8	**2,948,964**	**23,721,808**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

13 Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New, Revised or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all of the new, revised or amended accounting standards, interpretations and other accounting pronouncements issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new, revised or amending accounting standards, interpretations and other accounting pronouncements that are not yet mandatory have not been early adopted.

(b) Accounting Standards and Interpretations Issued But Not Yet Effective

Australian Accounting Standards and Interpretations that have recently been issued or amended are not yet mandatory, and have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2023. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(c) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

The financial report was authorised for issue on 29th September 2023 by the Board of Directors.

The functional and presentation currency of Hot Chili Limited is Australian Dollars.

Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Historical Cost Convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

(d) Rounding of Amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission. Therefore, the amounts in this report have been rounded to the nearest dollar in accordance with that Corporations Instrument, unless otherwise stated.

(e) Parent Entity Information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 26.

(f) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hot Chili Limited ("parent entity") as at 30 June 2023 and the results of all subsidiaries for the year then ended. Hot Chili Limited and its subsidiaries together are referred to in these financial statements as the "consolidated entity".

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Non-controlling interests in the results and equity of the consolidated entity is shown separately in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of profit and loss and comprehensive income from the date on which control commences. Where control ceases, de-consolidation occurs from that date.

Investments in associates are accounted for in the consolidated financial statements using the equity method. Under this method, the consolidated entity's share of the post-acquisition profits or losses of associates is recognised in the consolidated statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in consolidated reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. Associates are those entities over which the consolidated entity exercises significant influence, but not control. Investments in subsidiaries are recognised at cost less impairment losses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(h) Foreign Currency Translation

The financial statements are presented in Australian dollars, which is Hot Chili Limited's functional and presentation currency.

Foreign Currency Transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign Operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(i) Goods and Services Tax ("GST") and Other Similar Taxes

Revenues, expenses and assets are recognised net of the amount of associated GST (or "VAT", as it is referred to in some jurisdictions), unless the GST incurred is not recoverable from the taxation. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated as inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(j) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for major business activities as follows:

Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other Services

Other debtors are recognised at the amount receivable and are due for settlement within 30 days from the end of the month in which services were provided.

(k) Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including interest on short-term and long-term borrowings.

(l) Income Tax

The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the statement of balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Hot Chili Limited and its wholly owned Chilean subsidiaries have not formed an income tax consolidated group under the Australian Tax Consolidation Regime.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(n) Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(o) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(p) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(q) Other Receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(r) Plant and Equipment

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Depreciation

The depreciable amount of all plant and equipment is depreciated on a diminishing value over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	10-33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(s) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(t) Right-of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(u) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(v) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid, together with assets ordered before the end of the financial year. The amounts are unsecured and are usually paid within 30 days of recognition.

(w) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(x) Derivative Financial Instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(y) Provisions

Provisions are recognised when the consolidated entity has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

(z) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(aa) Share-Based Payments

Equity-based compensation benefits can be provided to directors and executives.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using any of the Hoadley Employee Stock Option, Hoadley Employee Stock Option 2 ("Hoadley ESO2"), Hoadley Parisian Barrier, Hybrid Barrier Up and In Trinomial, or Black-Scholes option pricing models that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option or right, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Hoadley Employee Stock Option, Hoadley ESO2, Hoadley Parisian Barrier, Hybrid Barrier Up and In Trinomial, or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

(i) during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

(ii) from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

(bb) Earnings per Share

Basic Earnings per Share

Basic earnings per share is determined by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events; management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

(a) Exploration and Evaluation Costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

(b) Share-Based Payment Transactions

The consolidated entity measures the cost of equity-settled transactions with directors, employees and key consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Hoadley Employee Stock Option, Hoadley ESO2, Hoadley Parisian Barrier, Hybrid Barrier Up and In Trinomial, or Black-Scholes option pricing models taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

3. SEGMENT INFORMATION

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (the chief operating decision makers) in assessing performance and determining the allocation of resources.

The consolidated entity operates as a single segment which is mineral exploration, and is domiciled in Australia.

Segment revenues are allocated based on the country in which the party is located. Operating non-interest revenue of $91,420 during the previous financial year was derived from a single external party. There was no operating non-interest revenue during the current financial year.

All the assets relate to mineral exploration. Segment assets are allocated to segments based on the purpose for which they are used.

The following is an analysis of the consolidated entity's revenue, results, assets and liabilities by reportable operating segment:

	Australia	Chile	Total
2023	**$**	**$**	**$**
Revenue (non-interest)	-	-	-
EBITDA	(3,813,944)	(1,602,585)	(5,416,529)
Depreciation			(130,698)
Interest income			170,795
Finance costs			(47,352)
Loss Before Income Tax Expense			(5,423,784)
Income tax expense			-
Loss After Income Tax Expense			**(5,423,784)**
Segment Assets	**2,615,989**	**221,816,502**	**224,432,491**
Segment Liabilities	**(978,517)**	**(805,217)**	**(1,783,734)**
2022			
Revenue (non-interest)	-	91,420	91,420
EBITDA	(3,590,621)	(1,189,864)	(4,780,485)
Depreciation			(90,034)
Interest income			3,688
Finance costs			(2,411,925)
Loss Before Income Tax Expense			(7,278,756)
Income tax expense			-
Loss After Income Tax Expense			**(7,278,756)**
Segment Assets	**21,454,201**	**210,141,470**	**231,595,671**
Segment Liabilities	**(636,640)**	**(6,187,551)**	**(6,824,191)**

	Consolidated Entity 2023 $	2022 $

4. OTHER INCOME

	2023 $	2022 $
Gain on revaluation of derivative liability	-	2,425,593
Other income	-	91,420
	-	**2,517,013**

5. OTHER EXPENSES

	2023 $	2022 $
Marketing expenses	836,470	826,120
Travel costs	352,094	355,260
Community development costs	75,336	-
	1,263,900	**1,181,380**

6. INCOME TAX EXPENSE

(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable

	2023 $	2022 $
Loss before income tax	(5,423,784)	(7,278,756)
Prima facie income tax at 25% (2022: 25%)	(1,355,946)	(1,819,689)
Tax-effect of amounts not deductible in calculating taxable income	139,161	329,435
Tax loss not recognised	1,216,785	1,490,254
Income Tax Expense	**-**	**-**

(b) Tax Losses:

	2023 $	2022 $
Unused tax losses for which no deferred tax asset has been recognised	36,460,217	33,580,584
Potential tax benefit at 25% (2022: 25%)	9,115,054	8,395,146

As shown above, the directors estimate that the potential deferred tax asset at 30 June 2023 in respect of tax losses not brought to account is $9,115,054 (2022: $8,395,146).

In addition, Chilean subsidiaries of Hot Chili Limited also have tax losses that are a potential deferred tax asset of $33,203,301 (2022: $26,862,337).

The benefit of tax losses will only be obtained if:

i. The consolidated entity and the subsidiaries derive income, sufficient to absorb tax losses; and

ii. There is no change to legislation to adversely affect the consolidated entity and its subsidiaries in realising the benefit from the deduction of the losses.

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
7. LOSS PER SHARE		
Loss after tax attributable to the owners of Hot Chili Limited	(5,225,065)	(7,146,653)
The weighted average number of ordinary shares on issue used in the calculation of basic loss per share (post consolidation number of shares)	119,445,206	95,441,990
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share (i)	**119,445,206**	**95,441,990**
Basic Loss Per Share (Cents)	**(4.37)**	**(7.49)**
Diluted Loss Per Share (Cents) (i)	**(4.37)**	**(7.49)**

(i) Unexercised options are not dilutive.

8. CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash at bank	2,948,964	23,721,808
Total Cash and Cash Equivalents	**2,948,964**	**23,721,808**
Reconciliation to cash and cash equivalents:		
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:		
Cash and Cash Equivalents	**2,948,964**	**23,721,808**

9. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Net Cash Used in Operating Activities

	2023 $	2022 $
Loss for the year	(5,423,784)	(7,278,756)
Adjustments for:		
Depreciation	130,698	90,034
Foreign exchange (gain)/loss	(119,145)	466,471
Community development costs recognised as investing activities	75,336	-
Share based payments	(90,447)	774,902
Effect on revaluation of derivative liability	-	(2,425,593)
Amortised finance costs	-	2,364,841
Non-cash finance costs	-	44,502
Finance costs on lease liabilities	46,935	14,684
Net cash flows from operating activities before change in assets and liabilities	(5,380,407)	(5,948,915)
Change in assets and liabilities during the financial year (i):		
Other current assets	(326,695)	(69,765)
Trade and other payables	326,683	(106,890)
Provisions	131,251	116,513
Net Cash Outflow from Operating Activities	**(5,249,168)**	**(6,009,057)**

(i) As related to operating activities.

