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1 October 2025

Updated 2025 Annual Report

Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) ("Hot Chili" or the "Company") has reissued the 2025 Annual Report released 30 September 2025 noting the following:

- page 83 from the Annual Report has had the Top 20 shareholders information updated due to an error in Top 20 holders.

Yours sincerely

Carol Marinkovich
Company Secretary
Hot Chili Ltd
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Driving Forward

ANNUAL REPORT 2025

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Productora Project

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El Fuego
Project

San Antonio

Costa Fuego

Copper Super-Hub

Cortadera
Project

Significant Copper-Gold
Porphyry Discovery

Domeyko
Project

La Verde Copper-Gold
Porphyry Discovery



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2025 Key Highlights

Costa Fuego Pre-Feasibility Study and Maiden Ore Reserve Delivered

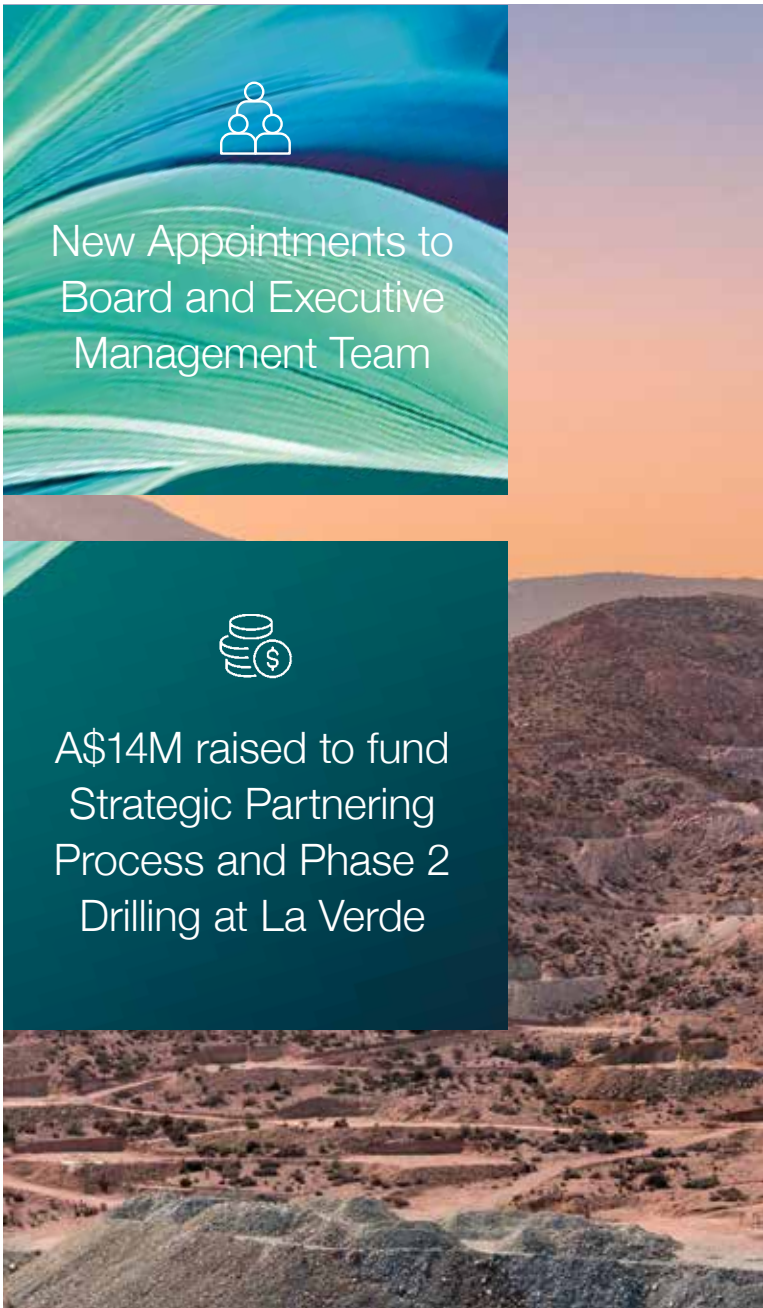
Costa Fuego and Huasco Water Projects Registered for Priority Status by Chilean Ministry of Economy

Huasco Water Pre-Feasibility Study and foundation off-taker MOU executed

New Appointments to Board and Executive Management Team

Significant Copper-Gold porphyry discovery at La Verde

A$14M raised to fund Strategic Partnering Process and Phase 2 Drilling at La Verde







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1 Chairman's Letter

Dear shareholders,

As Hot Chili's newly appointed Chair, I would like to firstly acknowledge the years of dedication, persistence and hard work by our staff, shareholders and all key stakeholders to position the Company where it is today – A leading, large-scale copper developer with near-term, meaningful production potential - at the right time in the commodity cycle.

It is the tenacity of the people, quality of the project and potential for transformation of the Company's valuation that attracted me to take the role of Chair with Hot Chili. In my previous role as Executive Vice President of Goldfields over the past 8 years, I presided over the growth in annual group gold production to over 1.1 million ounces and delivered several growth mine development and foundational ESG projects.

My appointment and that of Non-executive Director, Fiona Van Maanen and our experienced new Project Director, Alberto Cerda; comes at an important inflexion point in the Hot Chili journey. Our appointments add over eighty years of combined international and Chilean mine build experience to Hot Chili's leadership, ahead of a final push toward a Finance Investment Decision for our Costa Fuego copper-gold project in coastal Chile.

Against a backdrop of strengthening copper and gold prices and one of the tightest physical markets for copper concentrates in recent memory, Costa Fuego stands out.

My recent trip to Chile to meet our in-country team and visit Costa Fuego reinforced to me the sheer talent, professional capability of our people, and the natural advantages of the projects' location – a very different proposition to developing a large copper project in the high Andes. The Company has achieved enviable trusted community relationships in the region.

The project's one billion tonne resource base for 3.4 Mt copper and 3.0 Moz gold, clean concentrate, low elevation setting in the heart of existing infrastructure, underpins one of only a handful of independently controlled copper developments in the world capable of producing +100 Ktpa of CuEq metal in the near term.

During 2025, the Company delivered key milestones focussed on growth, development and de-risking of Costa Fuego, setting the stage to realise significant value generation for our shareholders.

Major milestones included:

1. **Confirmation of a third bulk tonnage copper-gold discovery at La Verde.** Located 35km south of the planned location of central processing for Costa Fuego. Our latest copper porphyry discovery, while in its infancy, has demonstrated significant resource growth potential for additional higher grade open pit material to incorporate into Costa Fuego's front-end mine plan.

2. **Delivery of a Pre-feasibility study for Costa Fuego.** Strong financial metrics for 116 Ktpa CuEq metal production profile over the first 14 years of a 20 year mine life. The PFS is underpinned by a 500Mt Ore Reserve and delivered a top-quartile global copper mine production capacity along with lowest quartile capital intensity.

3. **Delivery of Pre-feasibility study for Huasco Water.** Outlining first economics for a seawater supply and potential regional desalinated water supply business. The potential to monetise Huasco water is a key differentiator and important funding option being developed and leverages Hot Chili's water assets and first mover advantage to enable industrial scale water supply to the Huasco region.



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The Company's original long-term vision to consolidate a large coastal region of Chile capable of hosting a Tier-1 copper endowment is approaching reality. That vision has expanded as we set our sights on not just scale, but also executing the final steps toward delivering Chile's next major coastal copper mining hub.

I look forward to an exciting year ahead as we prepare to expand drilling across La Verde, submit our Environmental Impact Assessment and kick-off our Definitive Feasibility Studies for Costa Fuego and Huasco Water.

Finally, I would like to thank our people and shareholders for their ongoing support to make Hot Chili's vision a reality.



Stuart Mathews
Chairman

☑ Delivery of a Pre-feasibility study for Costa Fuego

☑ Confirmation of a third bulk tonnage copper-gold discovery at La Verde

☑ Delivery of Pre-feasibility study for Huasco Water

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2 Review of Operations

Costa Fuego Pre-Feasibility Study & Maiden Ore Reserve Delivered

The Costa Fuego Pre-feasibility Study ("PFS") was delivered in March 2025, following an extensive work program which comprised detailed mine planning and scheduling, updated capital and operating cost estimates, metallurgical testwork, process flowsheet optimisation and, the planning and permitting of critical infrastructure. The PFS built upon and expanded the Company's 2023 Preliminary Economic Assessment ("PEA") for Costa Fuego.

The release of the Costa Fuego PFS is a significant milestone for the Project, and outlines Costa Fuego as a globally meaningful multi-decade project with potential significant and positive economic and social outcomes.

Importantly, the PFS has outlined a top-quartile copper production capacity and bottom quartile capital intensity project. Advanced permitting places the Project advantageously, with respect to other large undeveloped copper projects, potentially benefiting from the looming structural shortage in copper supply. The PFS confirms Costa Fuego as a globally meaningful, low cost, near-term, potential new copper mine.

The Maiden Mineral Reserve for Costa Fuego includes a Probable Mineral Reserve of 502 Mt. The conversion rate from Indicated Mineral Resources to Probable Mineral Reserves of 67% is the result of 15 years of derisking and advancement of the Costa Fuego Project.

Costa Fuego PFS Highlights

Post-Tax $NPV_{8\%}$
US$1.20 B

Post-Tax IRR
19%

Post-Tax, Life of Mine Free Cashflow
US$3.86 B

Payback Period
4.5 Years

Primary Production Annual Rate
(14 Years)
116 kt CuEq[1]

Cu	95 kt/yr (255 Mlb/yr)
Au	48 koz/yr
Mo	2 kt/yr (4.4 Mlb/yr)
Ag	158 koz/yr

Start-Up Capital
US$1.27 B

Project Life
20 Years
With Primary Production Life of 14 Years

C1 Cash Cost
(Net of By-Product Credits)
US$1.38/lb Cu

Open Pit Strip Ratio
1.5

+ US$442M

Additional Capital Expenditure applied to Materially reduce risk in crital elements of the Costa Fuego PFS, including the Tailing Storage Facility and Block Cave









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Strong Economics and Leverage to Rising Copper Price

- **First Quartile Capital Intensity:** Start-up Capital Cost of US$ 1.27 billion delivers a capital intensity of US$ 14,079/t of average annual CuEq. metal produced
- **Highly Leveraged to Copper Price:** At spot copper price of US$5.30/lb , post-tax NPV8% increases to US$2.2 billion and post-tax IRR to 30%, respectively

Low-Risk, Coastal Copper Development with Advanced Permitting

- **Low Elevation and Over a Decade of Permitting Advance Provides a Foundation for Development:** One of only a few global copper development projects at low elevation with a water permit, and grid power
- **Preparing to submit Environmental Impact Assessment (EIA):** Costa Fuego Stage-1 (EIA-1) based on current PFS-scale and definition

Maiden Ore Reserve for Costa Fuego Lowers Operational Risk

Maiden[1] Mineral Reserve[1] for Costa Fuego. Probable Ore Reserves of 502 Mt at 0.37% Cu, 0.10 g/t Au, 0.49 g/t Ag and 97 ppm Mo: Across sulphide concentrator, oxide heap leach and low-grade sulphide dump leach processing streams

[1] 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$ 4.30/lb, Gold US$ 2,280/oz, Molybdenum US$ 20/lb, and Silver US$25/oz; and estimated metallurgical recoveries for the production feed to the following processes: Concentrator (86% Cu, 54% Au, 37% Ag, 70% Mo), Oxide Leach (65% Cu only), & Low-grade Sulphide Leach (39% Cu only). See page Section 3 – Qualifying statements for full non-IFRS measures disclaimer. Copper price – Fast markets quote 26/03/2025. High of $5.37/lb closing price $5.24/lb Hot Chili previously released Ore Reserves for Productora in the ASX announcement 'Hot Chili Delivers PFS and Near Doubles Reserves at Productora' 2 March 2016. The March 2025 Mineral Reserve represents a Maiden Mineral Reserve for the combined Costa Fuego Project, comprising the Cortadera, San Antonio and Alice deposits, as well as an updated Mineral Reserve for Productora. Hot Chili is a dual listed entity and complies with the JORC 2012 code for the ASX for the reporting of Exploration Results, Mineral Resources and Ore Reserves. The company complies with CIM Definition Standards for Mineral Resources and Mineral Reserves (10 May 2014) that are incorporated by reference into NI 43-101 for the TSXV. Terminology of Ore Reserves and Mineral Reserves are interchangeable and have the same meaning within this announcement.

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2 Review of Operations (Cont'd)

Compared to the 2023 PEA, the 2025 PFS provides a more detailed analysis, incorporating updated cost estimates, refined engineering, and enhanced risk mitigation measures. This has improved the study's accuracy to ±25%, giving the Company increased confidence that the Project is well-positioned to advance to more detailed levels of study.

2025 PFS vs 2023 PEA Comparison:



Post-Tax $NPV_{8\%}$	**PEA - US$ 1 100 M** **PFS - US$ 1 200 M**	**+US$ 100 M**
Post-Tax, LOM Free Cashflow	**PEA - US$ 3 280 M** **PFS - US$ 3 860 M**	**+US$ 580 M**
Project Life	**PEA - 16 Years** **PFS – 20 Years**	**+ 4 Years**
Open Pit Strip Ratio (Waste:Ore)	**PEA – 1.8:1** **PFS – 1.5:1**	**- 0.3**
Start-Up Capital	**PEA - US$ 1 050 M** **PFS - US$ 1 270 M**	**+US$ 220 M**
Expansion Capital	**PEA - US$ 710 M** **PFS - US$ 1 350 M**	**+US$ 640 M**
Sustaining Capital	**PEA - US$ 1 010 M** **PFS - US$ 811 M**	**-US$ 201 M**
Total Cash Costs	**PEA - US$ 1.43** **PFS - US$ 1.61**	**+US$ 0.18**
All-in Costs LOM	**PEA - US$ 2.31** **PFS - US$ 2.62**	**+US$ 0.31**
Study Confidence	**PEA - ±50%** **PFS - ±25%**	**+25%**

The 2025 PFS is informed by the February 2024 Mineral Resource Estimate and the March 2025 Mineral Reserve Estimate on the Costa Fuego Project, and demonstrates that the four deposits included in the Costa Fuego Project are amenable to large-scale open pit and underground block cave extraction. Table 1 shows the reported Probable Mineral Reserve for Costa Fuego across sulphide concentrator, oxide heap leach and low-grade dump sulphide leach processing streams.

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2 Review of Operations (Cont'd)

Table 1: Costa Fuego Combined Mineral Reserves (Effective Date 27 March 2025)

		Grade				Contained Metal			
	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	Cu (kt)	Au (koz)	Ag (koz)	Mo (kt)
Open Pit									
Productora									
Proved	-	-	-	-	-	-	-	-	-
Probable	260	0.35	0.07	0.34	125	917	593	2801	33
Total	260	0.35	0.07	0.34	125	917	593	2801	33
Alice									
Proved	-	-	-	-	-	-	-	-	-
Probable	14	0.30	0.03	0.18	37	42	15	82	1
Total	14	0.30	0.03	0.18	37	42	15	82	1
Cortadera									
Proved	-	-	-	-	-	-	-	-	-
Probable	79	0.29	0.09	0.48	27	224	235	1208	2
Total	**79**	**0.29**	**0.09**	**0.48**	**27**	**224**	**235**	**1208**	**2**
San Antonio									
Proved	-	-	-	-	-	-	-	-	-
Probable	4	0.82	0.01	1.34	3	30	1	158	0
Total	**4**	**0.82**	**0.01**	**1.34**	**3**	**30**	**1**	**158**	**0**
Underground Block Cave									
Cortadera									
Proved	-	-	-	-	-	-	-	-	-
Probable	146	0.44	0.16	0.79	93	645	734	3704	14
Total	**146**	**0.44**	**0.16**	**0.79**	**93**	**645**	**734**	**3704**	**14**
Combined (Open Pit and Underground)									
Proved	-	-	-	-	-	-	-	-	-
Probable	502	0.37	0.10	0.49	97	1858	1578	7951	49
Total	**502**	**0.37**	**0.10**	**0.49**	**97**	**1858**	**1578**	**7951**	**49**

1 Mineral Reserves are reported on a 100% Basis - combining Mineral Reserve estimates for the Cortadera, Productora, Alice and San Antonio deposits, and have an effective date of 27 March 2025.

2 An Ore Reserve (declared in accordance with JORC Code 2012) was previously reported at Productora, a component of Costa Fuego, on 2 March 2016 on the ASX. The Company was not subject to the requirements of NI 43-101 at that time.

3 Mineral Reserve estimation practices are in accordance with CIM Estimation of Mineral Resource and Mineral Reserve Best Practice Guidelines (29 November 2019) and reported in accordance CIM Definition Standards for Mineral Resources and Mineral Reserves (10 May 2014) that are incorporated by reference into NI 43-101. Mineral Reserve estimates are in accordance with the JORC Code. References to "Mineral Reserves" mean "Ore Reserves" as defined in the JORC Code and references to "Proven Mineral Reserves" mean "Proved Ore Reserves" as defined in the JORC Code.

4 The Mineral Reserve reported above was not additive to the Mineral Resource. The Mineral Reserve is based on the 26 February 2024 Mineral Resource.

5 Tonnages and grades are rounded to two significant figures. All figures are rounded, reported to appropriate significant figures and reported in accordance with the Joint Ore Reserves Committee Code (2012) and NI 43-101. As each number is rounded individually, the table may show apparent inconsistencies between the sum of rounded components and the corresponding rounded total.

6 Mineral Reserves are reported using long-term metal prices of US$4.30/lb Cu, US$2,280/oz Au, US$27/oz Ag, US$20/lb Mo.

7 The Mineral Reserve tonnages and grades are estimated and reported as delivered to plant (the point where material is delivered to the processing facility) and is therefore inclusive of ore loss and dilution.

8 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), and 20% owned by Compañía Minera del Pacífico S.A (CMP).

9 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.

10 The San Antonio deposit is controlled through Frontera (100% owned by Sociedad Minera El Corazón SpA, which is a 100% subsidiary of Hot Chili) and Frontera is party to an Option Agreement pursuant to which it can earn a 100% interest in the property.

11 The Mineral Reserve Estimate as of 27 March 2025 for Costa Fuego was prepared by Anton von Wielligh, Fellow with the AUSIMM (FAUSIMM). Mr. von Wielligh fulfils the requirements to be a "Qualified Person" within the meaning of NI 43-101 and is the Competent Person under JORC for the Mineral Reserve.

12 Hot Chili Limited is not aware of political, environmental, or other risks that could materially affect the potential development of the Mineral Reserves other than those disclosed in the technical report for the PFS. A detailed list of Costa Fuego Project risks is also included in Chapter 25.12 of the technical report for the PFS available on SEDAR+ with an Effective Date of 27 March 2025 and a Report Date of 9 May 2025.

2 Review of Operations (Cont'd)

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Huasco Water Pre-Feasibility Study Announced

In March 2025, Hot Chili's subsidiary company Huasco Water released a PFS outlining a three-staged business case to address water scarcity in the Huasco Valley Region of the Atacama. The report outlines a robust approach for both Stage 1 and Stage 2 of the proposed regional-scale seawater and desalinated water business and includes a conceptual-level study for the Stage 3 desalinated water supply expansion.

Engineering studies informing the Water Supply PFS have been undertaken by two independent engineering groups: Wood Australia Pty Ltd; and ILF Ingenieria Chile Limitada part of ILF Consulting Engineers Group, with support from specialist consultants and the Huasco Water team.

Huasco Water PFS Highlights

Stage 1	• Permitted Seawater Supply • Multi-decade Project Life • MOU Executed, Near-term	Potential Seawater Supply **500 L/s**	Post-Tax $NPV_{8\%}$ **US$122 M** Post-Tax IRR **19%**	Construction Capital **US$151 M** Payback Period **4.5 Years**
Stage 2	• Potential Desalinated Water Supply • Large Catchment of Potential Off-takers	Potential Desalinated Water Supply **1,300 L/s**	Post-Tax $NPV_{8\%}$ **US$977 M** Post-Tax IRR **19%**	Construction Capital **US$1.4 B** Payback Period **4 Years**
Stage 3	• Potential Desalinated Water Supply • Expansion of Stage 2 • Over 4,000 L/s of demand identified	Potential Desalinated Water Supply **2,300 L/s**		



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2 Review of Operations (Cont'd)

Stage 1 – Multi Decade Seawater Supply to Costa Fuego

- **20 Year Seawater Supply with Foundation Off-taker:** Memorandum of Understanding (MOU) executed for water supply of up to 500 L/s to Hot Chili's Costa Fuego Project
- **Long Lead-times Permits Secured:** Granted maritime water concession to extract seawater, permit for coastal land access, Stage 1 pipeline easements and connection to the electrical grid secured
- **Near-Term Development Decision Tied to Costa Fuego:** First water supply planned for end of decade

Stage 2 & 3 – Regional, Desalinated Water Supply Opportunity

- **Large Catchment of Potential Off-takers:** Over 4,000 L/s of desalinated water demand identified, including six undeveloped mining projects without secured access to desalinated water supply
- **Staged Growth Approach:** The staged approach enables long term scalable water supply to support mining, community, and agriculture in the Huasco Valley region with potential to extend well beyond the initial project horizons

First Mover Advantage

- **Only Active Maritime License:** HW Aguas para El Huasco SpA ("Huasco Water"), a joint venture between Hot Chili (80% interest) and Compañia Minera Del Pacifico "CMP" (20% interest), is the only company with permitted access to supply seawater in the Huasco Valley region following a ten-year regulatory approval process
- **Desalination Permitting Advancing:** Over a year advanced on regulatory applications to enable the supply of desalinated water from the existing maritime concession and a second maritime concession application by Huasco Water
- **Long Permitting Timelines Continue:** No regulatory changes have been made to Chile's maritime permitting process since Huasco Water was granted its concession. Hot Chili maintains a competitive advantage as the first mover in the area for a water distribution business
- **Environmental Impact Assessment (EIA) Advanced:** Stage 1 seawater supply is included within the Costa Fuego EIA, baseline studies complete

NPV = Net Present Value, IRR = Internal Rate of Return.

