hot chili limited

Sustained Momentum

ANNUAL REPORT 2024

ABN 91 130 955 725

Productora
Project

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El Fuego
Project
(**Valentina**)

Costa Fuego
Copper Super-Hub

El Fuego
Project
(**San Antonio**)

Cortadera
Project
Significant copper-gold porphyry discovery

2024 Key Highlights

OPERATIONAL

"Top 10" Undeveloped Copper Resource Upgraded & Ready for PFS

- **Costa Fuego's Mineral Resource has been upgraded with over 85% of CuEq[1] contained metal now classified as Indicated, suggesting a strong platform to support the planned Costa Fuego PFS.**
- **Indicated Resource of 798 Mt grading 0.45% CuEq[2] & Inferred Resource of 203 Mt grading 0.31% CuEq[2] containing:**
  - **2.9 Mt Copper (Cu) Indicated and 0.5 Mt Copper Inferred**
  - **2.6 Moz Gold (Au) Indicated, and 0.4 Moz Gold Inferred**
  - **68 kt Molybdenum (Mo) Indicated and12 kt Molybdenum Inferred**
  - **12.9 Moz Silver (Ag) Indicated and 2.4 Moz Silver Inferred**
- **Hot Chili's coastal range Costa Fuego copper-gold project in Chile is one of the largest and lowest elevation, undeveloped copper resources in the world with proximity to all major infrastructure required to support mine development, including a maritime water concession.**

Pre-Feasibility Study for +100ktpa CuEq[1] Coastal Production Hub

- **Pre-Feasibility Study (PFS) for Costa Fuego copper-gold project planned for completion around year end 2024, following leading financial metrics outlined in the Company's 2023 Preliminary Economic Assessment (PEA)[3]:**
  - **Post-tax NPV8% of US$1.10 billion**
  - **Pre-tax NPV8% of US$1.54 billion**
  - **Low start-up capital, fast payback**
  - **16-year mine life for open pit and underground operations**
  - **112 ktpa CuEq[2] average production: 95 kt Cu & 49 koz Au for first 14 years**
  - **97% of PEA inventory proposed for processing is Indicated Resource**
  - **Highly leveraged to the copper price: post-tax NPV8% increases by US$100 M for every U$0.10/lb increase in copper price above US$3.85/lb**
- **One of the nearest term, meaningful copper projects in the world not controlled by a major mining company. Is well positioned for rapid development due to over a decade of permitting activities.**

[1] "Top 10" copper resource based on potential annual production set out in the 2023 PEA that is not owned or controlled by a major mining company.

[2] For details on how the copper equivalent grades are calculated, see Note 8 to the table on page 7 of this Annual Report.

[3] The PEA is preliminary in nature and includes 3% of production feed from Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves, and there is no certainty that the PEA will be realised. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. See page 10-13 for additional cautionary language.

Hot Chili Launches New Water Company – Huasco Water

CORPORATE

Hot Chili Launches New Water Company – Huasco Water

- **Cost Fuego's strategic water assets transferred to Hot Chili's new subsidiary water company "Huasco Water" that now controls the only active granted maritime water concession and most of the necessary permits to provide sea water extraction and distribution to the Huasco Valley.**
- **Hot Chili is studying a potential stand-alone and large-scale, multi-user water supply business; one which could be monetized via a sale of part or all of Huasco Water. This may provide a contributing source of funding for the potential future development of Costa Fuego.**
- **Lengthy permitting timelines and growing opposition to ground water extraction in Chile's Atacama region means Huasco Water has a first-mover advantage following over a decade of permitting efforts by management to secure a granted maritime concession, coastal land access rights, water infrastructure easements and a second maritime concession application.**
- **Hot Chili's approach to potentially outsourcing its water infrastructure, follows a growing trend in Chile's mining sector, and aims to provide significant capital cost savings and project finance optionality for the development of Costa Fuego.**

Execution of MOU for Port Agreement

- **Hot Chili and Las Losas Port executed a Memorandum of Understanding (MOU) to fund 20% of a feasibility study for bulk concentrate exports, in addition to negotiating a binding Port Services Agreement for Costa Fuego.**
- **Las Losas Port located 50km from Costa Fuego and the MOU positions Hot Chili as a potential foundation customer for first bulk concentrate export from the Huasco Valley region of Chile.**

Further Regional Consolidation Expands Costa Fuego Copper-Gold Project

- **Four Option Agreements executed to acquire 100% interests in several prospective landholdings, all located within 30km of Costa Fuego's planned processing centre.**
- **Large exploration target pipeline being advanced and further consolidation opportunities being pursued to underpin future resource growth.**

1 Chairman's Letter

Dear shareholders,

The past year has been one of significant milestones both for Hot Chili and for the world of copper. We are making great progress at our Costa Fuego Copper Hub in Chile, but our strategic position as a near-term copper supplier still flies under the radar of many investors.