9. NOTES TO STATEMENT OF CASH FLOWS (CONT'D)

(b) Non-Cash Investing and Financing Activities

2023

There were no non-cash investing and financing activities during the current year.

2022

92,500,000 options (pre-consolidation (1,850,001 post consolidation)) were issued to lead managers of a capital raising. The options are exercisable at $5 per option ($0.10 pre-consolidation) and expire 30 September 2024.

1,259,789 options were issued (post consolidation) to lead managers of a capital raising. The options are exercisable at C$1.85 and expire on 31 January 2025.

Quarterly convertible note interest that accrued to noteholders was settled through the issue of fully paid ordinary shares calculated on the 5 day volume weighted average price (VWAP) prior to quarter end:

Quarter Ended	Date Paid	Interest Due $	VWAP	Shares Issued Pre Share Consolidation	Shares Issued Post Share Consolidation
30 September 2021	8 Oct 2021	139,615	$0.03808	3,666,369	-
31 December 2021	17 Jan 2022	139,617	$1.70101	-	82,043
31 March 2022	13 April 2022	121,918	$1.38965	-	87,904
22 June 2022	30 June 2022	105,652	$0.92309	-	114,455

A total of 9,695 Convertible Notes and respective interest to dates of conversion were converted to 2,043,668 pre consolidation shares and 547,451 post-consolidation shares during the year.

A total of 59,758 Convertible Notes remaining outstanding at final maturity (22 June 2022) were converted to 6,473,671 shares at a deemed price of $0.92309 as per the terms and conditions of the notes.

	Consolidated Entity	
	2023	**2022**
	$	**$**
10. PLANT AND EQUIPMENT		
Plant and equipment at cost	1,043,203	810,615
Less provision for depreciation	(908,482)	(735,466)
Total Plant and Equipment	**134,721**	**75,149**
Reconciliation:		
Carrying amount at the beginning of the year	75,149	61,944
Additions	102,700	42,816
Disposals and scrapped	-	-
Depreciation expensed	(13,340)	(10,323)
Depreciation capitalised into exploration costs	(29,788)	(19,288)
Foreign exchange	-	-
Carrying Amount at the End of the Year	**134,721**	**75,149**

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
11. EXPLORATION AND EVALUATION EXPENDITURE		
Carrying amount at the beginning of the year	207,436,542	158,329,683
Consideration given for mineral exploration acquisition (i)	1,536,835	23,254,689
Capitalised mineral exploration and evaluation	11,463,472	25,852,170
Carrying Amount at the End of the Year (ii)	**220,436,849**	**207,436,542**

(i) Capitalised mineral exploration and evaluation is net of reimbursements of VAT recovered following approval for VAT refunds from the Chilean Tax Authorities.

(ii) Management have determined that the capitalised expenditure relating to the projects in Chile are still in the exploration phase and are to be classified as exploration and evaluation expenditure. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, management have assessed whether there are any indicators of impairment on the capitalised expenditure as at balance date. In making this assessment management have considered whether sufficient data exists to conclude that the exploration and evaluation assets are unlikely to be recovered in full from successful development or sale. Based on this assessment, management are satisfied that there are no impairment indicators as at balance date.

The future realisation of these non-current assets is dependent on further exploration and funding necessary to commercialise the resources or realisation through sale.

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
12. RIGHT OF USE ASSET		
Right-of-use assets at cost	474,660	371,985
Less: Accumulated depreciation	(197,069)	(79,711)
	277,591	**292,274**
Reconciliation of Right-of-Use Assets		
Opening balance	292,274	-
Additions (i)	102,675	371,985
Amortisation	(117,358)	(79,711)
Closing balance	**277,591**	**292,274**

(i) Effective on 1 August 2022, the Company entered into a lease agreement for further floor space (on the ground floor) at its current premises, which will expire on 28 February 2025. This additional lease agreement was previously disclosed in Note 22 of the annual report for the year ended 30 June 2022 as part of the consolidated entity's minimum lease payment commitments.

(ii) In addition, the Company exercised its option to renew its existing lease agreement for the first floor of its current premises for a further 3 years to 28 February 2026.

(iii) The Chilean entities leases their office premises under operating leases. The operating leases are on a month-to-month basis and are not material to the consolidated entity, and therefore have been expensed as incurred and not capitalised as right-of-use assets. Refer to Note 17(c) for details of commitments for minimum lease payments in relation to these operating leases at year end.

	Consolidated Entity	
	2023	2022
	$	$

13. OTHER ASSETS

Current		
Prepayments	260,392	69,765
VAT receivable	-	133
Other receivables	11,286	-
Total Other Current Assets	**271,678**	**69,898**
Non-Current		
Term deposits and bonds	362,688	-
Total Other Non-Current Assets	362,688	-
Total Other Assets	**634,366**	**69,898**

14. TRADE AND OTHER PAYABLES

Trade payables and accruals	1,202,362	6,376,830
	1,202,362	**6,376,830**

15. PROVISIONS

Current		
Annual leave	153,213	107,368
Long service leave	78,333	-
	231,546	**107,368**
Non-Current		
Long service leave	16,218	9,145
	16,218	**9,145**
Total Provisions	**247,764**	**116,513**

16. LEASE LIABILITIES

	Consolidated Entity 2023 $	Consolidated Entity 2022 $
Current	124,490	67,081
Non-current	209,118	263,767
Total Lease Liabilities	**333,608**	**330,848**
Reconciliation of Lease Liabilities:		
Opening balance	330,848	-
Additions (refer to Note 12(i))	102,675	371,985
Repayments	(146,847)	(85,639)
Interest	46,932	44,502
Closing Balance	**333,608**	**330,848**
Maturity Analysis:		
Year 1	158,783	104,108
Year 2	148,784	110,634
Year 3	81,780	119,905
Year 4	-	81,780
	389,347	416,427
Less: Interest portion of lease liabilities	(55,739)	(85,579)
Closing Balance	**333,608**	**330,848**

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function. Refer to Note 12 for further details of the Group's leases.

	Consolidated Entity	
	2023	2022
	$	$

17. COMMITMENTS FOR EXPENDITURE

(a) Exploration Commitments

In order to maintain current rights of tenure to exploration and mining tenements, the consolidated entity has the following discretionary exploration expenditure requirements up until the expiry of leases. These obligations are not provided for in the financial statements and are payable as follows:

	2023 $	2022 $
Within one year	2,312,030	555,680
Later than one year but not later than five years	2,668,572	2,222,721
More than five years	5,279,035	5,080,563
	10,259,637	**7,858,964**

(b) Option Payment Commitments

The mining rights (which vary between 90% to 100%) of the various projects undertaken by Hot Chili will be transferred upon satisfaction of the option payments committed as at year end as tabled below:

	2023 $	2022 $
Within one year	7,088,989	653,215
Later than one year but not later than five years	12,217,195	16,257,802
More than five years	-	-
	19,306,184	**16,911,017**

(c) Operating Leases

The below reflects the Group's commitments for minimum lease payments in relation to operating leases at year end. Operating leases are not material to the consolidated entity and are not accounted for as right-of-use assets under AASB 16 Leases. Refer to Note 16 for further details of the Group's leases.

	2023 $	2022 $
Within one year	100,992	69,535
Later than one year but not later than five years	488,267	187,731
More than five years	-	-
	589,259	**257,266**

18. CONTINGENT LIABILITIES

At year-end, Hot Chili Limited had accumulated:

- VAT refund payments of $16,890,566 (2022: $12,903,932) with respect to VAT recovered at year end by SMEA (refer to the table below); and
- VAT refund payments of $9,604,604 (2022: $5,263,509) with respect to VAT recovered at year-end by Sociedad Minera Frontera SpA (refer to the table below).

	2023 $	2022 $
VAT recovered by Sociedad Minera El Águila SpA (CLP 8,988,767,896; 2022: CLP 8,178,026,868)	16,890,566	12,903,932
VAT recovered by Sociedad Minera Frontera SpA (CLP 5,111,348,028; 2022: CLP 3,335,840,009)	9,604,604	5,263,509

Under the initial terms of the VAT refund payment, the consolidated entity initially had until the 31 December 2019 to commercialise production from Productora and meet certain export targets. Hot Chili also had the right to extend this term. The Company exercised its right to extend the date of commercial production from Productora with the Chilean Tax Authority. An extension to the benefit was extended to 30 June 2022 and a further extension until 30 June 2026 was also granted. An agreement with Sociedad Minera Fronters SpA provides an extension to 31 December 2026 for exports related to the Cortadera deposit.

In the event that the term is not extended further and the Company does not meet certain export targets, the Company will be required to re-pay the VAT refund payments to the Chilean Tax Authority subject to certain terms and conditions. However, if Hot Chili achieves the export targets within that timeframe or its renewal, if required, any VAT refund payments will not be required to be repaid.