1 HW Aguas para El Huasco SpA ("Huasco Water"), a joint venture between Hot Chili (80% interest) and Compañia Minera Del Pacifico "CMP" (20% interest).

2 See announcement dated 31 March 2025 "Hot Chili Announces PFS for Huasco Water & MOU for Seawater Supply to Costa Fuego" for preliminary feasibility study for Huasco Water project.

3 The Huasco Water Supply PFS has been aligned with the preliminary feasibility study for the Company's Costa Fuego project (the "Costa Fuego PFS") and shares the same assumptions for Costa Fuego in stage 1. See announcement dated 27 March 2025 "Hot Chili Announces PFS & Maiden Mineral Reserve for the Costa Fuego Cu-Au Project" outlining the results of the Costa Fuego PFS. An independent technical report for the Costa Fuego PFS, prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and JORC Code 2012 within 45 days thereof.

4 Stage 3 study work completed at a Scoping Study level, not completed to a PFS Engineering Stage.





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2 Review of Operations (Cont'd)

Exploration Success at the La Verde Cu-Au Porphyry Discovery

The consolidation of the La Verde tenement into the Domeyko landholding marked a significant strategic milestone for the Company's exploration efforts. This acquisition initiated a phase-one reverse circulation ("RC") drilling program comprising 31 holes for 9,630 m. Completion of this program in Q2 2025 confirmed the La Verde Project as a significant copper-gold ("Cu-Au") discovery, with mineralisation extending over 1 km in length and up to 750 m in width from near surface. Results confirmed:

1. **Three higher-grade centres:** defined by multiple near-surface intersections
2. **Wide, shallow mineralisation:** copper-gold (Cu-Au) mineralisation extending over 1 km in length and up to 750 m in width
3. **Deeper potential remains untapped:** Discovery remains open laterally and at depth, with over half of the drillholes ending in mineralisation.

The extent of mineralisation beneath the existing La Verde open pit remains untested, due to limitations of RC drilling through clay altered structures. Integration of 3D magnetic inversion modelling and multi-element assay results have been used to improve understanding of the La Verde discovery, guiding 4D modelling and future drill planning.

Phase Two drilling is planned to commence using diamond drilling to target the deeper extensions of the broad, higher-grade copper-gold zones intersected during Hot Chili's Phase One program.

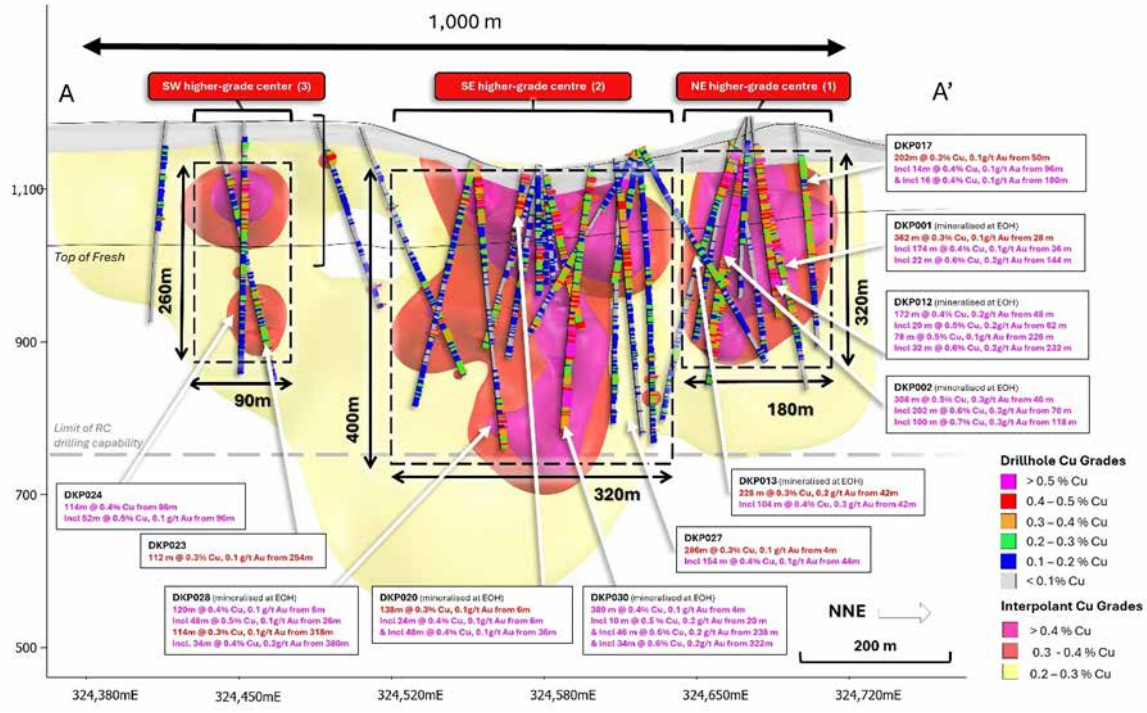


Figure 1: NNW facing longitudinal section of the La Verde porphyry system showing significant intercepts compared to +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (Magenta) mineralisation interpolants from returned assay results. Weathering profile displayed as top of fresh material (black line). Returned Cu grades graphed downhole along hole traces (grey).

2 Review of Operations (Cont'd)

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Table 2: Significant Drill Results Reported in Year Ending 30 June 2025

Date Released	Quarter Released	Location	Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
				North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
18/12/2024	Q4 2024	La Verde	**DKP001**[1]	6786079	324546	1153	89	-59	390	28	390	362	0.3	0.1	0.5	33
									Or	36	210	174	0.4	0.1	0.6	24
									Incl	40	82	42	0.4	0.1	0.5	10
									Or Incl	72	82	10	0.6	0.1	0.3	10
									And incl	96	122	26	0.5	0.1	0.9	20
									And incl	144	166	22	0.6	0.2	0.7	49
									And incl	248	272	24	0.4	0.1	1.0	54
18/12/2024	Q4 2024	La Verde	**DKP002**[1]	6785967	324835	1202	270	-60	354	46	354	308	0.5	0.3	0.6	11
									Incl	70	272	202	0.6	0.3	0.6	14
									Incl	76	90	14	0.8	0.4	0.3	6
									And incl	118	218	100	0.7	0.3	0.8	15
									And incl	178	198	20	0.8	0.4	1.0	11
									Or Incl	186	190	4	0.9	0.5	1.0	11
11/05/2025	Q1 2025	La Verde	**DKP003**[2]	6785971	324840	1192	117	-59	282	36	246	210	0.2	0.1	0.4	5
										110	128	18	0.2	0.2	0.3	7
										140	160	20	0.3	0.1	0.4	7
										188	196	8	0.3	0.1	0.5	4
11/05/2025	Q1 2025	La Verde	**DKP004**[2]	6785836	324423	1093	90	-60	120	8	88	80	0.3	0.1	0.5	19
									Incl	8	42	34	0.4	0.0	0.6	16
									Or Incl	26	36	10	0.6	0.1	0.5	18
11/05/2025	Q1 2025	La Verde	**DKP005**[2]	6785789	324564	1124	91	-60	248	8	247.5	239.5	0.3	0.1	0.9	18
									Or	48	247.5	199.5	0.4	0.1	1.0	21
									Incl	32	40	8	0.5	0.1	0.5	8
									And Incl	68	106	38	0.5	0.2	1.1	9
									Or Incl	70	82	12	0.6	0.2	1.0	8
11/05/2025	Q1 2025	La Verde	**DKP006**[2]	6785721	324727	1130	110	-60	199.5	64	199.5	135.5	0.3	0.1	0.8	6
									Incl	124	186	62	0.4	0.2	1.1	7
									Or Incl	124	150	26	0.5	0.3	1.2	7
									And Incl	170	174	4	0.6	0.2	2.2	7
11/05/2025	Q1 2025	La Verde	**DKP007**[2]	6785854	324742	1149	270	-60	204	0	204	204	0.2	0.1	0.4	32
									Incl	80	88	8	0.3	0.1	0.7	23
									And Incl	160	204	44	0.3	0.1	0.5	84
									Or Incl	186	194	8	0.4	0.1	0.7	91
11/05/2025	Q1 2025	La Verde	**DKP008**[2]	6785855	324748	1150	5	-60	324	0	324	324	0.2	0.1	0.5	12
									Incl	0	16	16	0.3	0.1	0.3	6
									And Incl	144	154	10	0.3	0.1	1.4	20
									And Incl	174	218	44	0.3	0.1	0.5	7
11/05/2025	Q1 2025	La Verde	**DKP009**[2]	6786075	324552	1152	131	-60	354	34	354	320	0.3	0.1	0.7	13
									Incl	46	66	20	0.5	0.1	0.9	8
									And Incl	124	140	16	0.5	0.2	0.7	21
									And Incl	180	314	134	0.4	0.2	0.8	8
									Or Incl	258	314	56	0.5	0.2	1.1	6
									Or Incl	260	274	14	0.5	0.3	1.7	4
11/05/2025	Q1 2025	La Verde	**DKP010**[2]	6785851	324742	1148	209	-60	276	0	92	92	0.2	0.1	0.3	10
									Incl	0	10	10	0.4	0.2	0.3	4
										136	220	84	0.3	0.1	0.8	15
									Incl	190	206	16	0.4	0.1	1.2	20
										252	274	22	0.3	0.1	0.6	14
11/05/2025	Q1 2025	La Verde	**DKP011**[2]	6786096	324429	1159	91	-60	326	0	32	32	0.4	0.0	0.8	23
										228	252	24	0.2	0.0	0.5	72
									Incl	232	234	2	0.4	0.0	2.1	44
										274	310	36	0.2	0.0	0.3	31

2 Review of Operations (Cont'd)

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Date Released	Quarter Released	Location	Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
				North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
11/05/2025	Q1 2025	La Verde	**DKP012**[2]	6785977	324839	1193	300	-60	306	48	220	172	0.4	0.2	0.5	14
									Incl	62	82	20	0.5	0.2	0.3	6
									And Incl	192	202	10	0.5	0.2	0.6	94
									And Incl	228	306	78	0.5	0.1	0.8	24
									Or Incl	232	264	32	0.6	0.2	1.0	16
										248	260	12	0.7	0.2	0.8	21
19/05/2025	Q2 2025	La Verde	**DKP013**	6785971	324839	1192	244	-60	437	42	270	228	0.3	0.2	0.3	7
									Incl	42	146	104	0.4	0.3	0.3	6
									Or Incl	50	116	66	0.5	0.3	0.3	5
										296	437	141	0.2	0.1	0.4	19
									Incl	334	358	24	0.3	0.1	0.7	18
19/05/2025	Q2 2025	La Verde	**DKP014**	6785852	324747	1149	299	-61	444	0	12	12	0.3	0.1	0.3	7
										194	204	10	0.3	0.2	0.4	5
										306	402	96	0.3	0.1	0.6	20
									And incl	340	352	12	0.4	0.1	0.9	14
									And incl	366	376	10	0.4	0.2	0.8	14
										424	444	20	0.2	0.0	0.5	29
19/05/2025	Q2 2025	La Verde	**DKP015**	6786096	324434	1159	130	-60	313	2	34	32	0.3	0.0	0.9	22
										176	313	137	0.2	0.1	0.5	29
									Incl	236	242	6	0.4	0.1	0.9	20
19/05/2025	Q2 2025	La Verde	**DKP016**	6785947	324416	1111	111	-60	360	0	48	48	0.4	0.0	0.6	39
									Incl	0	22	22	0.6	0.0	0.6	23
										286	304	18	0.3	0.1	0.9	52
19/05/2025	Q2 2025	La Verde	**DKP017**	6786094	324685	1184	97	-61	336	50	252	202	0.3	0.1	0.5	31
									Incl	96	110	14	0.4	0.1	0.3	12
									And incl	144	152	8	0.4	0.2	1.2	55
									And incl	180	196	16	0.4	0.1	0.5	55
19/05/2025	Q2 2025	La Verde	**DKP018**	6785835	324429	1094	97	-60	145	16	134	118	0.2	0.0	0.4	24
									Incl	20	46	26	0.3	0.0	0.8	19
19/05/2025	Q2 2025	La Verde	**DKP019**	6785720	324718	1130	253	-61	279.5	106	144	38	0.3	0.1	0.5	16
									Incl	114	122	8	0.5	0.2	0.7	25
										202	279.5	77.5	0.3	0.1	0.5	27
19/05/2025	Q2 2025	La Verde	**DKP020**	6785748	324586	1125	273	-60	144	6	144	138	0.3	0.1	0.9	23
									Incl	6	30	24	0.4	0.1	1.1	6
									And incl	36	84	48	0.4	0.1	0.9	20
									And incl	102	138	36	0.4	0.1	0.8	31
19/05/2025	Q2 2025	La Verde	**DKP021**	6785619	324325	1178	75	-60	402	118	128	10	0.3	0.0	0.4	18
										234	314	80	0.3	0.1	0.4	21
									Incl	284	300	16	0.4	0.1	0.6	13
										324	370	46	0.3	0.1	0.6	14
19/05/2025	Q2 2025	La Verde	**DKP022**	6785527	324414	1184	78	-60	288	44	202	158	0.2	0.0	0.4	18
									Incl	44	66	22	0.4	0.1	0.5	11
										232	288	56	0.2	0.0	0.5	18
									Incl	250	258	8	0.5	0.0	1.6	21
									And incl	282	288	6	0.3	0.1	1.0	24
19/05/2025	Q2 2025	La Verde	**DKP023**	6785421	324320	1181	90	-60	402	74	100	26	0.3	0.1	0.4	21
										172	196	24	0.3	0.0	0.8	38
										254	366	112	0.3	0.1	0.6	26
19/05/2025	Q2 2025	La Verde	**DKP024**	6785424.02	324417.15	1186.295604	111	-59	402	54	360	306	0.3	0.0	0.7	28
									Incl	86	200	114	0.4	0.0	0.7	23
									Or Incl	96	148	52	0.5	0.1	0.8	16
									And incl	328	334	6	0.4	0.1	1.2	22
19/05/2025	Q2 2025	La Verde	**DKP025**	6785313	324415	1186.87563	270	-74	276	34	162	128	0.2	0.0	0.5	26
									Incl	126	136	10	0.3	0.0	0.3	62
19/05/2025	Q2 2025	La Verde	**DKP026**	6785870	324312	1098.269021	105	-60	147	0	147	147	0.2	0.0	0.6	13
									Incl	0	16	16	0.4	0.1	0.6	23
19/05/2025	Q2 2025	La Verde	**DKP027**	6785755	324906	1138.97221	299	-60	402	4	290	286	0.3	0.1	0.4	31
									Incl	44	198	154	0.4	0.1	0.5	32
									Or Incl	64	76	12	0.5	0.1	0.3	15

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2 Review of Operations (Cont'd)

Date Released	Quarter Released	Location	Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
				North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
19/05/2025	Q2 2025	La Verde	**DKP028**	6785617	324758	1136.047816	300	-60	432	6	126	120	0.4	0.1	0.7	12
									Incl	10	20	10	0.5	0.1	1.2	5
									And Incl	26	74	48	0.5	0.1	0.8	13
										318	432	114	0.3	0.1	0.5	53
									Incl	380	414	34	0.4	0.2	0.9	106
									Or Incl	384	396	12	0.5	0.2	1.1	221
19/05/2025	Q2 2025	La Verde	**DKP029**	6785615	324758	1136.067418	265	-60	366	6	102	96	0.3	0.1	0.9	19
									Incl	54	64	10	0.4	0.1	0.8	27
										112	206	94	0.2	0.0	0.3	44
										252	264	12	0.4	0.0	1.6	33
										304	366	62	0.2	0.0	0.3	43
19/05/2025	Q2 2025	La Verde	**DKP030**	6785770	324774	1132.499568	275	-60	393	4	393	389	0.4	0.1	0.9	21
									Incl	20	30	10	0.5	0.2	0.5	4
									And incl	186	286	100	0.5	0.1	0.9	35
									Or Incl	238	284	46	0.6	0.2	0.9	49
									And incl	322	356	34	0.6	0.2	0.9	28
19/05/2025	Q2 2025	La Verde	**DKP031**	6785788.98	324564	1128.513771	279	-60	279	Mineralised, No significant result						

Notes to Table 2: Significant intercepts for La Verde are calculated above a nominal cut-off grade of 0.2% Cu. Where appropriate, significant intersections may contain up to 30m down-hole distance of internal dilution (less than 0.2% Cu). Significant intersections are separated where internal dilution is greater than 30m down-hole distance. The selection of 0.2% Cu for significant intersection cut-off grade is aligned with marginal economic cut-off grade for bulk tonnage polymetallic copper deposits of similar grade in Chile and elsewhere in the world. For previously released significant intercepts see announcement dated 18 December 2024, 11 February 2025 and 19 May 2025.



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Table 3: Details of All Drill Holes Completed at Costa Fuego in Year Ending 30 June 2025

Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Location
	North	East	RL				
PROMW06	6827010	326460	597	0	-90	42	Productora Hydro
PROMW07	6826927	323821	550	0	-90	36	Productora Hydro
PROMW08	6826921	322951	526	0	-90	84	Productora Hydro
PROMW09	6830173	325356	616	0	-90	66	Productora Hydro
PRD0021	6822705	321788	664	90	-60	440.7	Productora West
PRD0020	6822550	322430	776	250	-60	432	Productora West
DKP001	6786079	324546	1153	89	-59	390	La Verde
DKP002	6785967	324835	1202	270	-60	354	La Verde
DKP003	6785971	324840	1192	117	-59	282	La Verde
DKP004	6785836	324423	1093	90	-60	120	La Verde
DKP005	6785789	324564	1124	91	-60	248	La Verde
DKP006	6785721	324727	1130	110	-60	199.5	La Verde
DKP007	6785854	324742	1149	270	-60	204	La Verde
DKP008	6785855	324748	1150	5	-60	324	La Verde
DKP009	6786075	324552	1152	131	-60	354	La Verde
DKP010	6785851	324742	1148	209	-60	276	La Verde
DKP011	6786096	324429	1159	91	-60	326	La Verde
DKP012	6785977	324839	1193	300	-60	306	La Verde
DKP013	6785971	324839	1192	244	-60	437	La Verde
DKP014	6785852	324747	1149	299	-61	444	La Verde
DKP015	6786096	324434	1159	130	-60	313	La Verde
DKP016	6785947	324416	1111	111	-60	360	La Verde
DKP017	6786094	324685	1184	97	-61	336	La Verde
DKP018	6785835	324429	1094	97	-60	145	La Verde
DKP019	6785720	324718	1130	253	-61	279.5	La Verde
DKP020	6785748	324586	1125	273	-60	144	La Verde
DKP021	6785619	324325	1178	75	-60	402	La Verde
DKP022	6785527	324414	1184	78	-60	288	La Verde
DKP023	6785421	324320	1181	90	-60	402	La Verde
DKP024	6785424	324417	1186	111	-59	402	La Verde
DKP025	6785313	324415	1187	270	-74	276	La Verde
DKP026	6785870	324312	1098	105	-60	147	La Verde
DKP027	6785755	324906	1139	299	-60	402	La Verde
DKP028	6785617	324758	1136	300	-60	432	La Verde
DKP029	6785615	324758	1136	265	-60	366	La Verde
DKP030	6785770	324774	1132	275	-60	393	La Verde
DKP031	6785789	324564	1129	279	-60	279	La Verde

District-Scale Porphyry Cluster Emerging from Regional Targeting Programme

Across the large 18,000 hectare Domeyko landholding, various exploration activities were undertaken to support regional targeting. These activities included an extensive ground magnetics survey comprising of 1,755-line km's (100 m spaced, north-south oriented survey lines) in August 2024, the collection of surface soil and rock chip geochemical samples, and detailed surface litho-structural mapping.