We are working to bridge the gap between our inherent value and our market valuation by telling the market our project's key strengths and exceptional attributes. Particularly, we are among the few independently owned copper development projects in a Top-10 size category, located in a place where new mines can actually be developed, both from a permitting perspective and relative to existing infrastructure. Critically, we have also solved the key issue that any mine or development project faces almost anywhere in the world – water supply. We have also secured access to power, are located on the Pan American Highway and have entered a MoU with a nearby port. This will likely decrease the economic hurdle and timelines require to develop Costa Fuego.

Global Copper Supply & Demand

Copper demand is rising, driven by green technology and the electrification of everything. Whether this transformation happens slowly or quickly, copper production is not keeping up, causing a significant supply-demand imbalance. The days of stumbling over copper in the dirt are long gone while existing mines have experienced falling head grades, falling from 1.3% copper in 2000 to 0.52% in 2022. Industry experts foresee a looming supply shortfall that will not be easy to bridge. This supply issue is further exacerbated by increased timelines from discovery to production that now average approximately 17 years.

Copper Price Dynamics

To bridge this supply gap, the copper price must rise to incentivize the development of new mining projects. The current price levels, while elevated on a historical basis, are not sufficient to support the capital-intensive nature of copper mine development. A higher copper price would ensure that projects like Costa Fuego can be developed to their full potential, contributing to the global copper supply and supporting the green energy transition.

Key Milestones

Capital Raise: We raised A$31.9M to fast-track Costa Fuego development, land consolidation and exploration.

Extracting Value from Our Water Rights: We set up Huasco Water (80% owned) to extract value from our critical water assets (maritime water extraction licence, water easements, coastal land accesses, and second maritime application).

Resource Estimate: We increased copper-equivalent metal by 6% in our Indicated Resource. Further, over 85% of Costa Fuego's Mineral Resource Estimate is now classified as Indicated and may be used as the basis for calculating reserves as part of our forthcoming pre-feasibility study (PFS).

De-risking Development: We signed a MOU with Las Losas Port to co-fund a feasibility study for bulk exports of copper-gold concentrates from a port that is just ~50km from the proposed mine.

Footprint Expansion: Secured options in and ownership of new properties within 30km of our processing facility, providing optionality to additional discoveries that could supplement our resource base.

Key Hires: Added Ryan Finkelstein as CFO and Carol Marinkovich as Company Secretary.

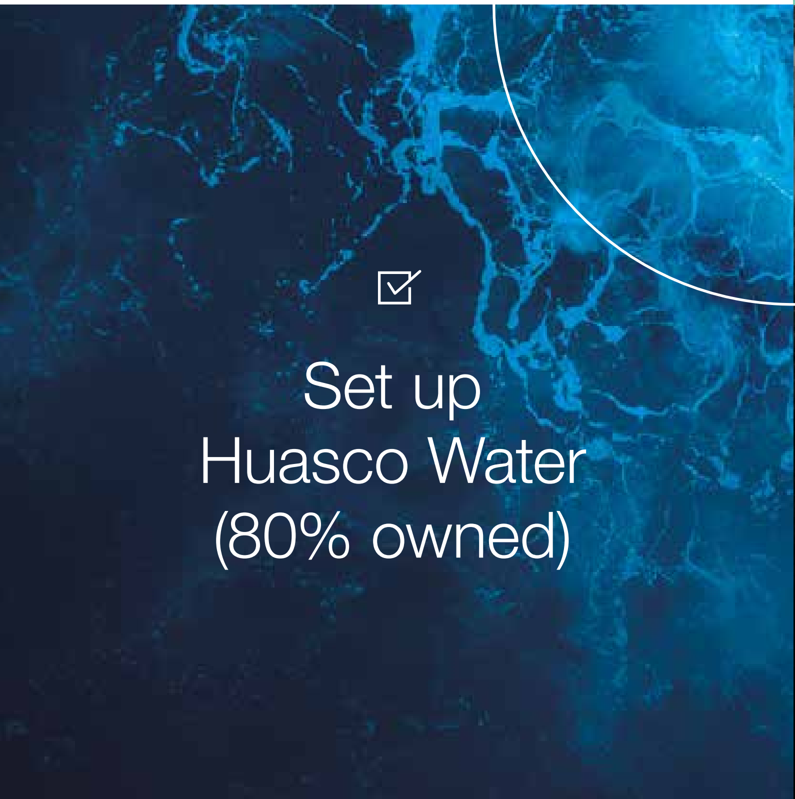
As I have stated previously, our industry's biggest challenge is its reputation. People often forget how their modern comforts depend on mining and copper is no exception. We must keep sharing the facts about our sector — that new copper production is desperately needed, that modern mines can be developed in a manner that is protective of the environment and that they can generate significant benefits to local and national employment and economies.