19. CONTRIBUTED EQUITY

	Consolidated Entity			
	2023		2022	
	No. Shares	$	No. Shares	$
(a) Share Capital				
Ordinary shares – fully paid	119,445,206	269,189,573	119,445,206	269,189,573
(b) Movement in Ordinary Share Capital				
Balance at the beginning of the period	119,445,206	269,189,573	3,104,169,531	188,314,123
Shares Issued Pre Share Consolidation				
Shares issued on capital raising	-	-	1,250,100,000	40,003,200
Shares issued in lieu of convertible note costs	-	-	7,693,153	279,065
Shares issued on conversion of convertible notes	-	-	2,043,668	92,673
Shares issued upon exercise of options	-	-	13,378,254	334,456
50 to 1 share consolidation	-	-	(4,289,835,156)	-
Shares Issued Post Share Consolidation				
Shares issued upon TSXV IPO	-	-	21,800,000	36,810,715
Shares issued in lieu of convertible note costs	-	-	284,402	369,615
Shares issued on conversion of convertible notes	-	-	547,451	1,091,107
Shares issued on maturity of convertible notes	-	-	6,473,671	5,975,800
Shares issued upon exercise of options	-	-	2,790,232	3,487,789
Less: Costs associated with issue of share capital	-	-	-	(7,568,970)
Balance at the End of the Period	**119,445,206**	**269,189,573**	**119,445,206**	**269,189,573**

(c) Terms and Conditions of Contributed Equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(d) Listed Ordinary Share Purchase Warrants ("Warrants") Over Ordinary Share Capital

Issue Date	Expiry Date	Balance at Start of Year No.	Issued During the Year No.	Expiry/ Exercise No.	Balance at End of Year No.	Exercisable at End of Year No.
28 Feb 2022	31 Jan 2024	10,900,000	-	-	10,900,000	10,900,000
		10,900,000	**-**	**-**	**10,900,000**	**10,900,000**

The Warrants are listed on the Canadian TSX Venture Exchange ("TSXV") and were exercisable at year-end.

19. CONTRIBUTED EQUITY (CONT'D)

(e) Unlisted Options Over Ordinary Share Capital

Grant Date	Expiry Date	Balance at Start of Year No.	Issued During the Year No.	Expiry/ Exercise(i) No.	Balance at End of Year No.	Exercisable at End of Year No.
14 Jan 2021	30 Nov 2022	500,000	-	(500,000)	-	-
15 Sep 2021	30 Sep 2024	1,850,001	-	-	1,850,001	1,850,001
31 Jan 2022	28 Jan 2025	1,259,789	-	-	1,259,789	1,259,789
		3,609,790	**-**	**(500,000)**	**3,109,790**	**3,109,790**

(i) On 30 November 2022, 500,000 unlisted options expired and were not exercised.

(ii) Weighted average exercise price of options on issue is $2.19 (2022: $2.57). The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.39 years (2022: 2.12 years).

(f) Service Rights

Grant Date	Last Vesting Day	Expiry Date(i)	Balance at Start of Year No.	Issued During the Year No.	Expiry/ Exercise No.	Balance at End of Year No.	Exercisable at End of Year No.
10 May 2023	31 Dec 2023	12 May 2028	-	938,953	-	938,953	-
10 May 2023	31 Dec 2024	12 May 2028	-	938,955	-	938,955	-
10 May 2023	31 Dec 2025	12 May 2028	-	938,956	-	938,956	-
			-	**2,816,864**	**-**	**2,816,864**	**-**

(i) Later expiry dates apply if service rights have vested on or before the last vesting day.

(ii) During the year, $313,871 (2022: $nil) was expensed in relation to the vesting of service rights (see Note 23).

(g) Performance Rights

Grant Date	Last Vesting Day	Expiry Date(i)	Balance at Start of Year No.	Issued During the Year No.	Expiry/ Exercise No.	Balance at End of Year No.	Exercisable at End of Year No.
12 Aug 2020	31 Jul 2023	31 Jul 2023	400,002	-	-	400,002	-
1 Sep 2020	31 Jul 2023	31 Jul 2023	700,002	-	-	700,002	-
3 Nov 2020	31 Jul 2023	31 Jul 2023	100,002	-	-	100,002	-
2 Sep 2021	31 Jul 2023	31 Jul 2023	300,000	-	-	300,000	-
20 Sep 2021	31 Jul 2023	31 Jul 2023	400,002	-	-	400,002	-
10 May 2023	31 Dec 2023	12 May 2028	-	290,480	-	290,480	-
10 May 2023	31 Dec 2024	12 May 2028	-	290,485	-	290,485	-
10 May 2023	31 Dec 2025	12 May 2028	-	1,286,433	-	1,286,433	-
10 May 2023	10 May 2026	12 May 2028	-	622,466	-	622,466	-
			1,900,008	**2,489,864**	**-**	**4,389,872**	**-**

(i) Later expiry dates apply if performance rights have vested on or before the last vesting day.

(ii) During the year, $404,318 was reversed (2022: $774,902 expensed) in relation to the vesting of performance rights (see Note 23).

(h) Capital Risk Management

The consolidated entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the consolidated entity may issue new shares, pay dividends or return capital to shareholders. Capital is calculated as 'equity' as shown in the statement of financial position and is monitored on the basis of funding exploration activities. The capital risk management policy remains unchanged from the 2022 Annual Report.

	Consolidated Entity	
	2023	2022
	$	$

20. RESERVES

(a) Share-Based Payments Reserve

The share-based payments reserve is used to recognise the fair value of options, service and performance rights issued:

Balance at the beginning of the year	5,517,849	2,774,476
Vesting of service and performance rights during the year (see Note 23)	(90,447)	774,902
Issue of options during the year (see Note 23(c))	-	2,508,211
Options expiring during the year (transferred to accumulated losses)	(197,250)	(539,740)
Balance at the End of the Year	**5,230,152**	**5,517,849**

(b) Foreign Currency Translation Reserve

Balance at the beginning of the year	1,222	1,222
Balance at the End of the Year	**1,222**	**1,222**

21. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	(68,785,934)	(62,179,021)
Reclassification of historical allocation of NCI and accumulated losses	2,754,221	-
Reclassification of NCI contributions from previous periods[1]	(22,325)	-
Net loss for the year attributable to the owners of Hot Chili Limited	(5,225,065)	(7,146,653)
Options expired during the year (transferred from share-based payments reserve)	197,250	539,740
Accumulated Losses at the End of the Year	**(71,081,853)**	**(68,785,934)**

[1] See footnote 2 of Note 22 below.

22. NON-CONTROLLING INTERESTS

Balance at the beginning of the year	18,848,770	18,980,873
Reclassification of historical allocation of NCI and accumulated losses	(2,754,221)	-
Reclassification of NCI contributions from previous periods[1,2]	1,477,934	-
Share of net loss for the year	(198,719)	(132,103)
NCI contributions (current year)[1]	1,935,899	-
Balance at the End of the Year	**19,309,663**	**18,848,770**

[1] The above NCI contributions were made by Compañía Minera del Pacífico S.A. ("CMP") to maintain its interest of 20% in Sociedad Minera El Águila SpA.

[2] Adjustments have been made to the figures disclosed for exploration and evaluation assets, opening retained earnings, and non-controlling interests. These were the result of reclassifications to gross-up NCI contributions previously offset against exploration and evaluation assets. The effect of these adjustments was to increase exploration and evaluation assets by $1,455,609, increase the minority interest by $1,477,934, and decrease retained earnings by $22,325.

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	Consolidated Entity 2023 $	2022 $
23. SHARE-BASED PAYMENTS		
Share-Based Payments (Reversal)/Expense Recognised in Profit or Loss		
Vesting of service rights to employees and key consultants of the Company during the year (see Note 23(a) below)	313,871	-
Vesting of performance rights to employees and key consultants of the Company during the year (see Note 23(b) below)	(404,318)	774,902
Total Share-Based Payments (Reversal)/Expense	**(90,447)**	**774,902**
Shares issued for quarterly interest on convertible notes (included in finance costs)	-	646,300
Total Share-Based Payments (Reversal)/Expense Recognised in Profit or Loss	**(90,447)**	**1,421,202**
Share-Based Payments Recognised Directly in Equity		
Shares issued for interest on convertible notes converted	-	12,211
Options granted to capital raising lead managers during the year (see Note 23(c) below)	-	2,508,212
Total Share-Based Payments Recognised in Equity	**-**	**2,520,423**
Total Share-Based Payment Transactions	**(90,447)**	**3,941,625**

Below are details of share-based payments made during the current and prior financial years.