2 Review of Operations (Cont'd)

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Additionally, the ground magnetic and geochemical datasets were then utilised to produce a 3D magnetic inversion model, and a 3D geochemical probability model across the Domeyko area. The culmination of these programs has outlined three priority porphyry targets adjacent to La Verde, with two of these porphyry targets concealed under shallow gravel cover, presenting a 'blind' exploration opportunity. Regulatory applications for access and land clearing are progressing across these new target areas.

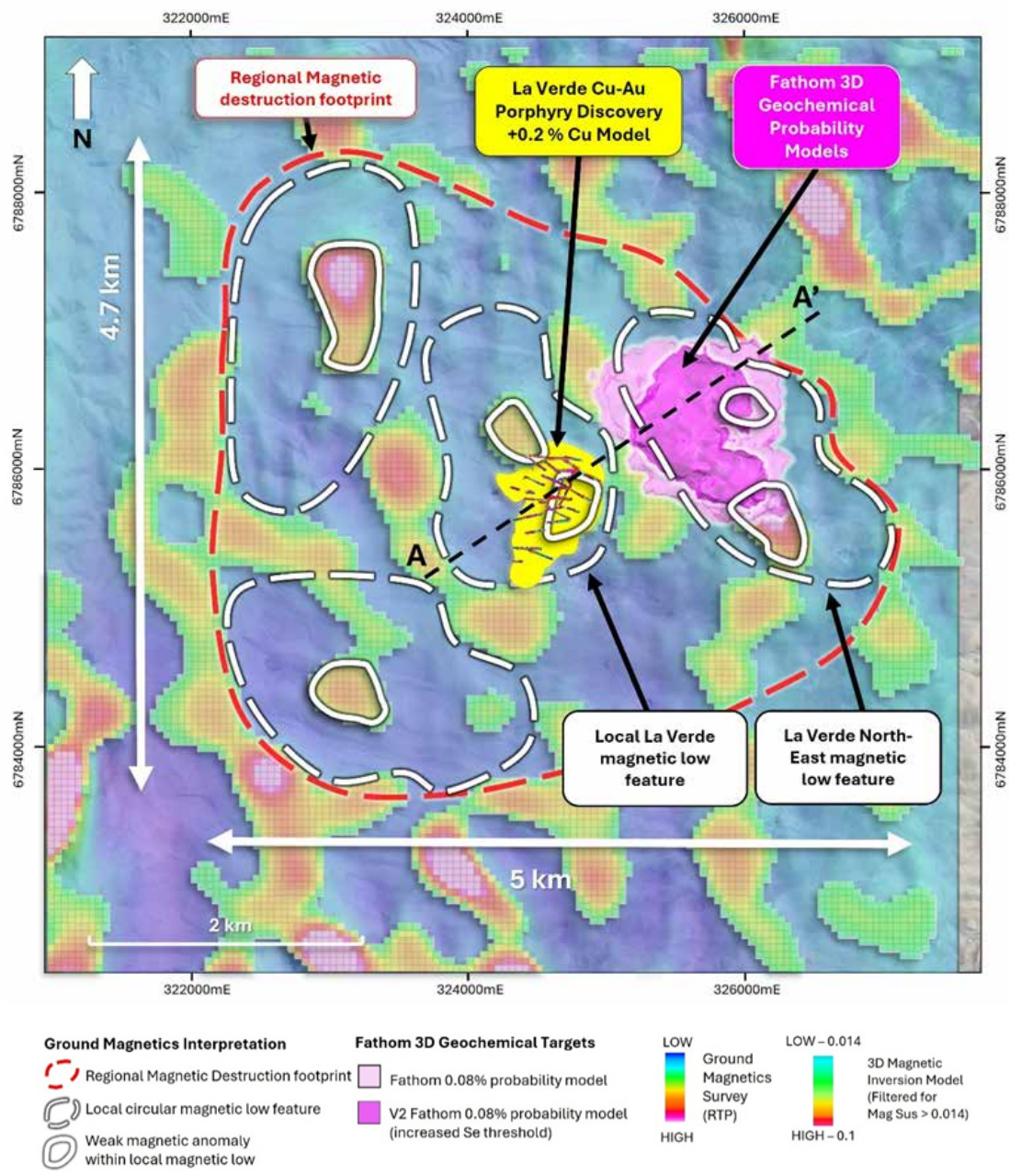


Figure 2: Plan view showing the La Verde +0.2% Cu mineralisation interpolant in relation to regional magnetic destruction footprint (red dashed), local magnetic low features (white dashed), weakly magnetic anomalies (white line) and Fathom 3D geochemical probability models (purple isosurfaces). Left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

2 Review of Operations (Cont'd)

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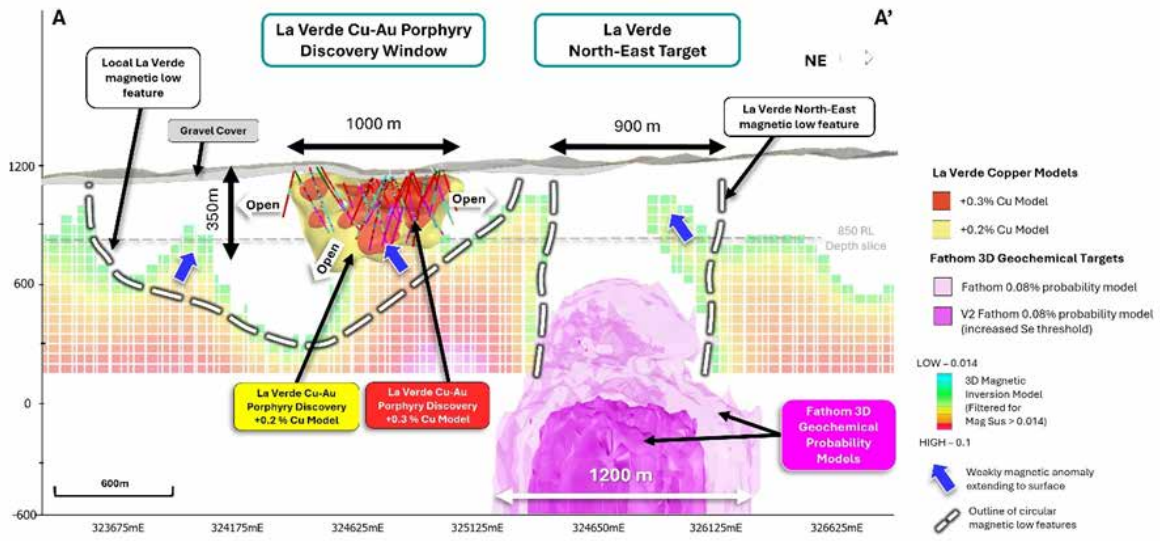


Figure 3: Long section view A - A' facing north-west showing the La Verde +0.2% (yellow) and +0.3% copper (red) mineralisation interpolants in comparison to the 3D magnetic inversion model (displayed as blocks, filtered for Magnetic Susceptibility > 0.014) and 3D geochemical target at La Verde North-East.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

Exploration Drilling at Productora – Sterilisation for Mine Infrastructure

A drill program comprising two holes for 873m was also completed during the year, testing a potential high-sulphidation epithermal target identified within the mine development footprint, adjacent to Productora. No significant drilling intersections were recorded, with the target now sterilised, allowing the Company to finalise the mine infrastructure layout for the PFS.

Environmental Studies

The advancement of several environmental workstreams over the year contributed to the delivery of the Costa Fuego PFS and the ongoing preparation of the Environmental Impact Assessment ("EIA"), these included:

- **Hydrogeological Studies:** The drilling of an additional four groundwater monitoring boreholes for 228 m, accompanied by litho-structural mapping of the Tailings Storage Facility ("TSF") informed the development of water balance and mine dewatering models and surface water management planning across the Costa Fuego project
- **Waste Rock Characterisation:** Classification of waste rock and tailings products through acid rock drainage testwork ("ARD") improved the understanding of the Costa Fuego project's storage requirements
- **Baseline and Meteorological Studies:** Continued baseline studies across the project included archaeology, landscape, palaeontology, natural risks, flora and fauna. Compilation of these surveys with detailed wind and air quality monitoring informed the PFS project layout, and identification of a compensation area to be used for the relocation of flora and fauna

Additionally, detailed bathymetry surveys were completed for the Huasco Water seawater intake and stage 1 coastal infrastructure. Baseline studies for a second EIA are ongoing to ensure timely integration of La Verde into Costa Fuego's potential future mine plan.

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3 Qualifying Statements

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The scientific and technical information relating to the Company's Costa Fuego project in this report has been derived from or is based on the Costa Fuego Copper project pre-feasibility study (the "Costa Fuego PFS" or 2025 PFS), which has been prepared in accordance with Canadian regulatory requirements set out in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and Joint Ore Reserves Committee of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (the "JORC Code") and reviewed and approved by the "Qualified Persons" as defined under NI 43-101 and "Competent Persons" as defined under the JORC Code, as set out below. The 2025 PFS was compiled by the Qualified Persons and Competent Persons listed below based on information available up to the effective date of the PFS. Additional details of responsibilities are provided at page 48 of presentation "Costa Fuego Preliminary Feasibility Study March 2025" released on 27 March 2025.

PFS Technical Report

For readers to fully understand the information in this report, they should read the PFS Technical Report available on SEDAR+ (www.sedarplus.ca) and at www.hotchili.net.au in its entirety titled "Costa Fuego Project, Chile, Preliminary Feasibility Study NI 43-101 Technical Report" dated 9 May 2025 with an effective date of 27 March 2025, including all qualifications, assumptions, limitations and exclusions. The PFS Technical Report 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 report is subject to the assumptions and qualifications to be contained in the PFS Technical Report. The PFS Technical Report replaces and supersedes the technical report titled "Costa Fuego Copper Project – NI 43-101 Technical Report Mineral Resource Estimate Update" dated 8 April 2024, with an effective date of 26 February 2024 (the "2024 PEA").

Qualified Persons – NI 43-101

The PFS was compiled by Wood Australia Pty Ltd with contributions from a team of independent "Qualified Persons" within the meaning of NI 43 -101. The scientific and technical information contained in this report pertaining to Costa Fuego has been reviewed and verified by the following independent qualified persons within the meaning of NI 43-101:

Ms Elizabeth Haren (FAUSIMM (CP) & MAIG) of Haren Consulting – Mineral Resource Estimate

Mr Dean David (FAUSIMM (CP)) of Wood Pty Ltd – Metallurgy

Mr Piers Wendlandt (PE) of Wood Pty Ltd – Market Studies and Contracts, Economic Analysis

Mr David Cuello (MAUSIMM) of GMT Servicios de Ingeniería – Geotechnical

Mr Jeffrey Stevens (Pr. Eng, MSAIMM) of Wood Pty Ltd – Infrastructure and Capital Cost

Mr Luis Bernal (Comisión Minera (PC) Registered Member) of Process Mineral Consulting – Leaching

Mr Anton von Wielligh (FAUSIMM) of ABGM Consulting Pty Ltd – Mine Planning and Scheduling

Mr Edmundo LaPorte (PE, PEng, CPEng, SME Registered Member) of High River Services - Environmental

The above independent Qualified Persons have verified the information disclosed herein, including the sampling, preparation, security, and analytical procedures underlying such information.

Competent Persons – JORC

The information in this report that relates to Mineral Resources, Exploration Results, and Ore Reserves for the Costa Fuego Project is based on information compiled by:

Ms Elizabeth Haren (FAUSIMM (CP) & MAIG) who is a full-time employee of Haren Consulting – Mineral Resource Estimate

Mr Dean David (FAUSIMM (CP)) who is a full-time employee of Wood Pty Ltd – Metallurgy

Mr Piers Wendlandt (PE) who is a full-time employee of Wood Pty Ltd – Market Studies and Contracts, Economic Analysis

Mr David Cuello (MAUSIMM) who is a full-time employee of GMT Servicios de Ingeniería – Geotechnical

Mr Jeffrey Stevens (Pr. Eng, MSAIMM) who is a full-time employee of Wood Pty Ltd – Infrastructure and Capital Cost

Mr Luis Bernal (Comisión Minera (PC) Registered Member) who is a full-time employee of Process Mineral Consulting – Leaching

Mr Anton von Wielligh (FAUSIMM) who is a full-time employee of ABGM Consulting Pty Ltd – Mine Planning and Scheduling

Mr Edmundo LaPorte (PE, PEng, CPEng, SME Registered Member) who is a full-time employee of High River Services – Environmental

Mr Christian Easterday (MAIG), who is the Managing Director and is a full-time employee of Hot Chili Limited – Exploration Results

Ms Haren, Mr David, Mr Wendlandt, Mr Cuello, Mr Stevens, Mr Bernal, Mr LaPorte, Mr Easterday, and Mr von Wielligh each have sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the JORC Code and as Qualified Persons under NI43-101.

3 Qualifying Statements (Cont'd)



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Production Targets Statement

The production targets and forecast financial information derived from the production targets for:

(1) the Productora production mine site referred to in this release is based on 52% of material of the Probable Ore Reserves and 31% of the material from Indicated Mineral Resources.

(2) Alice production mine site referred to in this release is based on 3% of the material from Probable Ore Reserves and 2% of the material from Indicated Mineral Resources;

(3) the Cortadera production mine site referred to in this release is based on 45% of the material from Probable Ore Reserves and 67% of the material from Indicated Mineral Resources; and

(4) San Antonio production mine site referred to in this release is based on 1% of the material from Probable Ore Reserves and 0% of the material from Indicated Mineral Resources. No portions of the production targets are based on Inferred Mineral Resources. The material assumptions used in the estimation of the production targets and associated forecast financial information are set out in the presentation "Costa Fuego Preliminary Feasibility Study March 2025" released on 27 March 2025 Mineral Resource and Mineral Reserve pages 24-25, Mine Design and Scheduling Pages 26-28, Metallurgy and Mineral Processing Pages 29-34, and Basis of Economic Assumption pages 37-44. The Mineral Resource and Ore Reserve estimate underpinning the production targets were prepared by Competent Persons in accordance with the JORC Code 2012.

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3 Qualifying Statements (Cont'd)

Disclaimer

This report has been prepared by management of Hot Chili Limited ("Hot Chili" or the "Company") and does not represent a recommendation to buy or sell securities of the Company. Investors should always consult their investment advisors prior to making any investment decisions. This report does not purport to be complete or contain all of the information that may be material to the current or future business, operations, financial condition or prospects of the Company and Hot Chili makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this report. Certain information contained herein is based on, or derived from, information obtained from independent third-party sources, publicly available reports and other trade and industry sources. Hot Chili believes that such information is accurate and that the sources from which it has been obtained are reliable; however, Hot Chili has not independently verified such information and does not assume any responsibility for the accuracy or completeness of such information. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note for U.S. Investors Concerning Mineral Resources

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

Non IFRS Financial Performance Measures

"Total Cash Cost", "All-in Sustaining Cost", "All-in cost LOM", "C1", "EBITDA" 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.

Mineral Reserves and Ore Reserves

The Costa Fuego Mineral Reserve is reported in accordance with the JORC Code (2012) and the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definition, as required by NI 43-101. References to "Mineral Reserves" mean "Ore Reserves" as defined in the JORC Code and references to "Proven Mineral Reserves" mean "Proved Ore Reserves" as defined in the JORC Code. There is no material difference between the definitions of Probable Ore Reserves under the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves and the equivalent definitions in the JORC Code (2012). Terms Mineral Reserve (CIM) and Ore Reserve (JORC) are equivalent, and this study uses Mineral Reserve for consistency.





3 Qualifying Statements (Cont'd)

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Forward Looking Statements

Statements in this report that are not historical facts are "forward-looking information" or "forward-looking statements" within the meaning of applicable Canadian securities legislation and Australian securities legislation. The use of words such as "anticipate", "envisage", "forecast", "consider", "proposed", "conceptual", "opportunity", "designed to", "believe", "could", "estimate", "expect", "may", "plan", "potential", "project", "should", "will", "would", "is coming", "coming" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements relate to, among other things: prospects, projections and success of the Company and its projects, highlights and results from the Costa Fuego PFS and Huasco Water Supply PFS, financial modelling and potential strategic advantages of the Huasco Water Project, including potential seawater and desalinated water supplies and projected customer base, projected financial and economic analyses, including capital costs, sustaining costs, cash flows, NPV, and revenue generation, the anticipated production profile and mine life of the Costa Fuego Project, engineering and infrastructure designs (including power supply, water supply, tailings storage, site layout), expected access to local workforce due to project proximity to a regional centre, plans for monetization of cobalt and improvements to copper/gold recovery, processing suitability based on metallurgical test work, conceptual opportunities and potential discoveries at or near the Costa Fuego Project, expectations regarding environmental impact assessment (EIA) timelines and permitting processes, ongoing relationships with local communities, government and regulatory bodies, planned definitive feasibility study, comparisons to prior studies (e.g., 2024 PEA). Statements concerning mineral resource and mineral reserve estimates may also be deemed to constitute forward-looking statements to the extent they involve estimates of the mineralization that may be encountered if the Costa Fuego Project is developed.

In preparing forward-looking statements, the Company has applied several material assumptions, including, but not limited to: continuity of future commodity prices and demand, availability of skilled labour, timing and amount of capital expenditures, future currency exchange and interest rates will be consistent with the Company's expectations, that increasing competition will not have a material adverse impact, that general conditions in economic and financial markets will be sustained or will improve, availability of drilling and construction equipment, that regulation by governmental agencies and relations with local communities will not change in a materially adverse manner, that future tax rates, tariffs, capital and operating costs will be as expected, availability of future sources of funding on reasonable terms, that assumptions related to adjusted funds from operations and financial models will prove accurate, that the assumptions underlying the PFS and related technical and economic analyses will prove to be reasonable.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause actual results, performance, or achievements of the Company to be materially different from those expressed or implied. These include, but are not limited to: operational risks and contractual obligations, industry-wide and project-specific risks identified in the PFS Technical Report, sovereign risks related to operations in Chile, changes in mineral resource and reserve estimates, recruiting and retaining qualified personnel, financial needs and availability of adequate financing, market volatility and commodity price fluctuations, currency and exchange rate risks, the production at or performance of properties where the Company holds interests, environmental risks, financial failure or default of joint venture partners, contractors, or service providers, competition risks, economic and market conditions, slowdown or temporary suspension of operations due to outbreak of disease, estimates used in budgeting and economic analyses proving incorrect, risks related to delays in the permitting process, potential defects in title due to prior unregistered agreements or claims.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those described in the forward-looking statements, there may be other unknown or unpredictable factors. There can be no assurance that forward-looking information will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The forward-looking statements contained in this report are based on the plans, expectations, and estimates of management as at the date hereof. Except as may be required by applicable securities laws, the Company does not undertake any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date hereof.

For additional information and assumptions underlying these statements, refer to:

The Company's public filings with the Australian Securities Exchange (ASX)

The Canadian public disclosure record on SEDAR+ (www.sedarplus.ca)

The Company's news releases dated 27 March 2025 and 31 March 2025, and the PFS Technical Report, released 9 May 2025.

4 Corporate Activities





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Hot Chili Closes A$14 Million Funding

On 5 September 2025, the Company completed a fully subscribed A$14.1 million Rights Issue (before costs) to all eligible shareholders. The Rights Issue is a non-renounceable pro rata offer of 2 (two) fully paid ordinary shares in the Company ("New Shares") for every 13 (thirteen) existing shares held by eligible shareholders registered, at an issue price of A$0.60 (60 cents) per New Share.

These funds will support the completion of the Company's strategic partnering process and commencement of phase-two diamond drilling at the La Verde copper-gold discovery.

Projects Registered for Priority Status by Chilean Ministry of Economy

On 30 April 2025, Hot Chili announced that its Costa Fuego copper-gold Project and Huasco Water Project in Chile had been officially registered with the Chilean Ministry of Economy's Office for Sustainable Project Management (GPS Division).

This registration grants the projects priority status as strategic investments, allowing them to benefit from streamlined administrative processes. Both projects met the government's criteria for sustainability-focused development and will now be subject to coordinated oversight aimed at expediting permitting and approvals. This includes the management of Hot Chili's second maritime concession application for Huasco Water and the upcoming EIA submissions for both projects.

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4 Corporate Activities (Cont'd)

Strategic Partnering Process

After the completion of the Costa Fuego PFS and Huasco Water PFS, Hot Chili initiated asset-level strategic partnering processes to introduce one or more qualified partners with the financial, technical and operational capability to assist in funding and delivering both projects.

Hot Chili has appointed BMO Capital Markets as its financial adviser in connection with the partnering process.

The partnering process is ongoing, and the Company has received several non-binding, indicative, incomplete and conditional proposals. The partnering process may result in a range of possible transactions for the projects and investors are cautioned that there is no certainty it will result in a transaction or binding agreement.