Looking ahead, we remain focused on advancing Costa Fuego and, thanks to our partnerships, financial health, and talented team, we are well-positioned to feed into growing global copper demand and deliver value per share to shareholders.

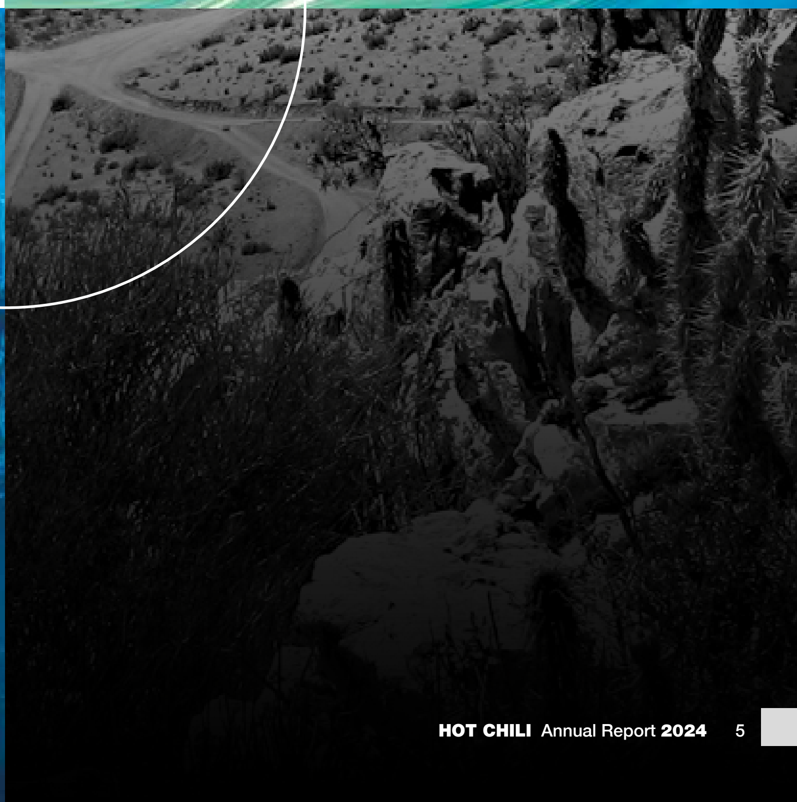
Thank you for your continued support.

Nicole Adshead-Bell
Chairman

A$31.9M raised to fast-track Costa Fuego development



Set up Huasco Water (80% owned)



2 Review of Operations

Updated Mineral Resource Estimate for Costa Fuego Released

The second Mineral Resource Estimate ("MRE") for the Costa Fuego Project was released in early 2024. The MRE update followed 24 months of material investment, including 24,500m of drilling for metallurgical, geotechnical, resource expansion and exploration purposes, and is expected to drive the Costa Fuego project towards its planned Pre-feasibility Study ("PFS") due for release around the end of 2024.