(a) Service Rights

$313,871 has been expensed in relation to the vesting of service rights during the year. Other details of service rights granted during the current financial year are set out below. No service rights were granted during the previous financial year.

(i) Fair Value of Service Rights Issued During the Year Ended 30 June 2023

During the current year, 2,816,864 service rights were issued to certain directors and employees of the Company. The key terms and conditions of the service rights issued were as follows:

Service Rights Tranche	Quantity Granted 10 May 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	938,953 issued	31 Dec 2023	Continued employment during the 2023 calendar year.
Tranche 2	938,955 issued	31 Dec 2024	Continued employment during the 2024 calendar year.
Tranche 3	938,956 issued	31 Dec 2025	Continued employment during the 2025 calendar year.
Total	**2,816,864 Issued**		

23. SHARE-BASED PAYMENTS (CONT'D)

(a) Service Rights (Cont'd)

(i) Fair Value of Service Rights Issued During the Year Ended 30 June 2023 (Cont'd)

The fair values for the service rights were determined using the Hoadley ESO2 valuation model. The inputs for the fair value model for the service rights issued during the year were as follows:

	Tranche 1	Tranche 2	Tranche 3
Number	938,953	938,955	938,956
Issue date	12 May 2023	12 May 2023	12 May 2023
Valuation date	10 May 2023	10 May 2023	10 May 2023
Spot price at grant date	$0.9800	$0.9800	$0.9800
Exercise price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	12 May 2028	12 May 2028	12 May 2028
Expected price volatility of the Company's shares	75%	75%	75%
Risk-free interest rate	3.17%	3.17%	3.17%
Dividend yield	Nil	Nil	Nil
Fair value of per service right	$0.9800	$0.9800	$0.9800
Total Value of Service Rights Granted	**$920,174**	**$920,176**	**$920,177**

(b) Performance Rights

(i) Net Share-Based Payments (Reversal)/Expense

A net of $404,318 was reversed during the year (2022: $774,902 expensed) in relation to the vesting of performance rights during the year. The net reversal is related to the following performance rights:

	2023 $	2022 $
Issued in May 2023 (refer to note (ii) below)	105,665	-
Issued in previous financial years	(509,983)	774,902
	(404,318)	**774,902**

The reversal of share-based payments charges for the performance rights issued in previous financial years was due to non-market vesting conditions not being met before the last vesting day of 31 July 2023 (after year-end). After year-end, the remaining 1,900,008 performance rights that were issued in previous financial years lapsed due to all vesting conditions not being met by that date.

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

Other details of performance rights granted or cancelled during the current and previous financial years are set out below:

(ii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2023

During the current year, 2,489,864 performance rights were issued to a director and certain employees of the Company. The key terms and performance of the performance rights issued were as follows:

Class A Tranche	**Quantity Granted 10 May 2023**	**Vesting Determination Date**	**Vesting Conditions**
Tranche 1	82,994 issued	31 Dec 2023	Lost Time Injury Frequency Rate ("LTIFR") of less than 27 and zero fatalities during the 2023 calendar year.
Tranche 2	82,995 issued	31 Dec 2024	LTIFR of less than 27 and zero fatalities during the 2024 calendar year.
Tranche 3	82,998 issued	31 Dec 2025	LTIFR of less than 27 and zero fatalities during the 2025 calendar year.
Total Class A	248,987 issued		

Class B Tranche	**Quantity Granted 10 May 2023**	**Vesting Determination Date**	**Vesting Conditions**
Tranche 1	207,486 issued	31 Dec 2023	The Company's relative shareholder return ("SR") performance during the 2023 calendar year ranked against a "Peer Group" of comparable companies. Company's ranking must be above 50th percentile for any rights in tranche to vest. Ranking must be above 75th percentile for all rights in tranche to vest.
Tranche 2	207,490 issued	31 Dec 2024	Criteria as per above applied as relevant to the 2024 calendar year.
Tranche 3	207,491 issued	31 Dec 2025	Criteria as per above applied as relevant to the 2025 calendar year.
Total Class B	622,467 issued		

Class C Tranche	**Quantity Granted 10 May 2023**	**Vesting Determination Date**	**Vesting Conditions**
Tranche 1	311,234 issued	As conditions vest	Increase in the Company's 20-day VWAP to $1.69 per share on or before 10 May 2026.
Tranche 2	311,232 issued	As conditions vest	Increase in the Company's 20-day VWAP to $2.72 per share on or before 10 May 2026.
Total Class C	622,466 issued		

Class D Tranche	**Quantity Granted 10 May 2023**	**Vesting Determination Date**	**Vesting Conditions**
Tranche 1	497,972 issued	As conditions vest	Total resources growth to 1.2 billion tonnes on or before 31 December 2025.
Tranche 2	497,972 issued	As conditions vest	Total resources growth to between 1.2 billion tonnes and 1.4 billion tonnes on or before 31 December 2025, vesting on a pro-rata basis.
Total Class D	995,944 issued		
Total	**2,489,864 Issued**		

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(ii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2023 (Cont'd)

The fair values for the Class A and Class D performance rights were determined using the Hoadley ESO2 valuation model, the fair values for the Class B performance rights were determined using the Hoadley Employee Stock Option valuation model, and the fair values for the Class C performance rights were determined using the Hoadley Parisian Barrier and Hoadley Employee Stock Option valuation model. The inputs for the fair value models for the performance rights issued during the year were as follows:

For Class A Performance Rights	Tranche 1	Tranche 2	Tranche 3
Number	82,994	82,995	82,998
Issue date	12 May 2023	12 May 2023	12 May 2023
Valuation date	10 May 2023	10 May 2023	10 May 2023
Spot price at grant date	$0.9800	$0.9800	$0.9800
Exercise price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	12 May 2028	12 May 2028	12 May 2028
Expected price volatility of the Company's shares	75%	75%	75%
Risk-free interest rate	3.17%	3.17%	3.17%
Dividend yield	Nil	Nil	Nil
Fair value of per performance right	$0.9800	$0.9800	$0.9800
Total Value of Performance Rights Granted	**$81,334**	**$81,335**	**$81,338**

For Class B Performance Rights	Tranche 1	Tranche 2	Tranche 3
Number	207,486	207,490	207,491
Issue date	12 May 2023	12 May 2023	12 May 2023
Valuation date	10 May 2023	10 May 2023	10 May 2023
Spot price at grant date	$0.9800	$0.9800	$0.9800
Exercise price	Nil	Nil	Nil
VWAP barrier price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	12 May 2028	12 May 2028	12 May 2028
Expected price volatility of the Company's shares	75%	75%	75%
Risk-free interest rate	3.17%	3.17%	3.17%
Dividend yield	Nil	Nil	Nil
Fair value of per performance right	$0.7152	$0.7711	$0.8278
Total Value of Performance Rights Granted	**$148,394**	**$159,996**	**$171,761**

For Class C Performance Rights	Tranche 1	Tranche 2
Number	311,234	311,232
Issue date	12 May 2023	12 May 2023
Valuation date	10 May 2023	10 May 2023
Spot price at grant date	$0.9800	$0.9800
Exercise price	Nil	Nil
VWAP barrier price	$1.6900	$2.7200
Last vesting date	10 May 2026	10 May 2026
Expiry date	12 May 2028	12 May 2028
Expected price volatility of the Company's shares	75%	75%
Risk-free interest rate	3.17%	3.17%
Dividend yield	Nil	Nil
Fair value of per performance right	$0.4706	$0.4706
Total Value of Performance Rights Granted	**$146,467**	**$146,466**

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(ii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2023 (Cont'd)

For Class D Performance Rights	Tranche 1	Tranche 2
Number	497,972	497,972
Issue date	12 May 2023	12 May 2023
Valuation date	10 May 2023	10 May 2023
Spot price at grant date	$0.9800	$0.9800
Exercise price	Nil	Nil
Last vesting date	31 Dec 2025	31 Dec 2025
Expiry date	12 May 2028	12 May 2028
Expected price volatility of the Company's shares	75%	75%
Risk-free interest rate	3.17%	3.17%
Dividend yield	Nil	Nil
Fair value of per performance right	$0.9800	$0.9800
Total Value of Performance Rights Granted	**$488,013**	**$488,013**

(iii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2022

During the previous financial year, 35,000,000 performance rights (pre share consolidation) were issued to key consultants of the Company. The key terms and conditions of the performance rights issued were as follows:

Class of Performance Rights	Quantity Granted 2 Sep 2021 (Pre Share Consolidation)	Quantity Granted 20 Sep 2021 (Pre Share Consolidation)	Vesting Conditions
Class A	5,000,000 issued	6,666,666 issued	The price of Shares traded on ASX is greater than $0.06 per Share for 15 consecutive trading days or more before 31 July 2023.
Class B	5,000,000 issued	6,666,666 issued	The price of Shares traded on ASX is greater than $0.08 per Share for 15 consecutive trading days or more before 31 July 2023.
Class C	5,000,000 issued	6,666,668 issued	The Company announcing to ASX global independently estimated JORC compliant resources at the Cortadera Project and surrounding satellite projects, excluding currently reported resources at Productora, of 750 Mt at 0.5% Cu equivalent or greater (within 0.2% CuEq grade envelope or higher as deemed appropriate in the independent resource estimate) before 31 July 2023.