New Appointments to Board and Executive Management Team

Following the resignation of Dr Nicole Adshead-Bell, Non-Executive Chairman and Mr Stephen Quin, Non-Executive Director effective 11 March 2025, Hot Chili Limited announced the appointment of three highly regarded and experienced mining executives to the Company's Board and executive management group. Mrs Fiona Van Maanen as an Independent Non-Executive Director effective 17 March 2025, Mr Alberto Cerda as Project Director effective from 1 April 2025 and Mr Stuart Mathews as Non-Executive Chairman effective 12 May 2025.

These new appointments add considerable strength to the Company's leadership team during a pivotal stage of growth and will be instrumental in guiding Hot Chili through the final investment phase toward becoming a mid-tier copper-gold producer.



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4 Corporate Activities (Cont'd)

Updates to Landholdings

During the year Hot Chili successfully consolidated a number of tenements into the Domeyko landholding. Importantly, acquisition of the La Verde tenement (Dominoceros 1/20) marked the first time the entire La Verde porphyry system has been consolidated and controlled by a single party. This consolidation resulted in the significant exploration success of the La Verde copper-gold porphyry discovery. Other changes to the Domeyko Landholding comprise an amendment to the existing Domeyko Option Agreement.

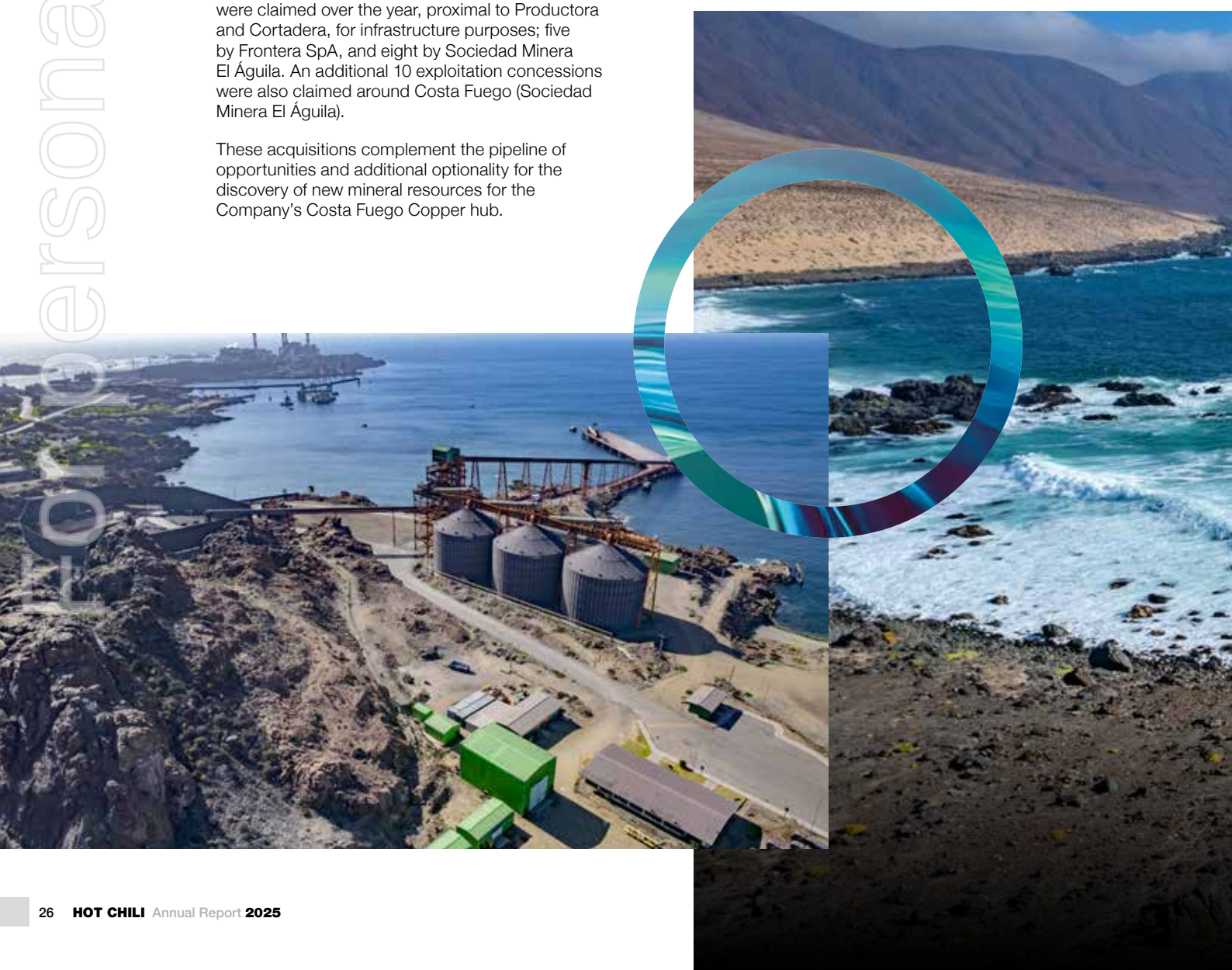
Several other Option Agreements were discontinued by the Company, resulting in the mining rights being returned to their respective owners (Cortadera North AMSA, Marsellesa and Cometa). Hot Chili and AMSA are currently negotiating a potential sale of mining rights from Cortadera North following termination of the earlier Option.

A number of other mining exploration concessions were claimed over the year, proximal to Productora and Cortadera, for infrastructure purposes; five by Frontera SpA, and eight by Sociedad Minera El Águila. An additional 10 exploitation concessions were also claimed around Costa Fuego (Sociedad Minera El Águila).

These acquisitions complement the pipeline of opportunities and additional optionality for the discovery of new mineral resources for the Company's Costa Fuego Copper hub.

Community and ESG

Hot Chili is advancing preparation of its EIA for Costa Fuego ahead of planned submission in 2026. During the year, the Company's environmental team completed additional winter period environmental baseline studies and expanded community communication with bilingual digital updates and public events in Vallenar, including presentations and information booths. The Company's community engagement team also held several meetings with indigenous and non-indigenous stakeholders as part of Hot Chili's formal community engagement programme.



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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 2025 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:

Stuart Mathews
Independent Non-Executive Chair
(appointed 12 May 2025)

Christian Easterday
Managing Director

Roberto de Andraca Adriasola
Non-Executive Director

Mark Jamieson
Non-Executive Director

Fiona Van Maanen
Non-Executive Director
(appointed 17 March 2025)

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman
(resigned 11 March 2025)

Stephen Quin
Independent Non-Executive Director
(resigned 11 March 2025)

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

Directors' Information

Stuart Mathews
Independent Non-Executive Chair
(appointed 12 May 2025)

Mr Mathews is an international mining professional with more than 32 years' experience working across Australia, Mexico and New Zealand.

Mr Mathews is highly regarded for his ability to successfully deliver projects from early feasibility stages through to mine development, construction and full-scale operations. During his career he has delivered five mining projects from exploration through development to full operations.

Until his retirement from executive roles in 2024, Mr Mathews served as Executive Vice President – Australasia for Gold Fields Limited. His role involved managing Gold Fields' regional mining portfolio that delivered +1m oz of gold per annum as well as leading strategic growth in Australia and greater Gold Fields globally.

Mr Mathews is a Non-Executive Director with Pantoro Gold Limited (ASX: PNR) and Ballard Mining Limited (ASX: BM1).

As part of his role with Hot Chili, Mr Matthews will Chair the Company's ESG Committee.

Christian 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)

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Directors' Information (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.

Fiona Van Maanen
Non-Executive Director
(appointed 17 March 2025)

Mrs Van Maanen is a highly accomplished company director with over 30 years of progressive executive experience in corporate governance, financial management, and accounting in the mining industry. She has worked for companies who have had a diverse range of mineral projects spanning exploration, development and production environments.

Mrs Van Maanen is currently Non-Executive Director of Westgold Resources Limited (ASX: WGX), Wildcat Resources Limited (ASX: WC8) and Pantoro Gold Limited (ASX: PNR).

As part of her role with Hot Chili, Mrs Van Maanen will Chair the Company's Audit and Risk Committee and Remuneration and Nomination Committee.

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman
(resigned 11 March 2025)

Dr Nicole Adshead-Bell is a geologist with a deep understanding of the mining industry from over 29 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 AuMEGA Metals Ltd (Formally Matador Mining Ltd) (ASX/TSXV). 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 focussed 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.

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.

Dr Adshead-Bell is currently Non-Executive Director of AuMEGA Metals Limited (ASX: AAM).

Stephen Quin
Independent Non-Executive Director
(resigned 11 March 2025)

Mr Quin is a graduate of the Royal School of Mines, London, with a BSc (Honours) in Mining Geology and has 44 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.

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

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.

5 Directors' Report (Cont'd)

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Results of Operations

The results of the consolidated entity after providing for income tax and non-controlling interest for the year ended 30 June 2025 was a loss of $11,137,547 (2024: $7,569,376).

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 18 July 2025, Hot Chili announced the exercising of 8,333 service rights and 833 performance rights, previously issued under an employee incentive scheme, and the issue of 9,166 ordinary fully paid shares valued at $0.6150 per security.

On the 25 July 2025, Hot Chili announced the exercising of 1,447,631 service rights and 312,552 performance rights, previously issued under an employee incentive scheme, and the issue of 1,760,183 ordinary fully paid shares valued at $0.6300 per security.

On the 29 July 2025, Hot Chili announced that following completion of the PFS for Costa Fuego and Huasco Water, Hot Chili initiated asset-level strategic partnering processes to introduce one or more qualified partners with the financial, technical and operational capability to assist in funding and delivering each project.

On the 4 August 2025, Hot Chili announced the exercising of 279,484 service rights and 58,347 performance rights, previously issued under an employee incentive scheme, and the issue of 337,831 ordinary fully paid shares valued at $0.5900 per security.

On the 5 August 2025, Hot Chili announced a $14M rights Issue to support completion of the strategic partnering process & maiden La Verde resource estimate, via a non-renounceable entitlements offer of new shares on a 2 for 13 basis, at an issue price of A$0.60 per share.

On the 5 September 2025, Hot Chili announced that its previously announced entitlement offer closed fully subscribed. The pro-rata non-renounceable entitlement offer of 2 fully paid ordinary shares in the Company for every 13 fully paid ordinary shares held by eligible shareholders at the record date of 8 August 2025, at an issue price of A$0.60 per new share, raised A$14.1 million before costs.

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

- Completion of multiple PFS optimisation workstreams, including mining, geotechnical, processing, infrastructure and environmental analysis and design work.
- Advancement of Feasibility Study workstreams, including drilling, to position the project for a financial investment decision.
- Continued development of Huasco Water, including commencement of feasibility studies.
- Continuation of the Company's exploration growth strategy, including drill programs across the Companies exploration target pipeline, with immediate focus at the recent La Verde Cu-Au porphyry discovery.
- Pursuing further regional consolidation opportunities for Costa Fuego.
- Completion of the asset-level, strategic partnering process.

Business Risks

The following are the material business risks to the Group.

Construction and Start-up of New Mines

The success of construction projects and the start-up of new mines by the Company is subject to a number of factors including: the availability and performance of engineering and construction contractors mining contractors, suppliers and consultants; the receipt of required governmental approvals and permits in connection with the construction of mining facilities and the conduct of mining operations; milling, processing and mining equipment and other operational elements that have to be factored in. Any delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which the Company is dependent in connection with its construction activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements in connection with new mines could delay or prevent the construction and start-up of new mines as planned. There can be no assurance that current or future construction and start-up plans implemented by the Company will be successful; that the Company will be able to obtain sufficient funds to finance construction and startup activities; that personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects; that the Company will be able to obtain all necessary governmental approvals and permits; and that the completion of the construction, the start-up costs and the ongoing operating costs associated with the development of new mines will not be significantly higher than anticipated by the Company.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's business, financial condition and results of operations.

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Business Risks (Cont'd)

Operational Risks

In addition, mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration and development of copper and gold properties including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, insufficient water, pit wall failure and other conditions involved in the drilling, blasting and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, operations are subject to hazards such as fire, equipment failure or failure of retaining mechanisms, conditions which may result in environmental pollution and consequent liability.

Operations in Chile

The Company's Chilean property interests and operations are subject to the political risks and uncertainties associated with investment in any foreign country.

The Company's property interests located in Chile are subject to Chilean federal and state laws and regulations. As a result, the Company's mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The present attitude of the government of Chile and of the district and province where the Costa Fuego Hub is located, to foreign investment and mining has been favourable; however, investors should assess the political risks of investing in a foreign country. Any variation from the current regulatory, economic and political climate could have an adverse effect on the affairs of the Company. In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by the government of Chile or by its court system.

Commodity Price Volatility

The potential of the Company's projects will be dependent upon the market price of mineral commodities. Mineral prices, including the prices of copper and gold, fluctuate widely and are affected by numerous factors beyond the control of the Company.

Furthermore, Mineral Reserve estimations and LOM plans using significantly lower metal prices could result in material writedowns of the Company's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting the Company's Mineral Reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Financing Requirements

Operations of the Company's properties, including continuing exploration and development projects at the Costa Fuego Hub projects in Chile, may require substantial additional financing. Failure to obtain sufficient financing will result in a delay or indefinite postponement of exploration and development of any or all of the Company's properties or even a loss of a property interest. When such additional capital is required, the Company plans to pursue sources of such capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all and failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. If the Company does succeed in raising additional capital, future financings are likely to be dilutive to shareholders, as additional Ordinary Shares or other equity will most likely be issued to investors in future financing transactions. In addition, debt and other mezzanine financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital financing, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the copper and gold industries), the Company's market capitalization being below its planned future capital requirements if it were to construct all of its development assets, the location of the Company's copper-gold properties in Chile and prices of copper and gold on the commodities markets (which will impact the amount of asset-based financing available) and/or the loss of key management.

Uncertainty in the Estimation of Mineral Reserves and Mineral Resources

To extend the lives of its mines and projects, ensure the continued operation of the business and realize its growth strategy, it is essential that the Company continues to realize its existing identified Mineral Reserves, convert Mineral Resources into Mineral Reserves, develop its Mineral Resource base through the realization of identified mineralized potential, and/or undertake successful exploration or acquire new Mineral Resources.

The figures for Mineral Reserves and Mineral Resources are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that Mineral Reserves could be mined or processed profitably. Actual Mineral Reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that copper and gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Lower market prices, increased production costs, reduced recovery rates and other factors may result in a revision of its Mineral Reserve estimates from time to time or may render the Company's Mineral Reserves uneconomic to exploit. Mineral Reserve data are not indicative of future results of operations.

5 Directors' Report (Cont'd)

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Business Risks (Cont'd)

Uncertainty in the Estimation of Mineral Reserves and Mineral Resources (Cont'd)

If the Company's actual Mineral Reserves and Mineral Resources are less than current estimates or if the Company fails to develop its Mineral Resource base through the realization of identified mineralized potential, its results of operations or financial condition may be materially and adversely affected. Evaluation of Mineral Reserves and Mineral Resources occurs from time to time and they may change depending on further geological interpretation, drilling results and metal prices. The category of Inferred Mineral Resource is the least reliable Mineral Resource category and is subject to the most variability. The Company will regularly evaluate its Mineral Resources and Mineral Reserves and will determine the merits of increasing the reliability of its overall Mineral Resources.

Uncertainty Relating to Mineral Resources

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded to Proven Mineral Reserves and Probable Mineral Reserves as a result of continued exploration.

Community Relations

The Company's relationship with the communities in which it operates is critical to the successful development, construction and operation of its properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that the Company's efforts in this respect will mitigate this potential risk.

The Company's projects, including exploration projects, may also be impacted by relations with various community stakeholders, and the Company's ability to develop related mining assets may still be affected by unforeseen outcomes from such community relations.

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**
Stuart Matthews	-	-	-	-	-	-	-	-
Christian Easterday	505,881	1,061,099	-	-	-	276,250	-	635,375
Roberto de Andraca Adriasola	150,000	-	-	-	87,000	-	-	-
Mark Jamieson	-	-	-	-	-	-	-	-
Fiona Van Maanen	-	-	-	-	-	-	-	-

Unissued Shares under Option and Rights Vested

Unlisted Options

There were 1,914,000 unissued ordinary shares under option as at the date of this report. The details of the options are as follows:

Expiry Date	No. Shares Under Option	Exercise Price
25 July 2026	1,914,000	A$1.50

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.

Service Rights

There were 1,308,391 service rights at the date of this report. The vesting conditions for 208,146 of these rights have been met and therefore, 208,146 service rights are exercisable at the date of this report.

Performance Rights

There were 2,276,541 performance rights at the date of this report. The vesting conditions for 33,590 of these rights have been met and therefore, 33,590 performance rights are exercisable at the date of this report.

Shares Issued on the Exercise of Options or Rights

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

5 Directors' Report (Cont'd)

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Options and Rights Expired, Lapsed or Cancelled

On 2 July 2024, 167,076 service rights which were granted in previous financial years lapsed as the vesting conditions of those service rights were not met.

On 30 September 2024, 1,850,001 listed options exercisable at C$2.25 each expired.

On 28 January 2025, 1,259,789 listed options exercisable at A$1.85 each expired.

On 11 March 2025, 64,301 service rights which were granted in previous financial years lapsed as the vesting conditions of those service rights were not met.

On 6 June 2025, 235,981 performance rights which were granted in previous financial years lapsed as the vesting conditions of those performance rights were not met.

No other listed or unlisted options or rights expired during or since the end of the financial year.

Directors Benefits

During or since the financial year ended 30 June 2025, 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

Mrs Carol Marinkovich has over 25 years' experience in the mining industry with extensive experience in Company Secretarial and Corporate Governance Practices within Australia and internationally. Mrs Marinkovich is a Member of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators in London.

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		ESG & Nomination Committee	
Director	**Held[1]**	**Attended**	**Held[1]**	**Attended**	**Held[1]**	**Attended**	**Held[1]**	**Attended**
Stuart Mathews	1	1	-	-	-	-	-	-
Christian Easterday	6	6	4	3	4	3	3	3
Roberto de Andraca Adriasola	6	5	-	-	-	-	-	-
Mark Jamieson	6	6	-	-	-	-	-	-
Fiona Van Maanen	2	2	1	1	1	1	-	-
Nicole Adshead-Bell	4	4	4	4	4	4	4	4
Stephen Quin	4	4	4	4	4	4	4	4

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

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.

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 2025 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 2024 to 30 June 2025, the Directors have assessed that there are no current reporting requirements but may be required to do so in the future.

5 Directors' Report (Cont'd)

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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)"1 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 2025) is 9.

[1] 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.

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

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REMUNERATION REPORT (AUDITED) (CONT'D)

2. 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.

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.

Novated Lease Salary Sacrifice

The Company allows employees to finance the purchase of an electric motor vehicle under a salary sacrifice arrangement. Typically, the cost of the motor vehicle and all running costs of the vehicle including electricity, registration, maintenance and insurance can be packaged into a number of payments over a fixed term, with a residual payment due at the end of the lease. The payments are deducted from the employee's pre-tax salary, thereby offering tax-effective benefits to the employee. Eligible electric vehicles (up to the luxury car tax threshold) through a novated lease are exempt from fringe benefits tax ("FBT") and are the only vehicles eligible for novated leasing.

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 4 July 2024. 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 Incentive Plan ("STIP")

The aim of the STIP 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)

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5 Directors' Report (Cont'd)

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

Long-Term Incentive Plan ("LTIP")

While the short-term plan should drive continuity, the LTIP should drive behaviour. The structure of the performance rights compromising the LTI 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 LTI 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 31 December 2025. 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 assessed 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 Total Shareholder Return ("RTSR").

The assessment of the RTSR 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%

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: A1M)	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)
Legend Mining Ltd (ASX: LEG)	Marimaca Copper Corp. (TSX: MARI)
Titan Minerals Ltd (ASX: TTM)	Max Resource Corp. (TSXV: MAX)
	Northern Dynasty Minerals (TSX: NDM)
	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)

5 Directors' Report (Cont'd)

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REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

Long-Term Incentive Plan ("LTIP") (Cont'd)

4) A further 25% of overall LTI are based on absolute share price performance over the same three-year period. There are an incentive target and a stretch target. 50% can vest on the attainment of the incentive target and 100% on attainment of the stretch target.

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%		

3. 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 and Nomination 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 two 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 and Nomination 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 Non-Executive Chairman were deficient given the director's experience, skill and expertise. It was recommended by the consultants that the Company provide non-performance-based equity (Service Rights) 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.

The report also recommended additional fees as payment for committee roles. These are tabled below:

Base Fees	2025 (A$)	2024 (A$)
Chair	90,000	68,000
Other Non-Executive Directors	46,000	46,000
Service rights [1]		
Chair	51,000	51,000
Other Non-Executive Directors	29,000	29,000
Committee Fees		
Each Chair	9,000	9,000
Each Committee Member	4,500	4,500

[1] Service rights are granted over a three-year period and vest equally each year. The total three-year service rights for the Chair are $153,000 and non-Executive Directors are $87,000.