Mineral Resource[1-11]

- **Indicated - 798 Mt grading 0.45% CuEq[8] for 2.9 Mt Cu, 2.6 Moz Au, 12.9 Moz Ag & 68 kt Mo**
- **Inferred - 203 Mt grading 0.31% CuEq[8] for 0.5 Mt Cu, 0.4 Moz Au, 2.4 Moz Ag & 12 kt Mo**

High Grade Mineral Resource[1-11] (Reported +0.6% CuEq[8])

- **Indicated - 173 Mt grading 0.78% CuEq[8] for 1.1 Mt Cu, 1.0 Moz Au, 4.3 Moz Ag & 25 kt Mo**
- **Inferred - 7 Mt grading 0.74% CuEq[8] for 0.04 Mt Cu, 0.03 Moz Au, 0.1 Moz Ag & 1 kt Mo**

Highlights from the Costa Fuego Mineral Resource Estimate upgrade include:

- The update saw a 6% increase in copper equivalent (CuEq[8]) contained metal in the Indicated Resource.
- A 9% increase in CuEq[8] contained metal in the higher-grade component of the Indicated Resource (+0.6% CuEq[8]).
- Over 85% of Costa Fuego's CuEq[7] contained metal is now classified as Indicated – establishing a strong platform to support the planned PFS.
- Cortadera's Indicated Resource tonnage has grown by a further 13% and an upgrade of the San Antonio MRE to include an Indicated Resource since the maiden Inferred MRE in 2022.

Table 1: Costa Fuego Copper-Gold Project Mineral Resource, June 30, 2024

Costa Fuego OP Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
(+0.20% CuEq[1])	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	736	0.46	0.37	0.11	0.50	85	3,370,000	2,720,000	2,480,000	11,700,000	62,800
M+I Total	**736**	**0.46**	**0.37**	**0.11**	**0.50**	**85**	**3,370,000**	**2,720,000**	**2,480,000**	**11,700,000**	**62,800**
Inferred	170	0.30	0.25	0.06	0.36	65	520,000	420,000	340,000	1.900,000	11,000

Costa Fuego UG Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
(+0.27% CuEq[1])	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	62	0.39	0.31	0.08	0.55	85	250,000	190,000	160,000	1,100,000	5,300
M+I Total	**62**	**0.39**	**0.31**	**0.08**	**0.55**	**85**	**250,000**	**190,000**	**160,000**	**1,100,000**	**5,300**
Inferred	33	0.35	0.29	0.07	0.41	46	120,000	96,000	76,000	430,000	1,500

Costa Fuego Total Resource		Grade					Contained Metal				
Classification	Tonnes	CuEq	Cu	Au	Ag	Mo	Copper Eq	Copper	Gold	Silver	Molybdenum
(+0.20% CuEq[1] OP 0.27% CuEq[1] UG)	(Mt)	(%)	(%)	(g/t)	(g/t)	(ppm)	(tonnes)	(tonnes)	(ounces)	(ounces)	(tonnes)
Indicated	798	0.45	0.37	0.10	0.50	85	3,620,000	2,910,000	2,640,000	12,800,000	68,100
M+I Total	**798**	**0.45**	**0.37**	**0.10**	**0.50**	**85**	**3,620,000**	**2,910,000**	**2,640,000**	**12,800,000**	**68,100**
Inferred	203	0.31	0.25	0.06	0.36	61	640,000	516,000	416,000	2,330,000	12,500

[1] Mineral Resources are reported on a 100% Basis - combining Mineral Resource estimates for the Cortadera, Productora, Alice and San Antonio deposits. All figures are rounded, reported to appropriate significant figures and reported in accordance with the Joint Ore Reserves Committee Code (2012) and NI 43-101. Mineral Resource estimation practices are in accordance with CIM Estimation of Mineral Resource and Mineral Reserve Best Practice Guidelines (29 November 2019) and CIM Environmental, Social and Governance Guidelines for Mineral Resources and Mineral Reserve Estimation (8 September 2023) 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.

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

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

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

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

[6] All MRE were assessed for Reasonable Prospects of Eventual Economic Extraction (RPEEE) using both Open Pit and Block Cave Extraction mining methods at Cortadera and Open Pit mining methods at the Productora, Alice and San Antonio deposits.