The fair values for the Class A and Class B performance rights were determined using the Hybrid Barrier Up and In Trinomial methods which uses an iterative procedure allowing for specification of points in time, during the time span between the valuation date and the option or performance right's expiration date. They take into account the barrier price, exercise price, the share price at value date and expected price volatility of the underlying share, and the risk-free interest rate for the options or performance rights' term.

The fair value for the Class C performance rights was determined using the Black-Scholes valuation method, which takes into account the price of the underlying security, the strike price, the time to expiration, the expected volatility of the security, and the risk-free interest rate.

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(iii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2022 (Cont'd)

The inputs for the fair value models for the performance rights issued during the previous financial year were as follows:

For Performance Rights Granted 2 September 2021	Class A	Class B	Class C
Number (pre share consolidation)	5,000,000	5,000,000	5,000,000
Valuation date	2 Sep 2021	2 Sep 2021	2 Sep 2021
Spot price at grant date	$0.045	$0.045	$0.045
Exercise price	Nil	Nil	Nil
Barrier price	$0.06	$0.08	Nil
Vesting date	31-07-23	31-07-23	31-07-23
Expiry date	31-07-23	31-07-23	31-07-23
Expected price volatility of the Company's shares	100%	100%	100%
Risk-free interest rate	0.17%	0.17%	0.17%
Dividend yield	Nil	Nil	Nil
Fair value of per performance right	$0.03	$0.025	$0.039
Total Value of Performance Rights Granted	**$150,000**	**$125,000**	**$195,000**

For Performance Rights Granted 20 September 2021	Class A	Class B	Class C
Number (pre share consolidation)	6,666,666	6,666,667	6,666,667
Valuation date	20 Sep 2021	20 Sep 2021	20 Sep 2021
Spot price at grant date	$0.039	$0.039	$0.039
Exercise price	Nil	Nil	Nil
Barrier price	$0.06	$0.08	Nil
Vesting date	31-07-23	31-07-23	31-07-23
Expiry date	31-07-23	31-07-23	31-07-23
Expected price volatility of the Company's shares	100%	100%	100%
Risk-free interest rate	0.17%	0.17%	0.17%
Dividend yield	Nil	Nil	Nil
Fair value of per performance right	$0.03	$0.025	$0.039
Total Value of Performance Rights Granted	**$200,000**	**$166,667**	**$260,000**

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(iii) Fair Value of Performance Rights Issued During the Year Ended 30 June 2022 (Cont'd)

After the 50 to 1 share consolidation on 15 November 2021, the amount of performance rights and vesting hurdles under the terms and conditions of the performance rights were updated to reflect the share consolidation, as follows:

Class of Performance Rights	Quantity Granted 2 Sep 2021 (Post Share Consolidation Equivalent)	Quantity Granted 20 Sep 2021 (Post Share Consolidation Equivalent)	Vesting Conditions
Class A	100,000	133,333	The price of Shares traded on ASX is greater than $3.00 per Share for 15 consecutive trading days or more before 31 July 2023.
Class B	100,000	133,333	The price of Shares traded on ASX is greater than $4.00 per Share for 15 consecutive trading days or more before 31 July 2023.
Class C	100,000	133,334	The Company announcing to ASX global independently estimated JORC compliant resources at the Cortadera Project and surrounding satellite projects, excluding currently reported resources at Productora, of 750 Mt at 0.5% Cu equivalent or greater (within 0.2% CuEq grade envelope or higher as deemed appropriate in the independent resource estimate) before 31 July 2023.

All other terms and conditions were unchanged as part of the share consolidation, and none of these performance rights vested or were exercised during the current or previous financial years. These performance rights (as part of the parcel of 1,900,008 performance rights) lapsed after year-end on 31 July 2023 (see Note 23(b)(i) and Note 23(b)(iv)).

(iv) Performance Rights Lapsed or Cancelled During the Year

No performance rights lapsed during the current financial year. However, after year end on 31 July 2023, 1,900,008 performance rights that were issued in previous financial years lapsed due to all vesting conditions not being met by that date (see Note 23(b)(i)).

During the previous financial year, 15,000,000 performance rights (pre share consolidation) lapsed upon the resignation of Melanie Leighton, a previous alternate director of the Company. 100,002 performance rights (post share consolidation) also lapsed upon the resignation of Mr Lloyd Flint (a previous company secretary of the Company). The amounts previously expensed for Ms Leighton's and Mr Flint's performance rights, which did not vest, were reversed during the previous financial year.

(c) Options Granted

There were no options issued during the current year ended 30 June 2023.

The following details options issued during the previous financial year ended 30 June 2022:

(i) Fair Value of Options Granted in September 2021

92,500,000 options were issued (pre share consolidation) to lead managers of a capital raising and the issue was approved in a general meeting on 15 September 2021. The fair value was determined using the Hoadley ESO2 valuation model that takes into account the exercise price, the share price at value date and expected price volatility of the underlying share, and the risk-free interest rate for the options term. The inputs for the fair value model for fee options were as follows:

	Pre Share Consolidation	Post Share Consolidation Equivalent
Number of options	92,500,000	1,850,001
Issue date	20 Sep 2021	20 Sep 2021
Valuation date	20 Sep 2021	20 Sep 2021
Consideration	Nil	Nil
Spot price at grant date	$0.041	$2.05
Exercise price	$0.045	$2.25
Expiry date	30 Sep 2024	30 Sep 2024
Expected price volatility of the Company's shares	80%	80%
Risk-free interest rate	0.17%	0.17%
Dividend yield	Nil	Nil
Fair value of per option	$0.0183	$0.915
Total Value of Options Granted	**$1,692,750**	**$1,692,750**

23. SHARE-BASED PAYMENTS (CONT'D)

(c) Options Granted

(ii) Fair Value of Options Granted in January 2022

1,259,789 options were issued (post share consolidation) to lead managers of a capital raising and the issue was approved in a general meeting on 31 January 2022. The fair value was determined using the Hoadley ESO2 valuation model that takes into account the exercise price, the share price at value date and expected price volatility of the underlying share, and the risk-free interest rate for the options term. The inputs for the fair value model for the fee options were as follows:

	Post Share Consolidation
Number of options	1,259,789
Issue date	4 Feb 2022
Valuation date	31 Jan 2022
Consideration	Nil
Spot price at grant date	$1.61
Exercise price	C$1.85 ($1.998)
Expiry date	28 Jan 2025
Expected price volatility of the Company's shares	75%
Risk-free interest rate	0.9%
Dividend yield	Nil
Fair value of per option	A$0.6473
Total Value of Options Granted	$815,461

24. FINANCIAL RISK MANAGEMENT

The consolidated entity's principal financial instruments comprise receivables, payables, cash and short-term deposits. The consolidated entity manages its exposure to key financial risks in accordance with the consolidated entity's financial risk management policy. The objective of the policy is to support the delivery of the consolidated entity's financial targets while protecting future financial security.

The main risks arising from the consolidated entity's financial instruments are market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk. The consolidated entity uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Risk Exposures and Responses:

(a) Interest Rate Risk Exposure

The consolidated entity is exposed to interest rate risk on financial assets and financial liabilities at the end of the reporting period where a change in interest rates may affect future cashflows or fair values of financial instruments. The group is exposed to interest rate risk on its cash and cash equivalent balances which are subject to floating interest rates. At year end, cash balances subject to floating interest amounted to of $699,453 (2022: $18,503,502).

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(a) Interest Rate Risk Exposure (Cont'd)

The following table illustrates sensitivities to the consolidated entity's exposures to changes in interest rates. The table indicates how profit and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Sensitivity Analyses

At 30 June 2023 and at 30 June 2022, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Entity	
	Post Tax Profit	**Equity**
2023	**$**	**$**
Increase in interest rate by 2%	13,989	13,989
Decrease in interest rate by 2%	(13,989)	(13,989)
2022		
Increase in interest rate by 2%	370,070	370,070
Decrease in interest rate by 2%	(370,070)	(370,070)

(b) Credit Risk Exposure

Credit risk arises from the financial assets of the consolidated entity, which comprise deposits with banks and trade and other receivables. The consolidated entity's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the statement of financial position represents the consolidated entity's maximum exposure to credit risk in relation to those assets.

The consolidated entity does not hold any credit derivatives to offset its credit exposure.