5 Directors' Report (Cont'd)

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REMUNERATION REPORT (AUDITED) (CONT'D)

4. 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
Stuart Mathews (appointed 12 May 2025)	Independent Non-Executive Chair
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Fiona Van Maanen (appointed 17 March 2025)	Non-Executive Director
Dr Nicole Adshead-Bell (resigned 11 March 2025)	Independent Non-Executive Chair
Stephen Quin (resigned 11 March 2025)	Independent Non-Executive Director

Executive Director	Position
Christian Easterday	Managing Director

Other KMP	Position
José Ignacio Silva	Country Manager and Chief Legal Counsel
Grant King	Chief Operating Officer
Alberto Cerda (appointed 1 April 2025)	Project Director

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.

5 Directors' Report (Cont'd)

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REMUNERATION REPORT (AUDITED) (CONT'D)

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

2025	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
Name	Salary and Fees $	Other Benefits[7] $	Superannuation $	Performance Rights[1] $	Total $	Performance Related %
Directors						
Mr Stuart Mathews[5]	15,136	-	1,741	-	**16,877**	-
Christian Easterday	394,390	11,999	48,992	251,792	**707,173**	35.6
Roberto de Andraca Adriasola	46,000	-	-	20,642	**66,642**	31.0
Mark Jamieson[2]	-	-	-	-	**-**	-
Fiona Van Maanen[4]	20,265	-	2,330	-	**22,595**	-
Dr Nicole Adshead-Bell[3]	44,000	-	-	5,640	**49,640**	11.4
Stephen Quin[3]	34,750	-	-	3,207	**37,957**	8.4
	554,541	**11,999**	**53,063**	**281,281**	**900,884**	**31.2**
Other KMP						
José Ignacio Silva	324,002	-	-	146,799	**470,801**	31.2
Grant King	286,680	10,175	29,932	135,968	**462,755**	29.4
Alberto Cerda	112,817	-	-	-	**112,817**	-
	723,499	**10,175**	**29,932**	**282,767**	**1,046,373**	**27.0**
Total	**1,278,040**	**22,174**	**82,995**	**564,048**	**1,947,257**	**29.0**

[1] 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.

[3] Dr Nicole Adshead-Bell and Stephen Quin resigned on the 11 March 2025.

[4] Fiona Van Maanen was appointed on the 17 March 2025.

[5] Stuart Mathews was appointed on the 12 May 2025.

[6] Alberto Cerda was appointed on the 1 April 2025.

[7] Reportable Fringe Benefits related to Novated Leases of motor vehicles.

5 Directors' Report (Cont'd)

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REMUNERATION REPORT (AUDITED) (CONT'D)

5. Remuneration of Directors and Other KMP for the Reporting Period (Cont'd)

2024	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
Name	Salary and Fees $	Other Benefits $	Superannuation $	Service and Performance Rights [1] $	Total $	Performance Related %
Directors						
Dr Nicole Adshead-Bell	88,000	-	-	87,080	**175,080**	49.7
Christian Easterday	400,000	-	47,667	649,006	**1,096,673**	59.2
Roberto de Andraca Adriasola	46,000	-	-	49,516	**95,516**	51.8
Mark Jamieson [2]	-		-	-	**-**	-
Stephen Quin	69,500	-	-	49,516	**119,016**	41.6
	603,500	**-**	**47,667**	**835,118**	**1,486,285**	**56.2**
Other KMP						
José Ignacio Silva	321,740	-	-	378,382	**700,122**	54.0
Grant King	300,000	-	27,399	350,463	**677,862**	51.7
	621,740	**-**	**27,399**	**728,845**	**1,377,984**	**52.9**
Total	**1,225,240**	**-**	**75,066**	**1,563,963**	**2,864,269**	**54.6**

[1] 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.

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REMUNERATION REPORT (AUDITED) (CONT'D)

6. Director and Other KMP Interests in the Shares, Options, Service Rights and Performance Rights of the Company

6.1 Director and Other KMP Interests in Shares

The number of shares in the Company held during the financial year up to 30 June 2025, 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.

	Balance at the Start of the Year No.	Granted as Compensation No.	Received on Exercise of Options or Rights No.	Other Changes During the Year No.	Balance at the End of the Year No.
Directors					
Stuart Mathews[3]	-	-	-	-	-
Christian Easterday	645,237	-	-	36,000	681,237
Roberto de Andraca Adriasola	150,000	-	-	-	150,000
Mark Jamieson	-	-	-	-	-
Fiona Van Maanen[2]	-	-	-	-	-
Dr Nicole Adshead-Bell[1]	233,453	-	112,008	(345,461)	-
Stephen Quin[1]	20,000	-	63,691	(83,691)	-
	1,048,690	**-**	**175,699**	**(393,152)**	**831,237**
Other KMP					
José Ignacio Silva	121,045	-	-	-	121,045
Grant King	11,572	-	-	-	11,572
Alberto Certa[4]	-	-	-	-	-
	132,617	**-**	**-**	**-**	**132,617**
Total	**1,181,307**	**-**	**175,699**	**(393,152)**	**963,854**

[1] Dr Nicole Adshead-Bell and Stephen Quin resigned on the 11 March 2025.
[2] Fiona Van Maanen was appointed on the 17 March 2025.
[3] Stuart Mathews was appointed on the 12 May 2025.
[4] Alberto Cerda was appointed on the 1 April 2025.

6.2 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.

5 Directors' Report (Cont'd)

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REMUNERATION REPORT (AUDITED) (CONT'D)

6. Director and Other KMP Interests in the Shares, Options, Service Rights and Performance Rights of the Company (Cont'd)

6.3 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 No.	Exercised During the Year No.	Expired During the Year No.	Other Changes During the Year No.	Balance at the End of the Year No.	Vested and Exercisable at the End of the Year[1] No.
Directors							
Stuart Mathews[4]	-	-	-	-	-	-	-
Christian Easterday	828,750	-	-	-	-	828,750	552,500
Roberto de Andraca Adriasola	87,000	-	-	-	-	87,000	58,000
Mark Jamieson	-	-	-	-	-	-	-
Fiona Van Maanen[3]	-		-		-	-	-
Dr Nicole Adshead-Bell[2]	153,000		(112,008)		(40,992)	-	-
Stephen Quin[2]	87,000	-	(63,691)	-	(23,309)	-	-
	1,155,750	**-**	**(175,699)**	**-**	**(64,301)**	**915,750**	**610,500**
Other KMP							
José Ignacio Silva	483,176	-	-	-	-	483,176	322,117
Grant King	447,525					447,525	298,350
Alberto Cerda[5]	-	-	-	-	-	-	-
	930,701	**-**	**-**	**-**	**-**	**930,701**	**620,467**
Total	**2,086,451**	**-**	**(175,699)**	**-**	**(64,301)**	**1,846,451**	**1,230,967**

[1] During the year, Tranche 1 of the service rights vested effective 31 December 2023 and Tranche 2 of the services rights vested effective 31 December 2024.

[2] Dr Nicole Adshead-Bell and Stephen Quin resigned on the 11 March 2025.

[3] Fiona Van Maanen was appointed on the 17 March 2025.

[4] Stuart Mathews was appointed on the 12 May 2025.

[5] Alberto Cerda was appointed on the 1 April 2025.

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REMUNERATION REPORT (AUDITED) (CONT'D)

6. Director and Other KMP Interests in the Shares, Options, Service Rights and Performance Rights of the Company (Cont'd)

6.4 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 No.	Exercised During the Year No.	Expired During the Year[1] No.	Other Changes During the Year No.	Balance at the End of the Year No.	Vested and Exercisable at the End of the Year[2] No.
Directors							
Stuart Mathews[5]	-	-	-	-	-	-	-
Christian Easterday	828,750	-	-	(69,063)	-	759,687	124,312
Roberto de Andraca Adriasola	-	-	-	-	-	-	-
Mark Jamieson	-	-	-	-	-	-	-
Fiona Van Maanen[4]	-	-	-	-	-	-	-
Dr Nicole Adshead-Bell[3]	-	-	-	-	-	-	-
Stephen Quin[3]	-	-	-	-	-	-	-
	828,750	**-**	**-**	**(69,063)**	**-**	**759,687**	**124,312**
Other KMP							
José Ignacio Silva	483,176	-	-	(40,265)	-	442,911	72,476
Grant King	447,525	-	-	(37,294)	-	410,231	67,128
Alberto Cerda[6]	-	-	-	-	-	-	-
	930,701	**-**	**-**	**(77,559)**	**-**	**853,142**	**139,604**
Total	**1,759,451**	**-**	**-**	**(146,622)**	**-**	**1,612,829**	**263,916**

[1] These performance rights expired on 31 December 2024.
[2] During the year, Class A (Tranches 1 & 2) and Class B (Tranche 1) performance rights vested effective 31 December 2024.
[3] Dr Nicole Adshead-Bell and Stephen Quin resigned on the 11 March 2025.
[4] Fiona Van Maanen was appointed on the 17 March 2025.
[5] Stuart Mathews was appointed on the 12 May 2025.
[6] Alberto Cerda was appointed on the 1 April 2025.

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5 Directors' Report (Cont'd)

REMUNERATION REPORT (AUDITED) (CONT'D)

7. Service Contracts

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

Term of Contract	Notice Period	Termination Entitlements	Other Details
Christian Easterday			
Mr Easterday receives an annual salary of $400,000, plus superannuation. Mr Easterday is also entitled to receive committee fees of for any committee he sits on. Mr Easterday currently receives an additional $13,500 in committee fees, 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.
José Ignacio Silva			
The Company, through one of its Chilean subsidiary entities, Sociedad Minera El Corazón Limitada, has a labour agreement with Mr José Ignacio Silva, as Country Manager for Chile and Chief Legal Counsel of the Company. Mr Silva currently receives an annual salary of $320,000 per annum, which was effective from 1 January 2024.	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.
Grant King			
Mr King commenced employment with Hot Chili Limited on 7 September 2020. Mr King currently receives an annual salary of $300,000 per annum, which was effective from 1 January 2024.	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.
Alberto Cerda			
Mr Cerda commenced employment with Hot Chili Limited on 1 April 2025. Mr Cerda currently receives an annual salary of $440,000 per annum, which was effective from 1 April 2025.	Either party may give notice that the agreement will terminate with 3 months' notice.	Such agreement will continue until either Mr Cerda terminates by giving the Company 3 months' notice or the Company terminates by giving Mr Cerda 3 months' notice or payment in lieu of notice up to an amount equivalent to 3 months' remuneration.	Mr Cerda 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 Cerda.

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

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REMUNERATION REPORT (AUDITED) (CONT'D)

8. 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 (including superannuation)):

At Reporting Date	Stewart Mathews	Roberto de Andraca Adriasola	Mark Jamieson	Fiona Van Maanen
Term	N/A	N/A	N/A	N/A
Remuneration	A$10,035 per month	A$3,833 per month	-	A$6,365 per month
Termination Benefits	Nil	Nil	Nil	Nil

9. Additional Information

The earnings of the consolidated entity for the five years to 30 June 2025 are summarised below:

	2025 A$	2024 A$	2023 A$	2022 A$	2021 A$
Other income	483,670	265,191	170,795	2,520,701	60,465
Expenses	(12,073,874)	(8,046,513)	(5,594,579)	(9,799,457)	(9,304,467)
EBITDA	(11,839,794)	(7,851,886)	(5,416,529)	(4,780,485)	7,525,912
EBIT	(12,018,669)	(8,008,133)	(5,547,227)	(4,870,519)	7,530,689
Loss after income tax	(11,590,204)	(7,781,322)	(5,423,784)	(7,278,756)	(9,744,002)

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

	2025	2024	2023	2022	2021[1]
Share price at financial year end ($)	0.60	0.93	1.12	0.75	1.70
Basic earnings/(loss) per share (cents per share)	(7.35)	(6.13)	(4.37)	(7.49)	(17.37)

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

10. 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.

11. Adoption of Year Ended 30 June 2024 Remuneration Report

At the Annual General Meeting held on 28 November 2024, shareholders adopted the 30 June 2024 Remuneration Report with a clear majority of 93.08% 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 on behalf of the Board of Directors by:



Christian Easterday
Managing Director

Dated this 30th day of September 2025 Perth, Western Australia

6 Auditors' Independence Declaration

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RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Hot Chili Limited for the year ended 30 June 2025, 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

Perth, WA
Dated: 30 September 2025

AIK KONG TING
Partner

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7 Independent Auditors' Report

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hot Chili Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Hot Chili Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement 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 2025 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 (including Independence Standards)* (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.

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7 Independent Auditors' Report (Cont'd)

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 $235,822,617 as at 30 June 2025. 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; • Assessing and evaluating management's assessment of impairment loss recognised for the year ended 30 June 2025; • 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.

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Key Audit Matter	How our audit addressed this matter
Share-based Payment Refer to Notes 23 in the financial statements	
During the year, the Group issued performance and service rights to 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; • Recalculating the share-based payment expenses recognised during the year in relation to those instruments granted; 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 2025 but does not include the financial report and the auditor's report thereon.

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:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

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7 Independent Auditors' Report (Cont'd)

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of 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: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.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 2025.

In our opinion, the Remuneration Report of Hot Chili Limited, for the year ended 30 June 2025, 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 AUSTRALIA

AIK KONG TING
Partner

Perth, WA
Dated: 30 September 2025

8 Directors' Declaration

In the opinion of the Directors:

a) 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 2025 and of its performance for the financial year ended on that date;

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; and

e) the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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 on behalf of the Board of Directors by:



Christian E Easterday
Managing Director

Dated this 30th day of September
2025 Perth, Western Australia

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9 Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated Entity 2025 $	Consolidated Entity 2024 $
Interest income	4	483,670	265,191
Total Income		**483,670**	**265,191**
Depreciation		(178,875)	(156,247)
Corporate fees		(376,430)	(376,260)
Legal and professional		(1,835,383)	(906,005)
Employee benefits expense		(2,313,488)	(1,798,442)
Administration expenses		(1,502,972)	(1,149,521)
Accounting fees		(137,523)	(48,974)
Other expenses	5	(1,357,703)	(1,431,302)
Tenement write off		(3,111,349)	-
Foreign exchange gain		(11,070)	323,616
Share-based payments expense	23	(1,145,406)	(2,464,998)
Huasco Water costs expensed		(48,470)	-
Finance costs		(55,205)	(38,380)
Total Expenses		**(12,073,874)**	**(8,046,513)**
Loss before income tax		(11,590,204)	(7,781,322)
Income tax expense	6	-	-
Loss After Income Tax		**(11,590,204)**	**(7,781,322)**
Other comprehensive income		-	-
Total Comprehensive Loss		**(11,590,204)**	**(7,781,322)**
Loss Attributable To:			
Non-controlling interests		(452,657)	(211,946)
Owners of Hot Chili Limited		(11,137,547)	(7,569,376)
		(11,590,204)	**(7,781,322)**
Basic and diluted loss per share (cents) attributable to the owners of Hot Chili Limited	7	(7.35)	(6.13)

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 2025

	Note	Consolidated Entity 2025 $	2024 $
Current Assets			
Cash and cash equivalents	8	5,189,090	33,741,518
Other current assets	13	3,018,313	278,530
Total Current Assets		8,207,403	34,020,048
Non-Current Assets			
Plant and equipment	10	188,593	162,654
Exploration and evaluation expenditure	11	235,822,617	215,831,609
Right-of-use assets	12	345,547	508,689
Other non-current assets	13	240,389	359,309
Total Non-Current Assets		236,597,146	216,862,261
Total Assets		**244,804,549**	**250,882,309**
Current Liabilities			
Trade and other payables	14	4,391,338	2,608,414
Provisions	15	313,778	267,526
Lease liabilities	16	133,239	162,588
Total Current Liabilities		4,838,355	3,038,528
Non-Current Liabilities			
Provisions	15	48,581	24,591
Lease liabilities	16	282,060	392,014
Total Non-Current Liabilities		330,641	416,605
Total Liabilities		**5,168,996**	**3,455,133**
Net Assets		**239,635,553**	**247,427,176**
Equity			
Contributed equity	19	297,649,862	297,651,726
Share-based payments reserve	20(a)	5,082,893	6,445,699
Foreign currency translation reserve	20(b)	1,222	1,222
Accumulated losses	21	(84,949,231)	(76,319,896)
Capital and Reserves Attributable to Owners of Hot Chili Limited		217,784,746	227,778,751
Non-controlling interests	22	21,850,807	19,648,425
Total Equity		**239,635,553**	**247,427,176**

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

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11 Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

Consolidated Entity	Contributed Equity	Share-Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-Controlling Interest ("NCI")	Total Equity
	$	$	$	$	$	$
Balance at 1 July 2024	297,651,726	6,445,699	1,222	(76,319,896)	19,648,425	247,427,176
Loss for the year	-	-	-	(11,137,547)	(452,657)	(11,590,204)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(11,137,547)**	**(452,657)**	**(11,590,204)**
Options expired during the period	-	(2,508,212)	-	2,508,212	-	-
Share issue costs	(1,864)	-	-	-	-	(1,864)
Share-based payments	-	1,145,406	-	-	-	1,145,406
NCI contribution[1]	-	-	-	-	2,655,039	2,655,039
Balance at 30 June 2025	**297,649,862**	**5,082,893**	**1,222**	**(84,949,231)**	**21,850,807**	**239,635,553**
Balance at 1 July 2023	269,189,573	5,230,152	1,222	(71,081,853)	19,309,663	222,648,757
Loss for the year	-	-	-	(7,569,376)	(211,946)	(7,781,322)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(7,569,376)**	**(211,946)**	**(7,781,322)**
Shares issued during the period	31,900,000	-	-	-	-	31,900,000
Share issue costs	(3,437,847)	-	-	-	-	(3,437,847)
Rights expired	-	(2,331,333)	-	2,331,333	-	-
Share-based payments	-	3,546,880	-	-	-	3,546,880
NCI contribution[1]	-	-	-	-	550,708	550,708
Balance at 30 June 2024	**297,651,726**	**6,445,699**	**1,222**	**(76,319,896)**	**19,648,425**	**247,427,176**

[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 and Aguas para El Huasco SpA.

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

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12 Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated Entity 2025 $	Consolidated Entity 2024 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(7,504,263)	(5,677,667)
Interest received		529,876	225,258
Interest paid		(6)	(945)
Net Cash Used in Operating Activities	9	(6,974,393)	(5,453,354)
Cash Flows from Investing Activities			
Payments for plant and equipment	10	(76,220)	(78,773)
Payments for tenements	11	(3,835,382)	(2,625,969)
Payments for exploration and evaluation		(20,082,150)	(12,033,794)
Net proceeds on sale of NSR		-	21,286,690
Reimbursement from CMP during the year		2,655,039	-
Net Cash (Used in) / Provided by Investing Activities		(21,338,713)	6,548,154
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	31,900,000
Share issue costs		-	(2,355,965)
Repayment of lease liabilities		(194,502)	(173,276)
Net Cash (Used in) / Provided by Financing Activities		(194,502)	29,370,759
Net (decrease) / increase in cash held		(28,507,608)	30,465,559
Cash and cash equivalents at the beginning of the year		33,741,518	2,948,964
Foreign exchange differences on cash		(44,820)	326,995
Cash and Cash Equivalents at the End of the Year	8	**5,189,090**	**33,741,518**

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

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13 Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

1. MATERIAL 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 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(c) Financial report prepared on a going concern basis

The consolidated financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

During the year ended 30 June 2025, the Group incurred a loss after income tax expense of $11.59m, net operating cash outflows of $6.97m, net investing cash outflows of $21.3m and year-end cash and cash equivalents balance of $5.19m.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements after consideration of the following factors;

At year end the Group had accumulated VAT refund payments of $16.6m with respect to VAT recovered by Sociedad Minera El Águila SpA. Under the initial terms of the VAT refund payment, the entity initially had until the 31 December 2019 to commercialise production from Productora and meet certain export targets. Hot Chili also has 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. The Directors are confident of obtaining another extension, based on previously granted extensions.

After year end, on 5 September 2025, the Company completed a fully subscribed $14.1m Rights Issue (before costs) to all eligible shareholders.

The Group's cashflow forecasts for the 12 months ending 30 September 2026 indicate that the Group will be in a position to meet its committed operational and administrative expenditure and thus continue to operate as a going concern. In the Directors' opinion there are therefore reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

(d) 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 30 September 2025 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.

(e) 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.

(f) 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.

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1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) 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 2025 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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

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1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(l) 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.

(m) 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.

(n) 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.

(o) 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.

(p) 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).

(q) 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.

(r) Other Receivables

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

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1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(s) 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.

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.

(t) 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.

(u) 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.

(v) 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.

(w) 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.

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1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(x) 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.

(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.

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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.