[7] Metallurgical recovery averages for each deposit consider Indicated + Inferred material and are weighted to combine sulphide flotation and oxide leaching performance. Process recoveries: Cortadera – Weighted recoveries of 82% Cu, 55% Au, 81% Mo and 36% Ag. CuEq(%) = Cu(%) + 0.55 x Au(g/t) + 0.00046 x Mo(ppm) + 0.0043 x Ag(g/t). San Antonio - Weighted recoveries of 85% Cu, 66% Au, 80% Mo and 63% Ag. CuEq(%) = Cu(%) + 0.64 x Au(g/t) + 0.00044 x Mo(ppm) + 0.0072 x Ag(g/t). Alice - Weighted recoveries of 81% Cu, 47% Au, 52% Mo and 37% Ag. CuEq(%) = Cu(%) + 0.48 x Au(g/t) + 0.00030 x Mo(ppm) + 0.0044 x Ag(g/t). Productora – Weighted recoveries of 84% Cu, 47% Au, 48% Mo and 18% Ag. CuEq(%) = Cu(%) + 0.46 x Au(g/t) + 0.00026 x Mo(ppm) + 0.0021 x Ag(g/t). Costa Fuego – Recoveries of 83% Cu, 53% Au, 71% Mo and 26% Ag. CuEq(%) = Cu(%) + 0.53 x Au(g/t) + 0.00040 x Mo(ppm) + 0.0030 x Ag(g/t).

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

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

[10] The effective date of the MRE for the period ending 30 June 2024 is 26 February 2024 (the "2024 Effective Date"). Refer to ASX Announcement "Hot Chili Indicated Resource at Costa Fuego Copper-Gold Project Increases to 798 Mt" for JORC Table 1 information in this statement related to the Costa Fuego Mineral Resource Estimate (MRE) by Competent Person Elizabeth Haren, who is also a qualified person (within the meaning of NI 43-101) constituting the MRE of Cortadera, Productora, Alice and San Antonio (which combine to form Costa Fuego). Hot Chili confirms it is not aware of any new information or data that materially affects the information included in the Resource Announcement and all material assumptions and technical parameters stated for the Mineral Resource Estimates in the Resource Announcement continue to apply and have not materially changed since the 2024 Effective Date.

[11] Hot Chili Limited is not aware of political, environmental or other risks that could materially affect the potential development of the Mineral Resources, other than those common to all such projects, including the permitting of a mining operation, access to adequate funding on reasonable terms, etc. See "Risk Factors" in the current Technical Report available on Sedar and the Forward-Looking Statements in this Annual Report.

2 Review of Operations (Cont'd)

Costa Fuego Pre-Feasibility Study

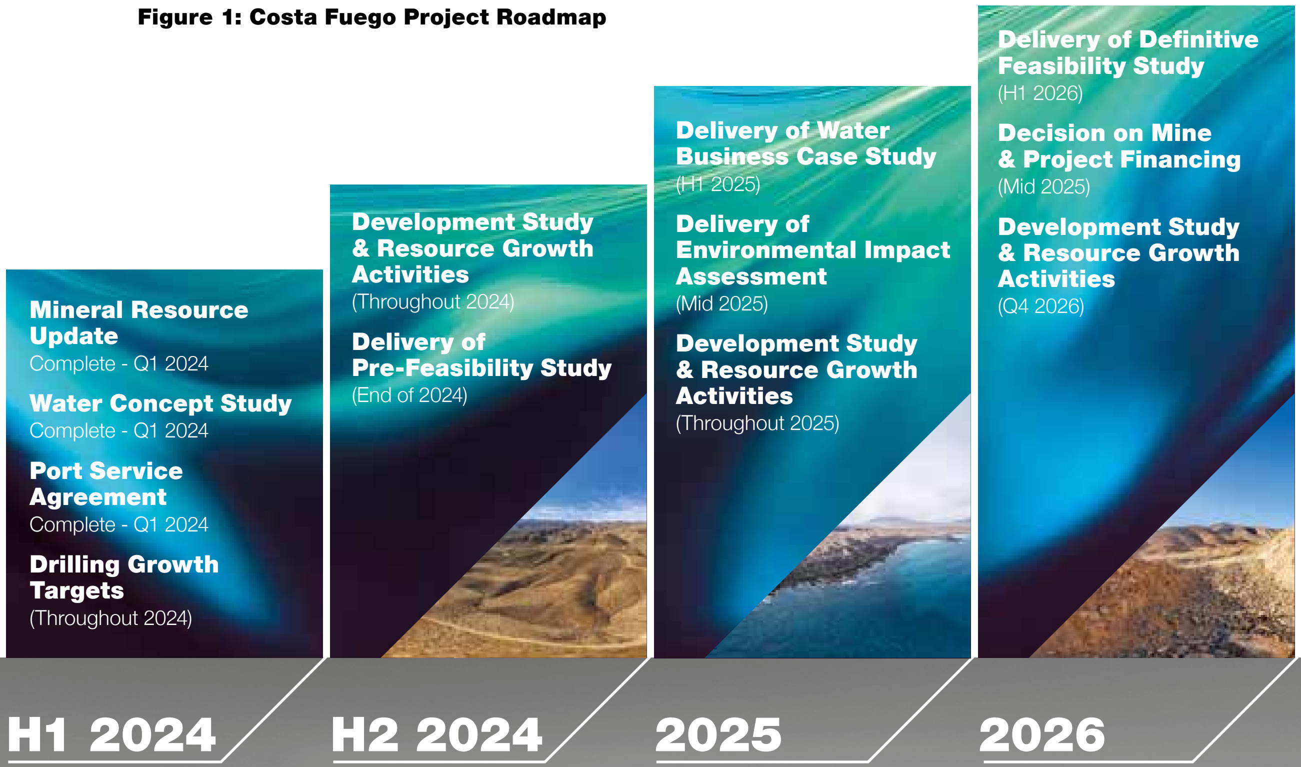
The Company's 2023 PEA, delivered in June 2023, was a key milestone, showcasing one of the world's lowest capital intensity major copper projects not controlled by a major. It differed from the 2016 Productora PFS by incorporating an expanded resource base and centralized processing. Work since the 2016 PFS has focused on enhancing metallurgical processes for low-grade material.