The consolidated entity trades only with recognised, credit worthy third parties and as such collateral is not requested nor is it the Company's policy to securities it trades and other receivables.

Receivable balances are not significant and are monitored on an ongoing basis with the result that the consolidated entity does not have a significant exposure to bad debts. There are no significant concentrations of credit risk within the consolidated entity.

(c) Liquidity Risk

Liquidity risk arises from the financial liabilities of the consolidated entity and the consolidated entity's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and, the availability of funding through the ability to raise further equity or through related party entities. Due to the dynamic nature of the underlying businesses, the Board aims at maintaining flexibility in funding through management of its cash resources. The consolidated entity has no financial liabilities at the year-end other than normal trade and other payables incurred in the general course of business.

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(c) Liquidity Risk (Cont'd)

Financing Arrangements

Remaining Contractual Maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial liability instruments. The tables have been drawn up based on the undiscounted cash flows of financial instruments liabilities based on the earliest date on which the financial instruments are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2023	Weighted Average Interest Rate %	1 Year or Less $	Between 1 and 5 Years $	Remaining Contractual Maturities $	Amount per Statement of Financial Position $
Non-Derivatives					
Trade payables	-	1,202,362	-	1,202,362	1,202,362
Lease liabilities - interest bearing	13.00	124,490	209,118	333,608	333,608
Total Financial Liabilities		**1,326,852**	**209,118**	**1,535,970**	**1,535,970**
Consolidated – 2022					
Non-Derivatives					
Trade payables	-	6,376,830	-	6,376,830	6,376,830
Lease liabilities - interest bearing	13.00	67,081	263,767	330,848	330,848
Total Financial Liabilities		**6,443,911**	**263,767**	**6,707,678**	**6,707,678**

The table below represents the financial assets available to manage the Group's liquidity:

Consolidated – 2023	Weighted Average Interest Rate %	1 Year or Less $	Between 1 and 5 Years $	Remaining Contractual Maturities $	Amount per Statement of Financial Position $
Non-Derivatives					
Cash and cash equivalents	1.91%	2,948,964	-	2,948,964	2,948,964
Other receivables (term deposits and bonds)	0.86%	-	362,688	362,688	362,688
Total Financial Assets		**2,948,964**	**362,688**	**3,311,652**	**3,311,652**
Consolidated – 2022					
Non-Derivatives					
Cash and cash equivalents	0.10	23,721,808	-	23,721,808	23,721,808
Total Financial Assets		**23,721,808**	**-**	**23,721,808**	**23,721,808**

(d) Market Risk

Foreign Exchange Risk

The consolidated entity has considered the sensitivity relating to its exposure to foreign currency risk at reporting date. This sensitivity analysis considers the effect on current year results and equity which could result in a change in the USD/AUD rate and the CLP/AUD rate. The consolidated entity is exposed to foreign exchange risk through its USD and CLP cash holdings and liabilities at reporting date. The table below summarises the impact of + / - 10% strengthening / weakening of the AUD against the USD and CLP on the consolidated entities post tax profit for the year and equity. The analysis is based on a 10% strengthening /weakening of the AUD against the USD and CLP at reporting date with all other factors remaining constant.

24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(d) Market Risk

Foreign Exchange Risk (Cont'd)

	Consolidated Entity	
2023	**Post Tax Profit $**	**Equity $**
AUD/CLP + 10%	(56,161)	(56,161)
AUD/CLP - 10%	68,641	68,641
AUD/USD + 10%	(10,300)	(10,300)
AUD/USD - 10%	12,589	12,589
AUD/CAD + 10%	8,783	8,783
AUD/CAD - 10%	(10,734)	(10,734)
2022		
AUD/CLP + 10%	61,674	61,674
AUD/CLP - 10%	(75,379)	(75,379)
AUD/USD + 10%	250,217	250,217
AUD/USD - 10%	(305,821)	(305,821)

25. RELATED PARTIES

(a) Parent Entity

Hot Chili Limited is the ultimate parent entity. Relevant parent entity disclosures are set out in Note 26.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 27.

(c) Key Management Personnel

Disclosures relating to key management personnel ("KMP") are set out in Note 28 and the Remuneration Report included in the Directors' Report.

(d) Transactions with Related Parties

There were no related party transactions during the financial year ended 30 June 2023.

The following transactions occurred with related parties during the previous financial years. All transactions were made at commercial terms:

(i) Quarterly Interest Paid on Convertible Notes Payable

Quarterly interest accruing on the convertible notes payable to Blue Spec Drilling Pty Ltd (a company associated with Mr Murray Black, a previous director of the Company who retired on 1 March 2022) of $30,108 for the year ended 30 June 2022 was settled by the issue of shares as follows:

	Amounts Settled Pre-Retirement of Mr Black		
	Pre Share Consolidation	**Post Share Consolidation**	**Total Settled Pre-Retirement**
Value of interest settled	$7,783	$7,782	$15,565
No. of shares issued (post-consolidation equivalent)[2]	4,088[1]	4,575	8,663

[1] The number of shares stated here is the post share consolidation equivalent of 204,388 shares which were issued, pre the 50 to 1 share consolidation, to Blue Spec Drilling Pty Ltd to settle the interest accruing on the convertible notes payable.

[2] Stated at the number of total shares, equivalent post share consolidation.

No interest on convertible notes was payable to Blue Spec Drilling Pty Ltd at 30 June 2022.

The shares were issued to Blue Spec Drilling Pty Ltd following shareholder approval.

25. RELATED PARTIES (CONT'D)

(d) Transactions with Related Parties (Cont'd)

(ii) Maturity of Convertible Notes

On 30 June 2022, the Company issued 415,344 shares on final maturity of the 3,834 convertible notes (with a face value of $100 each, totalling $383,400) which had been issued to Blue Spec Drilling Pty Ltd on 8 September 2017. The deemed price for the conversion of the notes was $0.92309 per share as per the terms and conditions of the notes.

The shares were also issued to Blue Spec Drilling Pty Ltd following shareholder approval. The shares were issued post Mr Black's retirement on 1 March 2022.

(iii) Other Fees and Charges

Blue Spec Sondajes Chile Limitada, a company in which Mr Murray Black is a director, charged a total of $12,948,500 to the consolidated entity for the period from 1 July 2021 to just prior to Mr Black's retirement on 1 March 2022 for rent and drilling services at Cortadera. Of this amount, $2,466,497 was owing at the date of Mr Black's retirement and was paid in April 2022.

26. PARENT ENTITY DISCLOSURES

	Hot Chili Limited	
	2023	**2022**
	$	**$**
(a) Financial Position		
Assets		
Current assets	2,079,212	21,017,491
Non-current assets	206,684,331	191,315,824
Total Assets	**208,763,543**	**212,333,315**
Liabilities		
Current liabilities	753,181	363,728
Non-current liabilities	225,336	272,912
Total Liabilities	**978,517**	**636,640**
Equity		
Issued capital	269,189,573	269,189,584
Reserves	5,230,152	5,519,117
Accumulated losses	(66,634,699)	(63,012,026)
Total Equity	**207,785,026**	**211,696,675**
(b) Financial Performance		
Loss for the year	(3,821,199)	(6,088,892)
Total Comprehensive Income	**(3,821,199)**	**(6,088,892)**

(c) Contingent Liabilities of the Parent Entity

The parent entity did not have any contingent liabilities as at 30 June 2023 or 30 June 2022.

(d) Contractual Commitments for the Acquisition of Property, Plant or Equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant or equipment as at 30 June 2023 or 30 June 2022.

(e) Significant Accounting Policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;
- Investments in associates are accounted for at cost, less any impairment, in the parent entity; and
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

27. INTEREST IN SUBSIDIARIES

(a) Material Subsidiaries

The consolidated financial statements incorporate the assets, liabilities, and results of the following material subsidiaries, in accordance with the accounting policy described in Note 1(f):

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2023 %	Equity Holding 2022 %
Sociedad Minera El Corazón SpA	Chile	Ordinary	100	100
Sociedad Minera El Águila SpA*	Chile	Ordinary	80*	80*
Sociedad Minera La Frontera SpA	Chile	Ordinary	100	100
Sociedad Minera Banderas SpA	Chile	Ordinary	100	100
Sociedad Minera Los Mantos SpA	Chile	Ordinary	100	100

* The non-controlling interests hold 20% of Sociedad Minera El Águila SpA (SMEA) - refer to Note 27(b) below.