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3. SEGMENT INFORMATION

The Company's operations are in one reportable business segment, being the exploration for Copper. The Company operates in one geographical segment, being Chile.

The operating segment information is the same information as provided throughout the consolidated financial statements and therefore not duplicated. The information reported to the CODM is on at least a monthly basis.

	Consolidated Entity	
	2025	2024
	$	$
4. INTEREST INCOME		
Interest earnt on bank deposits	483,670	265,191
	483,670	**265,191**
5. OTHER EXPENSES		
Marketing expenses	1,255,228	1,179,638
Travel costs	99,955	251,664
Community development costs	2,520	-
	1,357,703	**1,431,302**
6. INCOME TAX EXPENSE		
(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable		
Loss before income tax	(11,590,204)	(7,781,322)
Prima facie income tax at 25% (2024: 25%)	(2,897,551)	(1,945,331)
Tax-effect of amounts not deductible in calculating taxable income	760,082	761,847
Tax loss not recognised	2,137,469	1,183,484
Income Tax Expense	**-**	**-**
(b) Tax Losses:		
Unused tax losses for which no deferred tax asset has been recognised	44,415,076	40,149,871
Potential tax benefit at 25% (2024: 25%)	11,103,769	10,037,468

As shown above, the directors' estimate that the potential deferred tax asset at 30 June 2025 in respect of tax losses not brought to account is $11,103,769 (2024: $10,037,468).

In addition, Chilean subsidiaries of Hot Chili Limited also have tax losses that are a potential deferred tax asset of $37,062,757 (2024: $27,101,844).

The benefit for 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.

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	Consolidated Entity 2025 $	Consolidated Entity 2024 $

7. LOSS PER SHARE

Loss after tax attributable to the owners of Hot Chili Limited	(11,137,547)	(7,569,376)
The weighted average number of ordinary shares on issue used in the calculation of basic loss per share	151,465,213	123,565,151
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share [i]	**151,465,213**	**123,565,151**
Basic Loss Per Share (Cents)	**(7.35)**	**(6.13)**
Diluted Loss Per Share (Cents)[i]	**(7.35)**	**(6.13)**

[i] Unexercised options are not dilutive.

8. CASH AND CASH EQUIVALENTS

Cash at bank	5,189,090	23,741,518
Short-term deposits	-	10,000,000
Total Cash and Cash Equivalents	**5,189,090**	**33,741,518**
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	**5,189,090**	**33,741,518**

9. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Net Cash Used in Operating Activities

Loss for the year	(11,590,204)	(7,781,322)
Adjustments for:		
Depreciation	178,875	156,247
Tenement write off	3,111,349	-
Foreign exchange loss/(gain)	11,070	(323,616)
Exploration and evaluation expensed	48,470	-
Community development costs recognised as investing activities	2,520	-
Share-based payments	1,145,406	2,464,998
Finance costs on lease liabilities	55,199	37,435
Net cash flows from operating activities before change in assets and liabilities	(7,037,315)	(5,446,258)
Change in assets and liabilities during the financial year[i]:		
Other current assets	(39,983)	(46,670)
Trade and other payables	32,665	(4,779)
Provisions	70,240	44,353
Net Cash Outflow from Operating Activities	**(6,974,393)**	**(5,453,354)**

[i] As related to operating activities.

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

(b) Non-Cash Investing and Financing Activities

2025
There were no non-cash investing and financing activities during the current year.

2024
There were no non-cash investing and financing activities during the previous year.

	Consolidated Entity	
	2025	**2024**
	$	**$**
10. PLANT AND EQUIPMENT		
Plant and equipment at cost	1,198,195	1,121,975
Less: Accumulated depreciation	(1,009,602)	(959,321)
Total Plant and Equipment	**188,593**	**162,654**
Reconciliation:		
Carrying amount at the beginning of the year	162,654	134,721
Additions	76,220	78,772
Depreciation expensed	(15,732)	(30,509)
Depreciation capitalised into exploration costs	(34,549)	(20,330)
Carrying Amount at the End of the Year	**188,593**	**162,654**
11. EXPLORATION AND EVALUATION EXPENDITURE		
Carrying amount at the beginning of the year	215,831,609	220,436,849
Tenement write off [iv]	(3,111,349)	-
Net disposal of underlying mineral resource and property rights [i]	-	(21,286,690)
Transfer to VAT receivable	(3,147,705)	-
Consideration given for mineral exploration acquisition	3,835,382	2,625,969
Capitalised mineral exploration and evaluation [ii]	22,414,680	14,055,481
Carrying Amount at the End of the Year [iii]	**235,822,617**	**215,831,609**

[i] In July 2023, the Company closed a US$15 million investment by Osisko Gold Royalties Limited, pursuant to which Hot Chili received proceeds of US$15 million in exchange for the sale of a 1% NSR royalty on copper and a 3% NSR royalty on gold across the Company's Costa Fuego Copper-Gold Project.

[ii] Capitalised mineral exploration and evaluation is net of reimbursements of VAT recovered following approval for VAT refunds from the Chilean Tax Authorities.

[iii] 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.

[iv] Marsellesa, Antofagasta Minerals S.A. (AMSA) and Cometa option agreements have been terminated due to unsuccessful exploration assessments by the Company. These terminations are not considered material to the exploration program.

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	Consolidated Entity 2025 $	Consolidated Entity 2024 $
12. RIGHT-OF-USE ASSET		
Right-of-use assets at cost	831,495	831,495
Less: Accumulated depreciation	(485,948)	(322,806)
	345,547	**508,689**
Reconciliation of Right-of-Use Assets		
Opening balance	508,689	277,591
Additions [i]	-	356,835
Amortisation	(163,142)	(125,737)
Closing balance	**345,547**	**508,689**

[i] Effective on 1 June 2024, the Chilean entities entered into a lease agreement for their new Chilean office premises at Los Condes, Santiago, Republic of Chile. This lease has a fixed term of 3 years, with the option to renew for a further 3 years. The lease is denominated in "Unidad de Fomento", or "Development Units", which is a Chilean inflation-indexed unit of account.

[ii] During the year, the Company continued its leases for its premises at 768 Canning Highway, Applecross, Western Australia. The lease for the ground floor was extended on 28 February 2025 for a further 12 months and the lease for the first floor terminates on 28 February 2026.

	Consolidated Entity 2025 $	Consolidated Entity 2024 $
13. OTHER ASSETS		
Current		
Prepayments	313,502	227,311
VAT receivable	2,547,126	-
Other receivables	157,685	51,219
Total Other Current Assets	**3,018,313**	**278,530**
Non-Current		
Term deposits and bonds	240,389	359,309
Total Other Non-Current Assets	240,389	359,309
Total Other Assets	**3,258,702**	**637,839**

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	Consolidated Entity 2025 $	Consolidated Entity 2024 $
14. TRADE AND OTHER PAYABLES		
Trade payables and accruals	4,391,338	2,608,414
	4,391,338	**2,608,414**
15. PROVISIONS		
Current		
Annual leave	220,749	182,429
Long service leave	93,029	85,097
Total Current Provisions	**313,778**	**267,526**
Non-Current		
Long service leave	48,581	24,591
Total Non-Current Provisions	**48,581**	**24,591**
Total Provisions	**362,359**	**292,117**
16. LEASE LIABILITIES		
Current	133,239	162,588
Non-current	282,060	392,014
Total Lease Liabilities	**415,299**	**554,602**
Maturity Analysis:		
Year 1	170,192	216,180
Year 2	88,412	164,086
Year 3	88,412	82,306
Year 4	88,412	82,306
Year 5	81,045	82,306
Year 6	-	75,447
	516,473	702,631
Less: Interest portion of lease liabilities	(101,174)	(148,029)
Closing Balance	**415,299**	**554,602**

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.

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	Consolidated Entity	
	2025	2024
	$	$

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:

Within one year	381,679	377,415
Later than one year but not later than five years	1,526,718	1,509,662
More than five years	4,580,153	4,906,401
	6,488,550	**6,793,478**

(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:

Within one year	3,099,237	4,378,019
Later than one year but not later than five years	26,366,412	22,388,285
More than five years	-	-
	29,465,649	**26,766,304**

18. CONTINGENT LIABILITIES

(a) VAT Payments

At year-end, Hot Chili Limited had accumulated:

- VAT refund payments of $16,586,083 (2024: $14,939,275) with respect to VAT recovered at year end by Sociedad Minera El Águila SpA (refer to the table below); and
- VAT refund payments of $10,990,802 (2024: $9,731,571) with respect to VAT recovered at year-end by Sociedad Minera Frontera SpA (refer to the table below).

	2025	2024
	$	$
VAT recovered by Sociedad Minera El Águila SpA (CLP 10,140,567,058; 2024: CLP 9,344,976,756)	16,586,083	14,939,275
VAT recovered by Sociedad Minera Frontera SpA (CLP 6,719,667,817; 2024: CLP 6,087,397,302)	10,990,802	9,731,571
Total VAT Recovered by the Group (CLP 16,860,234,875; 2024: CLP 15,432,374,058)	**27,576,885**	**24,670,846**

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.

(b) Future Royalty Payments

In July 2023, the Company closed an Investment Agreement with Osisko Gold Royalties Ltd ("Osisko"). Under the terms of the Investment Agreement Osisko purchased a net smelter return royalty comprising 1% of payable copper production and 3% of gold payable production. Hot Chili retains a buyback right if a change of control event occurs prior to the 4th anniversary of closing under the terms and conditions of the announcement dated 28 June 2023.

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19. CONTRIBUTED EQUITY

	Consolidated Entity			
	2025		2024	
	No. Shares	$	No. Shares	$
(a) Share Capital				
Ordinary shares – fully paid	151,606,305	297,649,862	151,345,206	297,651,726
(b) Movement in Ordinary Share Capital				
Balance at the beginning of the period	151,345,206	297,651,726	119,445,206	269,189,573
Shares issued under Private Placement to institutional & professional investors [i]	-	-	24,900,000	24,900,000
Shares issued under Share Purchase Plan to eligible shareholders [i]	-	-	7,000,000	7,000,000
Shares issued to employees under Employee Share Scheme [ii]	261,099	-	-	-
Less: Costs associated with issue of share capital	-	(1,864)	-	(3,437,847)
Balance at the End of the Period	**151,606,305**	**297,649,862**	**151,345,206**	**297,651,726**

[i] Issued at $1.00 per share.

[ii] 261,099 Service & Performance rights exercised at nil per share.

(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) Unlisted Options Over Ordinary Share Capital

Issue Date	Expiry Date	Exercise Price	Balance at Start of Year No.	Issued No.	Exercised No.	Expired No.	Balance at End of Year No.	Exercisable at End of Year No.
20 Sep 2021	30 Sep 2024	A$2.25	1,850,001	-	-	(1,850,001)	-	-
4 Feb 2022	28 Jan 2025	C$1.85	1,259,789	-	-	(1,259,789)	-	-
25 Jul 2024 [i]	25 Jul 2026	A$1.50	1,914,000	-	-	-	1,914,000	1,914,000
			5,023,790	**-**	**-**	**(3,109,790)**	**1,914,000**	**1,914,000**

[i] Approved at the General Meeting of Shareholders on 4 July 2024.

Weighted average exercise price of options on issue is $1.50 (2024: $2.16). The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.07 years (2024: 0.38 years).

13 Notes to the Financial Statements (Cont'd)

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19. CONTRIBUTED EQUITY (CONT'D)

(e) Service Rights

Grant Date	Last Vesting Day	Expiry Date[i]	Balance at Start of Year No.	Issued[ii] No.	Exercised No.	Expired/ Lapsed No.	Balance at End of Year No.	Exercisable at End of Year[iii] No.
10 May 2023	31 Dec 2023	12 May 2028	938,953	-	(127,404)	-	811,549	811,549
10 May 2023	31 Dec 2024	12 May 2028	938,955	-	(80,000)	(55,692)	803,263	803,263
10 May 2023	31 Dec 2025	12 May 2028	938,956	-	(15,698)	(175,686)	747,572	-
21 Aug 2023	31 Dec 2023	22 Aug 2028	115,006	-	(8,334)	-	106,672	106,673
21 Aug 2023	31 Dec 2024	22 Aug 2028	115,006	-	-	-	115,006	115,006
21 Aug 2023	31 Dec 2025	22 Aug 2028	114,988	-	-	-	114,988	-
24 Sep 2024	31 Dec 2024	6 Jan 2030	-	105,300	-	-	105,300	105,300
24 Sep 2024	31 Dec 2025	6 Jan 2030	-	210,600	-	-	210,600	-
13 Dec 2024	31 Dec 2024	6 Jan 2030	-	9,931	(8,125)	-	1,806	1,806
13 Dec 2024	31 Dec 2025	6 Jan 2030	-	27,082	-	-	27,082	-
			3,161,864	**352,913**	**(239,561)**	**(231,378)**	**3,043,838**	**1,943,597**

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

[ii] During the year, 352,913 service rights were issued to the Company's employees. Refer to Note 23(a)(ii) for details of the fair value of the service rights granted.

[iii] Denotes service rights exercisable as a result of vesting conditions being met during the year.

[iv] During the year, $892,470 (2024: $1,836,975) was expensed in relation to the vesting of service rights (see Note 23).

(f) Performance Rights

Grant Date	Last Vesting Day	Expiry Date[i]	Balance at Start of Year No.	Issued[ii] No.	Exercised No.	Expired/ Lapsed[iii] No.	Balance at End of Year No.	Exercisable at End of Year[iv] No.
10 May 2023	31 Dec 2023	12 May 2028	290,480	-	(16,591)	-	273,889	273,889
10 May 2023	31 Dec 2024	12 May 2028	290,485	-	-	(218,628)	71,857	71,857
10 May 2023	31 Dec 2025	12 May 2028	1,286,433	-	-	(172,647)	1,113,786	-
10 May 2023	10 May 2026	12 May 2028	622,466	-	-	(83,538)	538,928	-
21 Aug 2023	31 Dec 2023	22 Aug 2028	40,244	-	(2,916)	-	37,328	37,328
21 Aug 2023	31 Dec 2024	22 Aug 2028	40,244	-	-	(28,747)	11,497	11,497
21 Aug 2023	31 Dec 2025	22 Aug 2028	178,262	-	-	-	178,262	-
21 Aug 2023	21 Aug 2026	22 Aug 2028	86,250	-	-	-	86,250	-
24 Sep 2024	31 Dec 2024	6 Jan 2030	-	36,855	-	(26,325)	10,530	10,530
24 Sep 2024	31 Dec 2025	6 Jan 2030	-	200,070	-	-	200,070	-
24 Sep 2024	21 Aug 2026	6 Jan 2030	-	78,974	-	-	78,974	-
13 Dec 2024	31 Dec 2024	6 Jan 2030	-	3,516	(2,031)	(1,265)	220	220
13 Dec 2024	31 Dec 2025	6 Jan 2030	-	32,461	-	-	32,461	-
13 Dec 2024	21 Aug 2026	6 Jan 2030	-	14,218	-	-	14,218	-
			2,834,864	**366,094**	**(21,538)**	**(531,150)**	**2,648,270**	**405,321**

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

[ii] During the year, 366,094 performance rights were issued to the Company's employees. Refer to Note 23 for details of the fair value of the performance rights granted.

[iii] During the year, 531,150 performance rights lapsed and on due to vesting conditions not being met by that date.

[iv] Denotes performance rights exercisable as a result of vesting conditions being met during the year.

[v] During the year, $252,936 (2024: $628,023) was expensed in relation to the vesting of performance rights (see Note 23).

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19. CONTRIBUTED EQUITY (CONT'D)

(g) 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 2024 Annual Report.

	Consolidated Entity	
	2025	2024
	$	$

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	6,445,699	5,230,152
Vesting of service and performance rights during the year (see Note 23)	1,145,406	2,464,998
Issue of options during the year[i]	-	1,081,882
Options or rights expiring during the year (transferred to accumulated losses)	(2,508,212)	(2,331,333)
Balance at the End of the Year	**5,082,893**	**6,445,699**

[i] Approved at the General Meeting held 4 July 2024.

(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	(76,319,896)	(71,081,853)
Net loss for the year attributable to the owners of Hot Chili Limited	(11,137,547)	(7,569,376)
Options or rights expiring during the year (transferred from share-based payments reserve)	2,508,212	2,331,333
Accumulated Losses at the End of the Year	**(84,949,231)**	**(76,319,896)**

22. NON-CONTROLLING INTERESTS

Balance at the beginning of the year	19,648,425	19,309,663
Share of net loss for the year	(452,657)	(211,946)
NCI contributions (current year[i]	2,655,039	550,708
Balance at the End of the Year	**21,850,807**	**19,648,425**

[i] 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 and Aguas para El Huasco SpA.

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	Consolidated Entity 2025 $	2024 $
23. SHARE-BASED PAYMENTS		
Share-Based Payments Expense Recognised in Profit or Loss		
Vesting of service rights to employees and key consultants of the Company (see Note 23(a) below)	892,470	1,836,975
Vesting of performance rights to employees and key consultants of the Company (see Note 23(b) below)	252,936	628,023
Total Share-Based Payments Expense/(Reversal) Recognised in Profit or Loss	**1,145,406**	**2,464,998**
Share-Based Payments Recognised Directly in Equity		
Options granted to capital raising lead managers during the year	-	1,081,882
Total Share-Based Payments Recognised Directly in Equity	**-**	**1,081,882**
Total Share-Based Payment Transactions	**1,145,406**	**3,546,880**

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

(a) Service Rights

(i) Share-Based Payments Expense Related to Service Rights ("SR")

$892,470 (2024: $1,836,975) was expensed in relation to the vesting of the following service rights during the year:

Service rights issued in January 2025	225,865	-
Service rights issued in August 2023	125,633	297,443
Service rights issued in May 2023	540,972	1,539,532
	892,470	**1,836,975**

Refer to Note 23(a)(ii) below for details of the key terms and conditions and the fair value of rights granted and issued.

(ii) Fair Value of Service Rights ("SR")

During the current year 352,913 service rights were issued to the Company's employees.

The fair values for service rights issued in January 2025 and August 2023 were determined using the Black Scholes option pricing model. The fair values for service rights issued in May 2023 were determined using the Hoadley ES02 valuation model. The inputs for these models and key terms and conditions of service rights were as follows:

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
SR - Tranche 1	938,953	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.9800	920,174	Continued employment during the 2023 calendar year
SR - Tranche 1	115,006	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3200	151,808	
SR - Tranche 2	938,955	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.9800	920,176	Continued employment during the 2024 calendar year
SR - Tranche 2	115,006	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$1.3200	151,808	
SR - Tranche 2	105,300	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.8450	88,979	
SR - Tranche 2	9,931	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.7000	6,952	
SR - Tranche 3	938,956	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	920,177	Continued employment during the 2025 calendar year
SR - Tranche 3	114,988	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	151,784	
SR - Tranche 3	210,600	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.8450	177,957	
SR - Tranche 3	27,082	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.7000	18,957	

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23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights ("PR")

(i) Share-Based Payments Expense Related to Performance Rights ("PR")

$252,936 was expensed (2024: $682,023) in relation to the vesting of the following performance rights during the year:

	Consolidated Entity	
	2025	2024
	$	$
Performance rights issued in January 2025	62,168	-
Performance rights issued in August 2023	47,298	121,197
Performance rights issued in May 2023	143,470	477,897
Performance rights issued prior 1st July 2022 and lapsed on 31st July 2023	-	28,929
	252,936	**628,023**

During the year 366,094 performance rights were issued to the Company's employees.

The fair values for the Class A and Class D performance rights were determined using Black Scholes option pricing model. The fair values for the Class B performance rights were determined using a hybrid employee share option pricing model, and the fair values for the Class C performance rights were determined using a barrier up-and-in trinomial pricing model with a Parisian barrier adjustment.