In early 2024, development drilling for metallurgical purposes and tailings storage facility design was completed. Environmental baseline studies and community engagement for Costa Fuego have also progressed, supporting the upcoming PFS and Environmental Impact Assessment ("EIA"). Geotechnical analysis, mine design, and infrastructure planning were refined using data from previous studies.

Hot Chili has involved independent experts for assurance reports on critical aspects like mineral resource, metallurgy, mine design, ore transport and handling, environmental permitting process, capital and operating costs. Engineering firm Ausenco and project management consultants Enthalpy will also conduct an independent technical review of the PFS.

The PFS remains on track for delivery around the end of 2024.

Figure 1: Costa Fuego Project Roadmap



2 Review of Operations (Cont'd)

Regional and Near-Mine Exploration

In addition to advancing the PFS, the Company has expanded its growth strategy in the Huasco Valley by acquiring additional land around the Costa Fuego Project. This includes the Cometa, Marsellesa, Cordillera, and Domeyko areas. Exploration activities, such as geophysical surveys, geological mapping and drilling programs, have been conducted across the tenement holding.

Higher grade copper intercepts returned at Marsellesa were associated with both copper oxide and copper sulphide mineralisation, with drill intersections including:

- **25m grading 0.4% Copper (Cu) from surface including 10m grading 0.8% Cu from 7m depth**
- **19m grading 0.5% Cu from 195m depth downhole including 2m grading 2.2% Cu from 195m depth**

Drilling completed at the Mina Cordillera target, located approximately 1km west of Marsellesa, indicated porphyry style mineralisation, with broad zones of oxide and sulphide copper surrounding the small surface workings. Significant drill intersections include:

- **93m grading 0.3% Cu from surface including 14m grading 0.4% Cu from surface**
- **184m grading 0.2% Cu from surface including 14m grading 0.3% Cu from 42m depth**

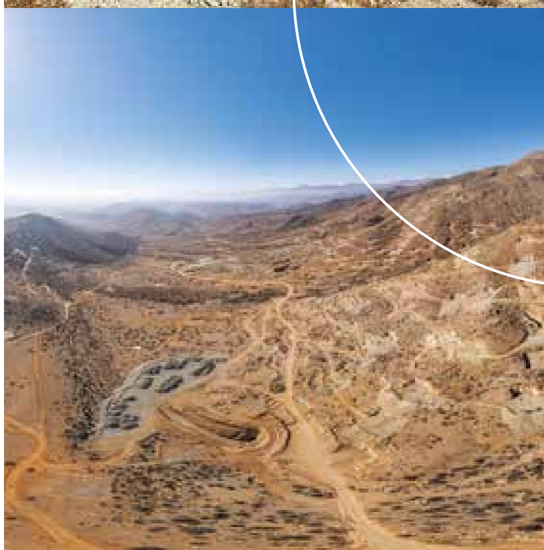
Near-mine exploration investigating the potential for high sulphidation epithermal and porphyry mineralisation adjacent to the Productora deposit, also advanced. Epithermal mineralisation was hypothesized to be contained in the 'feeder' structure below prominent silica ridges. A drillhole encountered a zone of intense alteration that may represent the target structure; copper mineralisation was not observed within this zone. Deep penetrating, high resolution MIM Distributed Acquisition System ("MIMDAS") geophysical surveys, which are an advanced Induced Polarization (IP) technology with superior depth penetration and resolution, were completed at both Productora and Cortadera.