(b) Non-Controlling Interests ("NCI")

Summarised financial information of the subsidiary with NCI that are material to the consolidated entity are set out below:

	SMEA 2023 $	SMEA 2022 $
(i) Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue	34,940	116,929
Expenses	(1,028,535)	(777,441)
Loss before income tax expense	(993,595)	(660,512)
Income tax expense	-	-
Loss after income tax expense	(993,595)	(660,512)
Other comprehensive income	-	-
Total Comprehensive Loss	**(993,595)**	**(660,512)**
(ii) Summarised Statement of Financial Position		
Current assets	125,418	193,314
Non-current assets	121,874,889	116,360,366
Total assets	122,000,307	116,553,680
Current liabilities	484,302	1,864,351
Non-current liabilities	24,967,692	34,194,262
Total liabilities	25,451,994	36,058,613
Net Assets	**96,548,313**	**80,495,067**
(iii) Statement of Cash Flows		
Net cash used in operating activities	(1,028,541)	1,114,734
Net cash used in investing activities	(3,468,119)	(5,910,821)
Net cash from financing activities	4,428,764	4,766,110
Net Increase in Cash and Cash Equivalents	**(67,896)**	**(29,977)**
(iv) Other Financial Information		
Loss attributable to non-controlling interests	(198,719)	(132,103)
Accumulated Non-Controlling Interests at the End of Reporting Period	**19,309,663**	**18,848,770**

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were the directors and other key management personnel ("KMP") of the consolidated entity at any time during the current and previous financial years and unless otherwise indicated, were KMP for the entire period:

Non-Executive Directors	Position
Dr Nicole S Adshead-Bell (appointed 5 January 2022)	Independent Non-Executive Chairman (from 1 March 2022)
Murray E Black (retired 1 March 2022)	Non-Executive Chairman
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson (appointed 3 September 2021)	Non-Executive Director
Stephen Quin (appointed 5 May 2023)	Independent Non-Executive Director
George R Nickson (retired 29 November 2022)	Independent Non-Executive Director
Dr Allan Trench (resigned 30 November 2022)	Independent Non-Executive Director

Executive Director	Position
Christian E Easterday	Managing Director

Other KMP	Position
José Ignacio Silva	Country Manager and Chief Legal Counsel
Grant King	Chief Operating Officer
John Hearne (resigned 9 December 2022)	Executive Studies Manager
Melanie Leighton (resigned 1 October 2021)	Corporate Projects Manager and Alternate Director for M Black

The remuneration of the directors and other KMP of the consolidated entity, as listed above, is set out below in aggregate:

	Consolidated Entity	
	2023 $	2022 $
Directors		
Short-term benefits	553,572	603,813
Post-employment benefits	43,838	48,933
Share-based payments	21,644	75,607
	619,054	**728,353**
Other KMP		
Short-term benefits	691,322	802,104
Post-employment benefits	43,296	55,708
Share-based payments	(154,458)	357,948
Other benefits	85,994	125,000
	666,154	**1,340,760**
Total	**1,285,208**	**2,069,113**

	Consolidated Entity 2023 $	2022 $
29. REMUNERATION OF AUDITORS		
(a) RSM Australia Partners and Related Network Firms		
Audit or review of financial reports for the Group	72,700	67,000
Statutory review required by Canadian legislation to be provided by the auditor to the Group for the purposes of the TSX listing	-	50,500
Tax compliance services	23,288	17,500
Total Audit and Other Services Provided by RSM Australia Partners and Related Network Firms	**95,988**	**135,000**
(b) Other Auditors and Their Related Network Firms		
Other assurance and agreed-upon procedures under other contractual arrangements	-	131,648
Total Audit and Other Services Provided by Other Auditors and Their Related Network Firms	**-**	**131,648**
Total Remuneration of Auditors	**95,988**	**266,648**

30. EVENTS OCCURRING AFTER REPORTING DATE

On 26 July 2023, the Group announced the receipt of the proceeds of US$15 million in exchange for the sale of a 1.0% Net Smelter Return (NSR) royalty on copper and a 3% NSR royalty on gold across the Company's Costa Fuego Copper-Gold Project located 600 km north of Santiago in the coastal range of the Atacama Region, Chile. The proceeds were received from Osisko Gold Royalties Ltd under the investment agreement on closing date, 25 July 2023.

On 31 July 2023, 1,900,008 performance rights lapsed due to vesting conditions not being met by that date. On 14 August 2023, the Company filed a National Instrument 43-101 Technical Report for its Costa Fuego Copper Gold project in Chile. The report titled "Costa Fuego Copper Project NI 43–101 Technical Report Preliminary Economic Assessment" and dated August 2023, with an effective date of 28 June 2023 (the "Technical Report"), was prepared pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43- 101"). It is available for review on both SEDAR+ (www.sedarplus.ca) and the Company's website (www.hotchili.net.au). The Technical Report supports the news release dated 28 June 2023 announcing the Costa Fuego Copper-Gold Project Preliminary Economic Assessment.

On 22 August 2023, the Company issued 345,000 service rights and 345,000 performance rights which have the same terms and conditions as the service and performance rights granted and issued in May 2023 (see Notes 23(a)(i) and 23(b)(ii) for details of the service and performance rights granted and issued in May 2023).

On 28 August 2023, the Company announced a binding letter of intent with Bastion Minerals Limited for the grant to Hot Chili of an option to acquire 100% of Bastion's Cometa Project in Chile ("Cometa"), located near Hot Chili's Costa Fuego Copper-Gold Project in the coastal range of the Atacama Region, Chile.

Other than the above, the directors are not aware of any other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

14 Shareholder Information

AS AT 31 AUGUST 2023

Information Required by the Australian Securities Exchange Limited

(a) Spread of Holdings

			Shareholders	Units	%
1	-	1,000	1,719	1,098,209	0.92%
1,001	-	5,000	2,292	5,884,681	4.92%
5,001	-	10,000	699	5,252,736	4.40%
10,001	-	100,000	841	25,022,033	20.95%
100,001	&	Over	134	82,187,547	68.81%
			5,685	**119,445,206**	**100%**

There are 215 holders of unmarketable parcels comprising 34,348 shares.

(b) The names of the twenty largest shareholders as at 31 August 2023, who between them held 49.25% of the issued capital are listed below:

		Number of Ordinary Shares	%
1	GLENCORE AUSTRALIA HOLDINGS PTY LIMITED	10,885,497	9.11
2	CITICORP NOMINEES PTY LIMITED	10,315,299	8.64
3	CDS & CO	6,842,628	5.73
4	GS GROUP AUSTRALIA PTY LTD <GS GROUP AUSTRALIA A/C>	5,645,000	4.73
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,121,860	3.45
6	BLUE SPEC SONDAJES CHILE SPA	4,052,956	3.39
7	BLUE SPEC DRILLING PTY LTD	2,479,525	2.08
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,092,057	1.75
9	MRS NERIDA RUTH SCOTT <SCOTT FAMILY A/C>	2,010,000	1.68
10	BNP PARIBAS NOMS PTY LTD <DRP>	1,414,353	1.18
11	CAP S A	1,323,078	1.11
12	JAERICA PTY LTD	1,290,322	1.08
13	DALTON CORPORATE PTY LIMITED <DALTON FAM SF A/C>	1,000,000	0.84
14	SAMLISA NOMINEES PTY LTD	1,000,000	0.84
15	MR DAVID STEWART FIELD	900,000	0.75
16	JATIG INVESTMENTS PTY LTD <JATIG S/F A/C>	770,000	0.64
17	LM PROCTOR PTY LTD	711,800	0.60
18	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	703,896	0.59
19	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	669,599	0.56
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	604,121	0.51
Total Units Held		**58,831,991**	**49.25**
Total Units on Issue		**119,445,206**	**100.00**

(c) Substantial Shareholders (from Substantial Shareholder Notices):

		Relevant Interest Per Notice	
	Date Received	Number of Shares	% of Issued Capital
Murray Edward Black	11/02/2022	6,441,716	5.88%
Glencore Australia Holdings Pty Ltd (376,942,763 pre-Consol)	13/02/2022	7,538,855	9.99%
GS Group Australia Pty Ltd atf GS Group Australia Trust	10/03/2022	5,645,000	5.14%

(d) Holdings of Warrants, Options and Rights

(i) As at 31 August 2023 there are 11 holders of the 10,900,000 listed warrants over shares on issue. There are no voting rights attached to listed warrants. 8,704,491 are held by CDS & Co.

(ii) As at 31 August 2023 there are 18 holders of the 3,109,790 unlisted options over shares on issue.