The inputs for these fair value models and the terms and conditions of performance rights were as follows:

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
PR Class A - Tranche 1	82,994	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.9800	81,334	Lost Time Injury Frequency Rate ("LTIFR") of less than 27 and zero fatalities during the 2023 calendar year.
PR Class A - Tranche 1	11,497	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3200	15,176	
PR Class A - Tranche 2	82,995	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.9800	81,335	LTIFR of less than 27 and zero fatalities during the 2024 calendar year.
PR Class A - Tranche 2	11,497	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$1.3200	15,176	
PR Class A - Tranche 2	10,530	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.8450	8,898	
PR Class A - Tranche 2	2,251	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.7000	1,576	
PR Class A - Tranche 3	82,998	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	81,338	LTIFR of less than 27 and zero fatalities during the 2025 calendar year.
PR Class A - Tranche 3	11,506	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	15,188	
PR Class A - Tranche 3	21,060	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.8450	17,796	
PR Class A - Tranche 3	5,378	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.7000	3,765	
PR Class B - Tranche 1	207,486	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.7152	203,336	The Company's relative shareholder return ("SR") performance during the 2023 calendar year ranked against a "Peer Group" of comparable companies. The Company's ranking must be above the 50th percentile for any rights in the tranche to vest. The Company's ranking must be above the 75th percentile for all rights in the tranche to vest.
PR Class B - Tranche 1	28,747	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3090	37,946	

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13 Notes to the Financial Statements (Cont'd)

FOR THE YEAR ENDED 30 JUNE 2025

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
PR Class B - Tranche 2	207,490	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.7711	203,340	
PR Class B - Tranche 2	28,747	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$0.8950	37,946	Criteria per above, applied to the 2024 calendar year.
PR Class B - Tranche 2	26,325	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.3940	22,245	
PR Class B - Tranche 2	1,265	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.3957	886	
PR Class B - Tranche 3	207,491	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.8278	203,341	
PR Class B - Tranche 3	28,756	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$0.8960	37,958	Criteria per above, applied to the 2025 calendar year.
PR Class B - Tranche 3	52,650	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.6023	44,489	
PR Class B - Tranche 3	4,333	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.4829	3,033	
PR Class C - Tranche 1	311,234	12 May 23	10 May 23	$0.9800	Nil	10 May 26	12 May 28	75%	3.170%	Nil	$0.4706	305,009	
PR Class C - Tranche 1	43,129	22 Aug 23	21 Aug 23	$1.3200	Nil	21 Aug 26	21 Aug 28	70%	3.895%	Nil	$1.0090	56,930	Increase in the Company's 20-day VWAP to $1.69 per share on or before 10 May 2026.
PR Class C - Tranche 1	39,487	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.2482	33,367	
PR Class C - Tranche 1	7,109	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.1570	4,976	
PR Class C - Tranche 2	311,232	12 May 23	10 May 23	$0.9800	Nil	10 May 26	12 May 28	75%	3.170%	Nil	$0.4706	305,007	
PR Class C - Tranche 2	43,121	22 Aug 23	21 Aug 23	$1.3200	Nil	21 Aug 26	21 Aug 28	70%	3.895%	Nil	$1.0090	56,920	Increase in the Company's 20-day VWAP to $2.72 per share on or before 10 May 2026.
PR Class C - Tranche 2	39,487	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.2482	33,367	
PR Class C - Tranche 2	7,109	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.1570	4,976	
PR Class D - Tranche 1	497,972	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	488,013	
PR Class D - Tranche 1	69,000	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	91,080	Total resources growth to 1.2 billion tonnes on or before 31 December 2025.
PR Class D - Tranche 1	63,180	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.8450	53,387	
PR Class D - Tranche 1	11,375	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.7000	7,963	
PR Class D - Tranche 2	497,972	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	488,013	
PR Class D - Tranche 2	69,000	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	91,080	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.
PR Class D - Tranche 2	63,180	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.8450	53,387	
PR Class D - Tranche 2	11,375	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.7000	7,963	

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23. SHARE-BASED PAYMENTS (CONT'D)

(c) Options Granted

(i) Fair Value of Options Granted

1,914,000 options were issued to lead managers and form part of the fees of the capital raising (refer ASX release dated 1 May 2024). The option fees were approved at the General Meeting of Shareholders on 4 July 2024.

The fair value was determined using the Black-Scholes valuation model. The inputs for the fair value model were as follows:

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value per Option
Broker & Underwriter Options	1,914,000	25 Jul 24	27 May 24	$1.1750	$1.5000	N/A	25 Jul 26	100%	4.030%	Nil	$0.5652	1,081,882

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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 $2,416,933 (2024: $929).

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 2025 and at 30 June 2024, 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	
	Impact on Post Tax Profit	Impact on Equity
2025	**$**	**$**
Increase in interest rate by 2%	48,339	48,339
Decrease in interest rate by 2%	(48,339)	(48,339)
2024		
Increase in interest rate by 2%	19	19
Decrease in interest rate by 2%	(19)	(19)

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24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(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.

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.

Contractual Maturities of Financial Liabilities

Consolidated	Weighted Average Interest Rate	1 Year or Less	Between 1 and 6 Years	Remaining Contractual Maturities	Amount per Statement of Financial Position
At 30 June 2025	**%**	**$**	**$**	**$**	**$**
Non-Derivatives					
Trade payables	-	4,391,338	-	4,391,338	4,391,338
Lease liabilities - interest bearing	11.00 - 13.00	170,192	346,280	516,472	415,299
Total Financial Liabilities		**4,561,530**	**346,280**	**4,907,810**	**4,806,637**
At 30 June 2024					
Non-Derivatives					
Trade payables	-	2,608,414	-	2,608,414	2,608,414
Lease liabilities - interest bearing	11.00 - 13.00	216,180	486,451	702,631	554,602
Total Financial Liabilities		**2,824,594**	**486,451**	**3,311,045**	**3,163,016**

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24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(c) Liquidity Risk (Cont'd)

Financial Assets Available to Manage Liquidity

Consolidated At 30 June 2025	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	1.79	5,189,090	-	5,189,090	5,189,090
Other receivables (term deposits and bonds)	1.76	192,673	200,388	393,061	393,061
Total Financial Assets		**5,381,763**	**200,388**	**5,582,151**	**5,582,151**
At 30 June 2024					
Non-Derivatives					
Cash and cash equivalents	1.47	33,741,518	-	33,741,518	33,741,518
Other receivables (term deposits and bonds)	1.51	44,119	315,190	359,309	359,309
Total Financial Assets		**33,785,637**	**315,190**	**34,100,827**	**34,100,827**

(d) Market Risk

Foreign Exchange Risk

The consolidated entity is exposed to foreign exchange risk through its cash holdings, assets and liabilities not denominated in Australian dollars. The group's foreign currency denominated cash holdings, assets and liabilities are primarily denominated in US dollars ("USD"), Canadian dollars ("CAD"), and Chilean pesos ("CLP"). The group's exposure to foreign exchange risk at the end of the reporting period, expressed in Australian dollars, was as follows:

Assets and Liabilities Exposed to Foreign Exchange Risk

Consolidated At 30 June 2025	CLP Denominated $	USD Denominated $	CAD Denominated $
Cash and cash equivalents	2,460,437	43,390	96,439
Other receivables (term deposits and bonds)	75,607	152,672	-
Trade payables and accruals	(3,724,615)	(21,973)	(60,566)
Net Exposure to Foreign Exchange Risk	(1,188,571)	**174,089**	**35,873**
At 30 June 2024			
Cash and cash equivalents	799,314	4,862,650	6,761,676
Other receivables (term deposits and bonds)	73,560	150,966	-
Trade payables and accruals	(1,890,947)	(27,675)	(150,130)
Net Exposure to Foreign Exchange Risk	(1,018,073)	**4,985,941**	**6,611,546**

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24. FINANCIAL RISK MANAGEMENT (CONT'D)

Risk Exposures and Responses: (Cont'd)

(d) Market Risk (Cont'd)

Sensitivity Analyses

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 and previous year results and equity which could result from a change in the AUD to CLP rate, the AUD to USD rate, and the AUD to CAD rate. The table below summarises the impact of + / - 10% strengthening/ weakening of the AUD against the CLP, the USD, and the CAD on the consolidated entity's post-tax profit and equity. The analysis is based on a 10% strengthening/weakening of the AUD against the CLP, the USD, and the CAD at reporting date with all other factors remaining constant.

	Consolidated Entity	
	Impact on Post Tax Profit	Impact on Equity
2025	**$**	**$**
Strengthening of the AUD against the CLP by 10%	118,857	118,857
Weakening of the AUD against the CLP by 10%	(118,857)	(118,857)
Strengthening of the AUD against the USD by 10%	(17,409)	(17,409)
Weakening of the AUD against the USD by 10%	17,409	17,409
Strengthening of the AUD against the CAD by 10%	(3,587)	(3,587)
Weakening of the AUD against the CAD by 10%	3,587	3,587
2024		
Strengthening of the AUD against the CLP by 10%	101,807	101,807
Weakening of the AUD against the CLP by 10%	(101,807)	(101,807)
Strengthening of the AUD against the USD by 10%	(498,594)	(498,594)
Weakening of the AUD against the USD by 10%	498,594	498,594
Strengthening of the AUD against the CAD by 10%	(661,155)	(661,155)
Weakening of the AUD against the CAD by 10%	661,155	661,155

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 years ended on 30 June 2025 and on 30 June 2024.

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26. PARENT ENTITY DISCLOSURES

	Hot Chili Limited	
	2025	2024
	$	$
(a) Financial Position		
Assets		
Current assets	3,046,634	33,216,961
Non-current assets	228,116,180	202,039,947
Total Assets	**231,162,814**	**235,256,908**
Liabilities		
Current liabilities	1,058,636	1,115,973
Non-current liabilities	48,581	102,729
Total Liabilities	**1,107,217**	**1,218,702**
Equity		
Issued capital	297,649,862	298,733,608
Reserves	5,082,893	5,363,817
Accumulated losses	(72,677,158)	(70,059,219)
Total Equity	**230,055,597**	**234,038,206**
(b) Financial Performance		
Loss for the year	(5,126,592)	(5,755,854)
Total Comprehensive Income	**(5,126,592)**	**(5,755,854)**

(c) Contingent Liabilities of the Parent Entity

The parent entity did not have any contingent liabilities as at 30 June 2025 or at 30 June 2024.

(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 2025 or at 30 June 2024.

(e) Material 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:

(i) investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity;

(ii) investments in associates are accounted for at cost, less any impairment, in the parent entity; and

(iii) 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.

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27. INTEREST IN SUBSIDIARIES

(a) 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(g):

			Equity Holding	
Name of Entity	**Country of Incorporation**	**Class of Shares**	**2025 %**	**2024 %**
Sociedad Minera El Corazón Limitada	Chile	Ordinary	100	100
Sociedad Minera El Águila SpA [i]	Chile	Ordinary	80 [i]	80 [i]
Aguas para El Huasco SpA [i] [ii]	Chile	Ordinary	80 [i]	80 [i]
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

[i] The non-controlling interests hold 20% of Sociedad Minera El Águila SpA and Aguas para El Huasco SpA ("SMEA") - refer to Note 27(b) below.

[ii] The Company was incorporated on 28 June 2024 and was dormant during the year.

(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	
	2025 $	**2024 $**
(i) Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue	34	-
Expenses	(2,263,320)	(1,059,730)
Loss Before Income Tax Expense	(2,263,286)	(1,059,730)
Income tax expense	-	-
Loss After Income Tax Expense	(2,263,286)	(1,059,730)
Other comprehensive income	-	-
Total Comprehensive Loss	**(2,263,286)**	**(1,059,730)**
(ii) Summarised Statement of Financial Position		
Assets		
Current assets	2,745,273	458,471
Non-current assets	131,440,191	119,613,280
Total Assets	134,185,464	120,071,751
Liabilities		
Current liabilities	1,995,689	1,675,514
Non-current liabilities	22,935,742	20,154,112
Total Liabilities	24,931,431	21,829,626
Net Assets	**109,254,033**	**98,242,125**
(iii) Statement of Cash Flows		
Net cash used in operating activities	(2,224,774)	(1,060,227)
Net cash used in investing activities	(11,552,364)	4,004,027
Net cash from financing activities	13,401,788	(2,610,747)
Net Increase/(Decrease) in Cash and Cash Equivalents	**(375,350)**	**333,053**
(iv) Other Financial Information		
Loss attributable to non-controlling interests	(452,657)	(211,946)
Accumulated Non-Controlling Interests at the End of the Reporting Period	**21,850,807**	**19,648,425**

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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**
Stuart Mathews (appointed 12 May 2025)	Independent Non-Executive Chair
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Fiona Van Maanen (appointed 17 March 2025)	Non-Executive Director
Dr Nicole Adshead-Bell (resigned 11 March 2025)	Independent Non-Executive Chair
Stephen Quin (resigned 11 March 2025)	Non-Executive Director

Executive Director	**Position**
Christian Easterday	Managing Director

Other KMP	**Position**
José Ignacio Silva	Country Manager and Chief Legal Counsel
Grant King	Chief Operating Officer
Albert Cerda (appointed 1 April 2025)	Project Director

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

	Consolidated Entity	
	2025	**2024**
	$	**$**
Directors		
Short-term benefits	554,541	603,500
Post-employment benefits	53,063	47,667
Share-based payments	281,281	835,118
Other benefits	11,999	-
	900,884	**1,486,285**
Other KMP		
Short-term benefits	723,499	621,740
Post-employment benefits	29,932	27,399
Share-based payments	282,767	728,845
Other benefits	10,175	-
	1,046,373	**1,377,984**
Total	**1,947,257**	**2,864,269**

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29. REMUNERATION OF AUDITORS

	Consolidated Entity	
	2025	2024
	$	$
(a) RSM Australia Partners		
Audit or review of financial reports for the Group	74,000	77,800
Tax compliance services	18,500	31,050
Total Audit and Other Services Provided by RSM Australia Partners	**92,500**	**108,850**
Total Remuneration of Auditors	**92,500**	**108,850**

30. EVENTS OCCURRING AFTER REPORTING DATE

On 18 July 2025, Hot Chili announced the exercising of 8,333 service rights and 833 performance rights, previously issued under an employee incentive scheme, and the issue of 9,166 ordinary fully paid shares valued at $0.6150 per security.

On the 25 July 2025, Hot Chili announced the exercising of 1,447,631 service rights and 312,552 performance rights, previously issued under an employee incentive scheme, and the issue of 1,760,183 ordinary fully paid shares valued at $0.6300 per security.

On the 29 July 2025, Hot Chili announced that following completion of the PFS for Costa Fuego and Huasco Water, Hot Chili initiated asset-level strategic partnering processes to introduce one or more qualified partners with the financial, technical and operational capability to assist in funding and delivering each project.

On the 4 August 2025, Hot Chili announced the exercising of 279,484 service rights and 58,347 performance rights, previously issued under an employee incentive scheme, and the issue of 337,831 ordinary fully paid shares valued at $0.5900 per security.

On the 5 August 2025, Hot Chili announced a $14M rights Issue to support completion of the strategic partnering process and maiden La Verde resource estimate, via a non-renounceable entitlements offer of new shares on a 2 for 13 basis, at an issue price of A$0.60 per share.

On the 5 September 2025, Hot Chili announced that its previously announced entitlement offer closed fully subscribed. The pro-rata non-renounceable entitlement offer of 2 fully paid ordinary shares in the Company for every 13 fully paid ordinary shares held by eligible shareholders at the record date of 8 August 2025, at an issue price of A$0.60 per new share, raised A$14.1 million before costs.

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 Consolidated Entity Disclosure Statement

AS AT 30 JUNE 2025

The following entities were part of the consolidated entity as at 30 June 2025:

Entity Name	Entity Type	Ownership Interest of Ultimate Parent Entity %	Place of Business and Country of Incorporation	Australian or Foreign Resident [i]	Foreign Jurisdiction of Foreign Residents [ii]
Ultimate Parent Entity [iii]					
Hot Chili Limited	Body Corporate (Listed Public Entity)	(N/A: Listed Public Ultimate Parent Entity)	Australia	Australian	N/A
Chilean Parent Entity [iii]					
Sociedad Minera El Corazón Limitada	Body Corporate	100	Chile	Foreign	Republic of Chile
Chilean Subsidiaries [iii]					
Sociedad Minera El Águila SpA	Body Corporate	80	Chile	Foreign	Republic of Chile
Aguas para El Huasco SpA	Body Corporate	80	Chile	Foreign	Republic of Chile
Sociedad Minera La Frontera SpA	Body Corporate	100	Chile	Foreign	Republic of Chile
Sociedad Minera Banderas SpA	Body Corporate	100	Chile	Foreign	Republic of Chile
Sociedad Minera Los Mantos SpA	Body Corporate	100	Chile	Foreign	Republic of Chile

[i] Within the meaning of the Income Tax Assessment Act 1997.

[ii] Resident of the foreign jurisdiction for the purposes of the law of the foreign jurisdiction relating to foreign income tax (within the meaning of that Act).

[iii] Hot Chili Limited, the ultimate parent entity of this consolidated group, holds 100% of the equity of Sociedad Minera El Corazón Limitada. Sociedad Minera El Corazón Limitada, in turn, holds 80% of the share capital of Sociedad Minera El Águila SpA and Agus para El Huaasco SpA, and 100% of the share capital of Sociedad Minera La Frontera SpA, Sociedad Minera Banderas SpA, Sociedad Minera Los Mantos SpA.

(a) Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

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15 Shareholder Information

AS AT 22 SEPTEMBER 2025

Information Required by the Australian Securities Exchange Limited

(a) Spread of Holdings

			Shareholders	Units	%
1	-	1,000	1,353	836,196	0.47%
1,001	-	5,000	1,965	5,047,602	2.85%
5,001	-	10,000	701	5,218,828	2.94%
10,001	-	100,000	1,075	33,188,584	18.71%
100,001	&	Over	209	133,070,604	75.03%
			5,303	**177,361,814**	**100%**

There are 552 holders of unmarketable parcels comprising 193,567 shares.

(b) The names of the twenty largest shareholders as at 22 September 2025, who between them held 40% of the issued capital are listed below:

		Number of Ordinary Shares	%
1	CITICORP NOMINEES PTY LIMITED	17,032,645	9.60%
2	GLENCORE AUSTRALIA HOLDINGS PTY LIMITED	13,304,223	7.50%
3	GS GROUP AUSTRALIA PTY LTD <GS GROUP AUSTRALIA A/C>	8,916,681	5.03%
4	CDS & CO	8,697,354	4.90%
5	BLUE SPEC SONDAJES CHILE SPA	6,407,257	3.61%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,975,184	3.37%
7	MR DAVID STEWART FIELD	3,617,692	2.04%
8	BLUE SPEC DRILLING PTY LTD	3,240,352	1.83%
9	JETOSEA PTY LTD	2,937,169	1.66%
10	DALTON CORPORATE PTY LIMITED <DALTON FAM SF A/C>	2,670,000	1.51%
11	BNP PARIBAS NOMS PTY LTD	2,284,312	1.29%
12	SAMLISA NOMINEES PTY LTD	2,000,000	1.13%
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,595,262	0.90%
14	CAP S A	1,323,078	0.75%
15	LONERGAN FOUNDATION PTY LTD <LONERGAN FOUNDATION A/C>	1,200,000	0.68%
16	JATIG INVESTMENTS PTY LTD <JATIG S/F A/C>	1,175,000	0.66%
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,025,194	0.58%
18	MRS NERIDA RUTH SCOTT <SCOTT FAMILY A/C>	1,000,000	0.56%
19	W & P COE PTY LTD <THE COE SUPERFUND 2 A/C>	1,000,000	0.56%
20	JAERICA PTY LTD	969,851	0.55%
Total Units Held		**86,371,254**	**49%**
Total Units on Issue		**177,361,814**	**100%**

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

		Relevant Interest Per Notice	
	Date Received	Number of Shares	% of Issued Capital
Glencore Australia Holdings Pty Ltd	21/05/2024	11,235,497	7.78%
Murray Edward Black (grouped)	11/02/2022	6,441,716	5.88%
GS Group Australia Pty Ltd atf GS Group Australia Trust	01/02/2024	8,320,123	6.965%

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15 Shareholder Information (Cont'd)

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Information Required by the Australian Securities Exchange Limited (Cont'd)

(d) Holdings of Warrants, Options and Rights

(i) As at 22 September 2025 there are no listed warrants over shares on issue.

(ii) As at 22 September 2025 there are 8 holders of the 1,914,000 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$1.50 expiring 24 July 2026	1,914,000	8	1
	1,914,000	**8**	**1**

Unquoted Equity Security Holdings Greater Than or Equal to 20%

	Unlisted Options Exercisable at $1.50 Expiring 24 July 2026	No. of Unlisted Options	%
1	VERITAS CONSOLIDATED PTY LTD	942,300	49.23%
2	FIDELITY CLEARING CANADA <7AW INVENTORY>	597,000	31.19%
	Total Units Held	**1,539,300**	**80.42%**
	Total Units on Issue	**1,914,000**	**100%**

(iii) As at 22 September 2025 there 21 holders of the 1,308,391 service rights on issue. There are no voting rights attached to service rights.

(iv) As at 22 September 2025 there 20 holders of the 2,276,541 performance rights on issue. There are no voting rights attached to performance rights.

(e) On-Market Buyback

As at 22 September 2025 there was no current on-market buyback under way.