Exploration of possible extensions to the Cortadera porphyry deposit were investigated, with RC and DD drilling completed at Cuerpo 2 and 3, and at the AMSA prospect. Drilling at Cuerpo 2 and 3 was also designed to test a larger pit design scenario as an outcome of the 2023 PEA.

First-pass RC drilling was also completed at the Corroteo exploration target, located 5km SE of Cortadera. Significant pyrite mineralisation was encountered in drilling toward the northern end of the target area, and a prospective tonalitic porphyry was intersected beneath the alluvial plain.

An infill ground magnetics geophysical survey was conducted between the San Antonio Resource and Valentina, identifying a broad circular magnetic low which requires further follow up and ground truthing.

Across the Domeyko project, located 30km south of Hot Chili's planned central processing facility at Productora, collection of baseline datasets is in progress and was completed in Q3 2024. A large ground magnetics survey has been completed, with soil sampling and geological mapping continuing.



Drilling completed at the Mina Cordillera target

[2] MIMDAS is an advanced electrical geophysical technique which collects multiple geophysical datasets, including Chargeability (IP), Resistivity/Conductivity (IP and MT). Electrical geophysical exploration methods are an established method for detecting concentrations of conductive sulphide minerals found within porphyry systems.

3 Qualifying Statements

The references to mineral resource estimates in this Annual Report have been extracted from the estimate of mineral resources contained in the Company's announcement to ASX dated 26 February 2024 "Hot Chili Indicated Resource at Costa Fuego Copper-Gold Project Increases to 798 Mt", a copy of which is available on the Company's website at www.hotchili.net.au/investors/asx-announcements/. The Company confirms that it is not aware of any new information or data that materially affects the information included in this report about the Company's mineral resources and that all material assumptions and technical parameters underpinning the mineral resource estimates continue to apply and have not materially changed.

The references to exploration results in this Annual Report have been extracted from the Company's announcements to ASX dated 3 August 2023, "Hot Chili Commences 30,000m Drill Programme at Costa Fuego Copper-Gold Project", 28 August 2023, "Hot Chili Signs Binding Letter of Intent for Option to Acquire Cometa Project in Chile", 15 November 2023 "Hot Chili Continues to Expand its Costa Fuego Coastal Copper Hub in Chile", 23 January 2024, "Hot Chili Commences Next Phase of Resource Expansion Drilling Programme at Costa Fuego" and 30 April 2024 "Hot Chili Secures Large Addition to its Costa Fuego Coastal Copper Hub in Chile", copies of which are available on the Company's website at www.hotchili.net.au/investors/asx-announcements/. The Company confirms that it is not aware of any new information or data that materially affects the information included in this report about the Company's exploration results.

Qualified Persons – NI 43-101

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

Competent Persons – JORC and ASX

The information in this Annual Report that relates to Mineral Resources for Cortadera, Productora, Alice and San Antonio which constitute the combined Costa Fuego Project is based on and fairly represents information supporting documentation compiled by Ms Elizabeth Haren, a Competent Person who is a Fellow and Chartered Professional of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Ms Haren is a full-time employee of Haren Consulting Pty Ltd and an independent consultant to Hot Chili. Ms Haren has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Haren consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

This Annual Report is based on, and fairly represents, information and supporting documentation prepared Mr Christian Easterday, MAIG, Hot Chili's Managing Director. This report as a whole has been approved by Mr Easterday who consents to the inclusion of this statement in the Company's Annual Report in the form and context in which it appears.