There are no voting rights attached to unlisted options:

Class	No. of Unquoted Equity Securities	No. of Holders	No. of Holders Holding 20% or More in the Class
Unlisted options exercisable at A$2.25 expiring 30 Sep 2024	1,850,001	9	1
Unlisted options exercisable at C$1.85 expiring 28 Jan 2025	1,259,789	9	3
	3,109,790		

Unquoted Equity Security Holdings Greater Than or Equal to 20%

	Unlisted Options Exercisable at A$2.25 Expiring 30 Sep 2024	No. of Unlisted Options	%
1	VERITAS CONSOLIDATED PTY LTD	801,000	43.30
	Total Units Held	**801,000**	**43.30**
	Total Units on Issue	**1,850,001**	**100%**

	Unlisted Options Exercisable at C$1.85 Expiring 28 Jan 2025	No. of Unlisted Options	%
1	NATIONAL BANK FINANCIAL INC <#4EMOO6A A/C>	461,434	36.63%
2	FIDELITY CLEARING CANADA <7AW INVENTORY>	435,673	34.58%
3	VERITAS CONSOLIDATED PTY LTD	287,677	22.84%
	Total Units Held	**1,184,784**	**94.05%**
	Total Units on Issue	**1,259,789**	**100%**

(iii) As at 31 August 2023 there 20 holders of the 3,161,864 service rights on issue. There are no voting rights attached to service rights.

As at 31 August 2023 there 17 holders of the 2,834,864 performance rights on issue. There are no voting rights attached to performance rights.

(e) On-Market Buyback

As at 31 August 2023 there was no current on-market buyback under way.

15 Tenement Schedule

Table 2. Current Tenement (Patente) Holdings in Chile as at 30 June 2023

Cortadera Landholding

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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	
ROMERO 1 al 31	100% Frontera SpA		31	
PURISIMA	100% Frontera SpA		20	
Other				
Coneja 1/10	100% Banderas SpA		100	

Productora Landholding

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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	
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	

15 Tenement Schedule (Cont'd)

Productora Landholding (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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.
JULI 9, 1-60	80% SMEA SpA		300	
JULI 10, 1-60	80% SMEA SpA		300	
JULI 11 1/60	80% SMEA SpA		300	
JULI 12 1/42	80% SMEA SpA		210	
JULI 13 1/20	80% SMEA SpA		100	
JULI 14 1/50	80% SMEA SpA		250	
JULI 15 1/55	80% SMEA SpA		275	
JULI 16, 1-60	80% SMEA SpA		300	
JULI 17, 1-20	80% SMEA SpA		100	
JULI 19	80% SMEA SpA		300	
JULI 20	80% SMEA SpA		300	
JULI 21 1/60	80% SMEA SpA		300	
JULI 22	80% SMEA SpA		300	
JULI 23 1/60	80% SMEA SpA		300	
JULI 24, 1-60	80% SMEA SpA		300	
JULI 25	80% SMEA SpA		300	
JULI 27 1/30	80% SMEA SpA		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	
JULIETA 1 al 4	80% SMEA SpA		4	

El Fuego Landholding

<table>
<tr><th>Licence ID</th><th>HCH %
Held</th><th>HCH %
Earning</th><th>Area
(ha)</th><th>Agreement Type & %</th></tr>
<tr><td>Santiago 21 al 36</td><td></td><td>90% Frontera SpA</td><td>76</td><td rowspan="26">90% (HCH) Option Agreement.
USD 300,000 already paid.
USD 300,000 by September 7th, 2023.
USD 6,600,000 by September 7th, 2024.</td></tr>
<tr><td>Santiago 37 al 43</td><td></td><td>90% Frontera SpA</td><td>26</td></tr>
<tr><td>Santiago A, 1 al 26</td><td></td><td>90% Frontera SpA</td><td>236</td></tr>
<tr><td>Santiago B, 1 al 20</td><td></td><td>90% Frontera SpA</td><td>200</td></tr>
<tr><td>Santiago C, 1 al 30</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Santiago D, 1 al 30</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Santiago E, 1 al 30</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Prima Uno</td><td></td><td>90% Frontera SpA</td><td>1</td></tr>
<tr><td>Prima Dos</td><td></td><td>90% Frontera SpA</td><td>2</td></tr>
<tr><td>Santiago 15 al 19</td><td></td><td>90% Frontera SpA</td><td>25</td></tr>
<tr><td>San Antonio 1 al 5</td><td></td><td>90% Frontera SpA</td><td>25</td></tr>
<tr><td>Santiago 1 AL 14 Y 20</td><td></td><td>90% Frontera SpA</td><td>75</td></tr>
<tr><td>Mercedes 1 al 3</td><td></td><td>90% Frontera SpA</td><td>50</td></tr>
<tr><td>Porfiada A</td><td></td><td>90% Frontera SpA</td><td>200</td></tr>
<tr><td>Porfiada B</td><td></td><td>90% Frontera SpA</td><td>200</td></tr>
<tr><td>Porfiada C</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada D</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada E</td><td></td><td>90% Frontera SpA</td><td>100</td></tr>
<tr><td>Porfiada F</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada G</td><td></td><td>90% Frontera SpA</td><td>200</td></tr>
<tr><td>Porfiada VII</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada VIII</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada IX</td><td></td><td>90% Frontera SpA</td><td>300</td></tr>
<tr><td>Porfiada X</td><td></td><td>90% Frontera SpA</td><td>200</td></tr>
<tr><td>Kreta 1-4</td><td></td><td>90% Frontera SpA</td><td>16</td></tr>
<tr><td>Mari 1-22</td><td></td><td>90% Frontera SpA</td><td>64</td></tr>
<tr><td>CORTADERA 1</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>CORTADERA 2</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>CORTADERA 3</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>CORTADERA 4</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>CORTADERA 5</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>CORTADERA 6</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>CORTADERA 7, 1-20</td><td>100% Frontera SpA</td><td></td><td>93</td><td></td></tr>
<tr><td>SAN ANTONIO 1</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>SAN ANTONIO 2</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>SAN ANTONIO 3</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>SAN ANTONIO 4</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>SAN ANTONIO 5</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>DORO 1</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>DORO 2</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
<tr><td>DORO 3</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
</table>

15 Tenement Schedule (Cont'd)

El Fuego Landholding (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
SANTIAGO Z		100% Frontera SpA	300	100% (HCH) Option Agreement. USD 200,000 paid. USD 400,000 by January 22nd, 2024. NSR 1.5%
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 VI		100% Frontera SpA	100	
SAN JUAN SUR 1/5		90% Frontera SpA	10	90% (HCH) Option Agreement. USD 150,000 paid. USD 4,000,000 by June 1st, 2024.
SAN JUAN SUR 6/23		90% Frontera SpA	90	
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	100% Frontera SpA		200	
CHILIS 11	100% Frontera SpA		200	
CHILIS 12	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	

El Fuego Landholding (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Type & %
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	
Chapulín Colorado	100% Frontera SpA		3	
Doña Felipa 1 al 10	100% Frontera SpA		50	
Elenor Rigby 1 al 10	100% Frontera SpA		100	
Peggy Sue 1 al 10	100% Frontera SpA		100	
CF 6	100% Frontera SpA		200	
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%	234	100% (HCH) Option Agreement. 6,000m drilling commitment. USD 1,500,000 to exercise. AMSA Buy-back right of 55% within 120 days of exercise.
NAVARRO 1 41/60	Option AMSA	100%	81	
NAVARRO 2 21/37	Option AMSA	100%	78	
MONICA 21/40	Option AMSA	100%	85	
MONICA 41/52	Option AMSA	100%	39	

16 Corporate Directory

Directors

Nicole Adshead-Bell
(Independent Non-Executive Chairman)

Christian E Easterday
(Managing Director)

Roberto de Andraca Adriasola
(Non-Executive Director)

Mark Jamieson
(Non-Executive Director)

Stephen Quin
(Independent Non-Executive Director)

CFO & Company Secretary

Penelope Beattie

Executive Management

Jose Ignacio Silva
(Chief Legal Counsel)

Grant King
(Chief Operating Officer)

Principal Place of Business and Registered Office

First Floor, 768 Canning Highway
APPLECROSS WA 6153

Telephone: 08 9315 9009
Facsimile: 08 9315 5004
Email: admin@hotchili.net.au
Web: www.hotchili.net.au

Stock Exchange Code

ASX: HCH
TSXV: HCH
OTCQX: HHLKF

Solicitors

Australia
Blackwall Legal LLP
Level 26, 140 St George's Terrace
PERTH WA 6000

Canada
Bennet Jones
3400 One First Canadian Place,
P.O. Box 130
Toronto ON M5X 1A4

Share Registries

Australia
Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
PERTH WA 6000

Telephone: +61 (0)8 9323 2000
Facsimile: +61 (0)8 9323 2033

Canada
Computershare Investor Services Inc
100 University Ave, 8th Floor
Toronto ON, M5J 2Y1

Telephone: +1 416 263 9200
Facsimile: +1 888 453 0330

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Principal Banker

Westpac Banking Corporation
Hannan Street
KALGOORLIE WA 6430

ASX: HCH

TSXV: HCH

OTCQX: HHLKF

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