16 Tenement Schedule

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025

Cortadera Project

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	ALCENIA 1/10	100% SMEA SpA		50	
2	AMALIA 942 A 1/6	100% Frontera SpA		53	
3	ATACAMITA 1/82	100% Frontera SpA		82	
4	CORROTEO 1 1/260	100% Frontera SpA		260	
5	CORROTEO 5 1/261	100% Frontera SpA		261	
6	CORTADERA 1 1/200	100% Frontera SpA		200	
7	CORTADERA 1/40	100% Frontera SpA		374	
8	CORTADERA 2 1/200	100% Frontera SpA		200	
9	CORTADERA 41	100% Frontera SpA		1	
10	CORTADERA 42	100% Frontera SpA		1	
11	LAS CANAS 1/15	100% Frontera SpA		146	
12	LAS CANAS 16	100% Frontera SpA		1	
13	LAS CANAS ESTE 2003 1/30	100% Frontera SpA		300	
14	MAGDALENITA 1/20	100% Frontera SpA		100	
15	PAULINA 10 B 1/16	100% Frontera SpA		136	
16	PAULINA 11 B 1/30	100% Frontera SpA		249	
17	PAULINA 12 B 1/30	100% Frontera SpA		294	
18	PAULINA 13 B 1/30	100% Frontera SpA		264	
19	PAULINA 14 B 1/30	100% Frontera SpA		265	
20	PAULINA 15 B 1/30	100% Frontera SpA		200	
21	PAULINA 22 A 1/30	100% Frontera SpA		300	
22	PAULINA 24 1/24	100% Frontera SpA		183	
23	PAULINA 25 A 1/19	100% Frontera SpA		156	
24	PAULINA 26 A 1/30	100% Frontera SpA		294	
25	PAULINA 27A 1/30	100% Frontera SpA		300	
26	PURISIMA 1/8 (1/2 Y 5/6)	100% Frontera SpA		20	NSR 1.5%
27	CF 1	100% Frontera SpA		300	
28	CF 2	100% Frontera SpA		300	
29	CF 3	100% Frontera SpA		300	
30	CF 4	100% Frontera SpA		300	
31	CF 5	100% Frontera SpA		200	
32	CF 6	100% Frontera SpA		200	
33	CF 7	100% Frontera SpA		100	
34	CF 8	100% Frontera SpA		200	
35	CF 9	100% Frontera SpA		100	
36	CF 10	100% Frontera SpA		200	
37	CF 11	100% Frontera SpA		200	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

Cortadera Project (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
38	CHAPULIN COLORADO 1/3	100% Frontera SpA		3	
39	CHILIS 1	100% Frontera SpA		200	
40	CHILIS 3	100% Frontera SpA		100	
41	CHILIS 4	100% Frontera SpA		200	
42	CHILIS 5	100% Frontera SpA		200	
43	CHILIS 6	100% Frontera SpA		200	
44	CHILIS 7	100% Frontera SpA		200	
45	CHILIS 8	100% Frontera SpA		200	
46	CHILIS 9	100% Frontera SpA			
47	CHILIS 10 1/38	100% Frontera SpA			
48	CHILIS 11	100% Frontera SpA			
49	CHILIS 12 1/60	100% Frontera SpA			
50	CHILIS 13	100% Frontera SpA			
51	CHILIS 14	100% Frontera SpA			
52	CHILIS 15	100% Frontera SpA			
53	CHILIS 16	100% Frontera SpA			
54	CHILIS 17	100% Frontera SpA			
55	CHILIS 18	100% Frontera SpA			
56	CORTADERA 1	100% Frontera SpA			
57	CORTADERA 2	100% Frontera SpA			
58	CORTADERA 3	100% Frontera SpA			
59	CORTADERA 4	100% Frontera SpA			
60	CORTADERA 5	100% Frontera SpA			
61	CORTADERA 6 1/60	100% Frontera SpA			
62	CORTADERA 7 1/20	100% Frontera SpA			
63	CRISTINA 1/40	100% SMEA SpA			
64	DIABLITO 1/5	100% SMEA SpA			
65	DONA FELIPA 1/10	100% Frontera SpA			
66	DORO 1	100% Frontera SpA			
67	DORO 2	100% Frontera SpA			
68	DORO 3	100% Frontera SpA			
69	FALLA MAIPO 2 1/10	100% Frontera SpA			
70	FALLA MAIPO 3 1/8	100% Frontera SpA			
71	FALLA MAIPO 4 1/26	100% Frontera SpA			
72	MINORI 1	100% SMEA SpA			
73	MINORI 2	100% SMEA SpA			
74	MINORI 3	100% SMEA SpA			
75	MINORI 4	100% SMEA SpA			

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

Cortadera Project (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
76	PORFIADA B	100% Frontera SpA			
77	PORFIADA D	100% Frontera SpA			
78	PORFIADA G	100% Frontera SpA			
79	PORFIADA I	100% Frontera SpA			
80	PORFIADA II	100% Frontera SpA			
81	PORFIADA III	100% Frontera SpA			
82	PORFIADA IV	100% Frontera SpA			
83	PORFIADA V	100% Frontera SpA			
84	PORFIADA VI	100% Frontera SpA			
85	PORFIADA X	100% Frontera SpA			
86	SAN ANTONIO 1	100% Frontera SpA			
87	SAN ANTONIO 2	100% Frontera SpA			
88	SAN ANTONIO 3	100% Frontera SpA			
89	SAN ANTONIO 4	100% Frontera SpA			
90	SAN ANTONIO 5	100% Frontera SpA			
91	SOLAR 1	100% Frontera SpA			
92	SOLAR 2	100% Frontera SpA		300	
93	SOLAR 3	100% Frontera SpA		300	
94	SOLAR 4	100% Frontera SpA		300	
95	SOLAR 5	100% Frontera SpA		300	
96	SOLAR 6	100% Frontera SpA		300	
97	SOLAR 7	100% Frontera SpA		300	
98	SOLAR 8	100% Frontera SpA		300	
99	SOLAR 9	100% Frontera SpA		300	
100	SOLAR 10	100% Frontera SpA		300	
101	SOLEDAD 1	100% Frontera SpA		300	
102	SOLEDAD 2	100% Frontera SpA		300	
103	SOLEDAD 3	100% Frontera SpA		300	
104	SOLEDAD 4	100% Frontera SpA		300	
	TOTAL			**22.653**	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025

Productora Project

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	ALGA 7 A 1/32	80% SMEA SpA		89	
2	ALGA VI 4	100% SMEA SpA		2	
3	ALGA VI 5/24	80% SMEA SpA		66	
4	ARENA 1 1/6	80% SMEA SpA		40	
5	ARENA 2 1/17	80% SMEA SpA		113	
6	AURO HUASCO 1A 1/8	80% SMEA SpA		35	
7	CABRITO-CABRITO 1/9	80% SMEA SpA		50	
8	CACHIYUYITO 1 1/20	80% SMEA SpA		100	
9	CACHIYUYITO 2 1/60	80% SMEA SpA		300	
10	CACHIYUYITO 3 1/60	80% SMEA SpA		300	
11	CARMEN I, 1/50	80% SMEA SpA		222	
12	CARMEN II, 1/60	80% SMEA SpA		274	
13	CF 12	100% Frontera SpA		100	
14	CF 13	100% Frontera SpA		200	
15	CF 14	100% Frontera SpA		300	
16	CHICA	80% SMEA SpA		1	
17	CHOAPA 1/10	80% SMEA SpA		50	
18	CUENCA A 1/51	80% SMEA SpA		255	
19	CUENCA B 1/28	80% SMEA SpA		139	
20	CUENCA C 1/51	80% SMEA SpA		255	
21	CUENCA D	80% SMEA SpA		3	
22	CUENCA E	80% SMEA SpA		1	
23	ELEONOR RIGBY 1/10	100% Frontera SpA		100	
24	ELQUI 1/14	80% SMEA SpA		61	
25	ESPERANZA 1/5	80% SMEA SpA		11	
26	FRAN 1 1/60	80% SMEA SpA		220	
27	FRAN 12 1/40	80% SMEA SpA		200	
28	FRAN 13 1/40	80% SMEA SpA		200	
29	FRAN 14 1/40	80% SMEA SpA		200	
30	FRAN 15 1/60	80% SMEA SpA		300	
31	FRAN 18, 1/60	80% SMEA SpA		273	
32	FRAN 2 1/20	80% SMEA SpA		100	
33	FRAN 21, 1/46	80% SMEA SpA		226	
34	FRAN 3 1/20	80% SMEA SpA		100	
35	FRAN 4 1/20	80% SMEA SpA		100	
36	FRAN 5 1/20	80% SMEA SpA		100	
37	FRAN 6 1/26	80% SMEA SpA		130	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

Productora Project (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
38	FRAN 7 1/37	80% SMEA SpA		176	
39	FRAN 8 1/30	80% SMEA SpA		120	
40	JULI 10, 1/60	80% SMEA SpA		300	
41	JULI 11, 1/60	80% SMEA SpA		300	
42	JULI 12, 1/42	80% SMEA SpA		210	
43	JULI 13, 1/20	80% SMEA SpA		100	
44	JULI 14, 1/50	80% SMEA SpA		250	
45	JULI 15, 1/55	80% SMEA SpA		275	
46	JULI 16 1/60	80% SMEA SpA		300	
47	JULI 17 1/20	80% SMEA SpA		100	
48	JULI 19	80% SMEA SpA		300	
49	JULI 20	80% SMEA SpA		300	
50	JULI 21 1/60	80% SMEA SpA		300	
51	JULI 22	80% SMEA SpA		300	
52	JULI 23 1/60	80% SMEA SpA		300	
53	JULI 24 1/60	80% SMEA SpA		300	
54	JULI 25	80% SMEA SpA		300	
55	JULI 27 B, 1/10	80% SMEA SpA		48	
56	JULI 27, 1/30	80% SMEA SpA		146	
57	JULI 28, 1/60	80% SMEA SpA		300	
58	JULI 9, 1/60	80% SMEA SpA		300	
59	JULIETA 10, 1/60	80% SMEA SpA		300	
60	JULIETA 11	80% SMEA SpA		300	
61	JULIETA 12	80% SMEA SpA		300	
62	JULIETA 13 1/60	80% SMEA SpA		298	
63	JULIETA 14 1/60	80% SMEA SpA		269	
64	JULIETA 15 1/40	80% SMEA SpA		200	
65	JULIETA 16	80% SMEA SpA		200	
66	JULIETA 17	80% SMEA SpA		200	
67	JULIETA 18 1/40	80% SMEA SpA		200	
68	JULIETA 5	80% SMEA SpA		200	
69	JULIETA 6	80% SMEA SpA		200	
70	JULIETA 7	80% SMEA SpA		100	
71	JULIETA 8	80% SMEA SpA		100	
72	JULIETA 9	80% SMEA SpA		100	
73	JULITA ¼	80% SMEA SpA		4	
74	LEONA 2A 1/4	80% SMEA SpA		10	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

Productora Project (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
75	LIMARI 1/15	80% SMEA SpA		66	
76	LOA 1/6	80% SMEA SpA		30	
77	MAIPO 1/10	80% SMEA SpA		50	
78	MONTOSA 1/4	80% SMEA SpA		35	NSR 3%
79	ORO INDIO 1A 1/20	80% SMEA SpA		82	
80	PEGGY SUE 1/10	100% Frontera SpA		100	
81	PRODUCTORA 1/16	80% SMEA SpA		75	
82	SUERTE 1/7	100% SMEA SpA		21	
83	SUERTE II 1/15	100% SMEA SpA		15	
84	TOLTEN 1/14	80% SMEA SpA		70	
85	URANIO 1/70	0%		350	25-year Lease Agreement US$250,000 per year (average for the 25 year term); plus 2% NSR all but gold; 4% NSR gold; 5% NSR non-metallic
86	ZAPA 1 1/10	80% SMEA SpA		100	
87	ZAPA 1/6	80% SMEA SpA		6	GSR 1%
88	ZAPA 3 1/23	80% SMEA SpA		92	
89	ZAPA 5A 1/16	80% SMEA SpA		80	
90	ZAPA 7 1/24	80% SMEA SpA		120	
91	SIERRA SOLIS 1	100% SMEA SpA		200	
92	SIERRA SOLIS 2	100% SMEA SpA		300	
93	SIERRA SOLIS 3	100% SMEA SpA		300	
94	SIERRA SOLIS 4	100% SMEA SpA		200	
95	SIERRA SOLIS 5	100% SMEA SpA		300	
96	SIERRA SOLIS 6	100% SMEA SpA		300	
97	SIERRA SOLIS 7	100% SMEA SpA		300	
98	SIERRA SOLIS 8	100% SMEA SpA		300	
	TOTAL			**16.714**	

16 Tenement Schedule (Cont'd)

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Table 2. Current Tenement (Patente) Holdings in Chile as at 30 June 2024 (Cont'd)

Domeyko Project

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	ANTONIO 1 1/56		100% Frontera SpA	280	100% HCH Domeyko Purchase Option Agreement US$170,000 (already satisfied) US$150,000 payable by April 19th 2026 US$200,000 payable by April 19th 2027 US$3.480,000 payable by April 19th 2028 NSR 1%
2	ANTONIO 1/40		100% Frontera SpA	200	
3	ANTONIO 10 1/21		100% Frontera SpA	63	
4	ANTONIO 19 1/30		100% Frontera SpA	128	
5	ANTONIO 21 1/20		100% Frontera SpA	60	
6	ANTONIO 36 1/15		100% Frontera SpA	74	
7	ANTONIO 5 1/40		100% Frontera SpA	200	
8	ANTONIO 9 1/40		100% Frontera SpA	193	
9	CAZURRO 1		100% Frontera SpA	200	
10	CAZURRO 2		100% Frontera SpA	200	
11	CAZURRO 3		100% Frontera SpA	300	
12	CAZURRO 4		100% Frontera SpA	300	
13	CAZURRO 5		100% Frontera SpA	100	
14	CAZURRO 6		100% Frontera SpA	200	
15	CAZURRO 7		100% Frontera SpA	200	
16	CAZURRO 8		100% Frontera SpA	200	
17	CERRO MOLY 1		100% Frontera SpA	300	
18	CERRO MOLY 2		100% Frontera SpA	300	
19	CERRO MOLY 3		100% Frontera SpA	300	
20	CERRO MOLY 4		100% Frontera SpA	300	
21	CAZURRO 3 1/60		100% Frontera SpA	300	
22	CAZURRO 4 1/60		100% Frontera SpA	300	
23	CAZURRO 7 1/40		100% Frontera SpA	200	
24	EMILIO 1 1/8		100% Frontera SpA	38	
25	EMILIO 3 1/9		100% Frontera SpA	45	
26	INES 1/40		100% Frontera SpA	200	
27	LORENA 1/2		100% Frontera SpA	2	
28	MERCEDITA 1/7		100% Frontera SpA	22	
29	PRIMO 1 1/6		100% Frontera SpA	36	
30	SANTIAGUITO 5 1/24		100% Frontera SpA	114	
31	DOMINOCEROS 1/20 (1/4)		100% Frontera SpA	20	100% HCH Dominoceros Purchase Option Agreement US$320,000 (already satisfied) US$680,000 payable by October 25th 2025 US$1000,000 payable by October 25th 2026 US$6.890,000 payable by October 25th 2027
32	CF SUR 1	100% Frontera SpA		300	
33	CF SUR 2	100% Frontera SpA		300	
34	CF SUR 3	100% Frontera SpA		300	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

Domeyko Project (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
35	CF SUR 4	100% Frontera SpA		300	
36	CF SUR 5	100% Frontera SpA		200	
37	CF SUR 6	100% Frontera SpA		300	
38	CF SUR 7	100% Frontera SpA		300	
39	CF SUR 8	100% Frontera SpA		300	
40	CF SUR 9	100% Frontera SpA		200	
41	CF SUR 10	100% Frontera SpA		200	
42	CF SUR 11	100% Frontera SpA		300	
43	CF SUR 12	100% Frontera SpA		300	
44	CF SUR 13	100% Frontera SpA		300	
45	CF SUR 14	100% Frontera SpA		300	
46	CF SUR 15	100% Frontera SpA		200	
47	CF SUR 16	100% Frontera SpA		300	
48	CF SUR 17	100% Frontera SpA		300	
49	CF SUR 18	100% Frontera SpA		300	
50	CF SUR 19	100% Frontera SpA		300	
51	CF SUR 20	100% Frontera SpA		300	
52	CF SUR 21	100% Frontera SpA		300	
53	CF SUR 22	100% Frontera SpA		300	
54	CF SUR 23	100% Frontera SpA		200	
55	CF SUR 24	100% Frontera SpA		200	
56	CF SUR 25	100% Frontera SpA		300	
57	CF SUR 26	100% Frontera SpA		300	
58	CF SUR 27	100% Frontera SpA		300	
59	CF SUR 28	100% Frontera SpA		200	
60	CF SUR 29	100% Frontera SpA		300	
61	CF SUR 30	100% Frontera SpA		200	
62	CF SUR 31	100% Frontera SpA		300	
63	CF SUR 32	100% Frontera SpA		300	
64	CF SUR 33	100% Frontera SpA		300	
65	CF SUR 34	100% Frontera SpA		300	
66	CF SUR 35	100% Frontera SpA		300	
67	KRETA ¼		100% Frontera SpA	16	The mining concession is included in San Antonio Purchase Option Agreement
68	MARI 1	100% Frontera SpA		300	
69	MARI 1/12		100% Frontera SpA	64	The mining concession is included in San Antonio Purchase Option Agreement
70	MARI 6	100% Frontera SpA		300	
71	MARI 8	100% Frontera SpA		300	
	TOTAL			**16.055**	

16 Tenement Schedule (Cont'd)

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Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2025 (Cont'd)

San Antonio Project

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	MERCEDES 1/3		100% Frontera SpA	50	
2	PORFIADA A 1/33		100% Frontera SpA	160	
3	PORFIADA C 1/60		100% Frontera SpA	300	100% HCH San Antonio Purchase Option Agreement
4	PORFIADA E 1/20		100% Frontera SpA	100	
5	PORFIADA F 1/50		100% Frontera SpA	240	USD 1,300,000 already paid.
6	PORFIADA IX 1/60		100% Frontera SpA	300	
7	PORFIADA VII 1/60		100% Frontera SpA	270	US$1,000,000 payable September 30th 2025
8	PORFIADA VIII 1/60		100% Frontera SpA	300	
9	PRIMA 1		100% Frontera SpA	1	US$2,000,000 payable by September 30th 2026 to exercise the El Fuego Option.
10	PRIMA 2		100% Frontera SpA	2	
11	ROMERO 1/31		100% Frontera SpA	31	(2 additional and conditional payments of USD 2,000,000, each one, to be paid by December 31, 2030 under certain conditions detailed at title "Tenement Changes During the Quarter" of this quarterly report.)
12	SAN ANTONIO 1/5		100% Frontera SpA	25	
13	SAN JUAN SUR 1/5		100% Frontera SpA	10	
14	SAN JUAN SUR 6/23		100% Frontera SpA	90	
15	SANTIAGO Z 1/30		100% Frontera SpA	300	
16	SANTIAGO 1/4 Y 20		100% Frontera SpA	75	
17	SANTIAGO 15/19		100% Frontera SpA	25	
18	SANTIAGO 21/36		100% Frontera SpA	76	
19	SANTIAGO 37/43		100% Frontera SpA	26	
20	SANTIAGO A, 1/26		100% Frontera SpA	244	
21	SANTIAGO B, 1/20		100% Frontera SpA	200	
22	SANTIAGO C, 1/30		100% Frontera SpA	300	
23	SANTIAGO D, 1/30		100% Frontera SpA	300	
24	SANTIAGO E, 1/30		100% Frontera SpA	300	
	TOTAL			**3.725**	

Cordillera Project

1	ALBORADA III 1/35		100% Frontera SpA	162	
2	ALBORADA IV 1/20		100% Frontera SpA	54	
3	ALBORADA VII 1/25		100% Frontera SpA	95	100% HCH Purchase Option Agreement
4	CAT IX 1/30		100% Frontera SpA	150	
5	CATITA IX 1/20		100% Frontera SpA	100	USD 100,000 already paid
6	CATITA XII 1/13		100% Frontera SpA	61	US$200,000 payable by November 14th 2025
7	CORDILLERA 1/5		100% Frontera SpA	20	
8	HERREROS 1/14		100% Frontera SpA	28	US$3,700,000 payable by November 14th 2027
9	MINA HERREROS III 1/6		100% Frontera SpA	18	
10	MINA HERREROS IV 1/10		100% Frontera SpA	23	NSR 1% for underground mining and 1,5% for open-pit mining
11	PORSIACA 1/20		100% Frontera SpA	20	
12	QUEBRADA 1/10		100% Frontera SpA	28	
13	VETA 1/17		100% Frontera SpA	17	
	TOTAL			**776**	

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

17 Corporate Directory

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Directors

Stuart Mathews
(Non-Executive Chair)

Christian Easterday
(Managing Director)

Roberto de Andraca Adriasola
(Non-Executive Director)

Mark Jamieson
(Non-Executive Director)

Fiona Van Maanen
(Non-Executive Director)

Company Secretary

Carol Marinkovich

Chief Financial Officer

Ryan Finkelstein

Executive Management

Jose Ignacio Silva

(Chief Legal Counsel & Executive Vice President)

Grant King
(Chief Operating Officer)

Alberto Cerda
(Project Director)

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National Australia Bank
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