Production targets and forecast financial information contained in PEA

The information in this report relating to any production targets and forecast financial information derived from the production targets comprised in the statements in this report about the PEA for the Costa Fuego Copper-Gold Project was previously reported in the Company's announcement 'Hot Chili Announces PEA for Costa Fuego' (the "Technical Report") released to ASX on 28 June 2023 and is available to view on the Company's website at www.hotchili.net.au/investors/asx-announcements/.

For readers to fully understand the information in this Annual Report, they should read the Technical Report (available on www.SEDAR.com or at www.hotchili.net.au) in its entirety, including all qualifications, assumptions and exclusions that relate to the information set out in this Annual Report that qualifies the technical information contained in the Technical Report. The 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 Annual Report is subject to the assumptions and qualifications contained in the Report.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the production targets and forecast financial information derived from the production targets contained in the original market announcement continue to apply and have not materially changed.

Disclaimer

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

Cautionary Note for U.S. Investors Concerning Mineral Resources

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

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

3 Qualifying Statements (Cont'd)

Forward Looking Statements

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

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

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

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

3 Qualifying Statements (Cont'd)

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

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

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

4 Corporate Activities

Hot Chili Closes A$31.9 Million Funding to Accelerate Costa Fuego

On 6 May 2024, the Company announced an A$24.9 million private placement, issuing 24,900,000 shares at A$1.00 each, managed by Veritas Securities Limited and Cormark Securities Inc., with BMO Capital Markets and Beacon Securities Limited as co-managers. Additionally, a Share Purchase Plan ("SPP") was offered to existing shareholders at the same price. Due to high demand, the SPP was closed early and its target increased from A$5 million to A$7 million.

Funds from the placement and SPP will support the completion of the Costa Fuego Pre-Feasibility Study, Water Supply Business Case Study, Environmental Impact Assessment, ongoing exploration, drilling, consolidation activities, and general working capital.

Closing of US$15 Million Investment Agreement with Osisko Gold Royalties

In late July 2023, Hot Chili finalised a deal with Osisko Gold Royalties Ltd, receiving US$15 million in exchange for a 1.0% Net Smelter Return ("NSR") royalty on copper and a 3% NSR royalty on gold for the Costa Fuego Copper-Gold Project. This investment bolstered the company's cash position without requiring a dilutive equity raise and affirmed the project's strong economic potential. Included in the deal are buyback rights if a change of control event occurs prior to the fourth anniversary of Closing, whereby the Osisko NSR can be reduced to 0.5% NSR royalty on copper and 2.5% NSR royalty on gold. The deal also represented a significant endorsement from a major North American royalty-streaming group.

4 Corporate Activities (Cont'd)

New Company Secretary & Chief Financial Officer

Hot Chili Limited welcomed Mrs Carol Marinkovich as Company Secretary for the Company, effective 1 July 2024, and Mr Ryan Finkelstein as Chief Financial Officer effective 15 July 2024, following the resignation of Ms Penelope Beattie.

New Water Company Created – Huasco Water

A new joint venture water company "Huasco Water" (Hot Chili (though Sociedad Minera El Corazón SpA (SMEA)) 80% and CMP 20%) was formed, with all water assets held by SMEA being transferred to the newly formed Huasco Water. Following completion of the transfer, Huasco Water will hold the only active granted maritime water concession, and most of the necessary permits, to supply raw and/or desalinated sea water to the Huasco Valley. This will potentially unlock future mining developments in the world's most prolific copper producing region.

Huasco Water provides water supply security for Hot Chili as a foundation water off-taker - approximately 700l/s of seawater demand for Hot Chili's Costa Fuego copper project. Discussions with other potential raw and desalinated water offtakers and potential infrastructure partners are advancing well.

Recent third-party transactions in Chile (see announcement "Hot Chili Launches New Water Company - Huasco Water" dated 8 July 2024) have highlighted the strategic nature and implicit value of critical water access rights within the Atacama region, and an increasing trend in Chile towards outsourcing in the industrial infrastructure sector.

Importantly, Hot Chili's approach toward potential outsourcing and development of shared infrastructure, in addition to preserving scarce continental water sources, is fast becoming the accepted and responsible approach for unlocking future mining developments in Chile.

Huasco Water provides Hot Chili a potentially significant funding option for Costa Fuego, with the current Business Case Study set to review various monetisation options.

Huasco Water's Business Case Study is on-track and planned for completion in H1 2025.

Execution of MOU for Port Agreement

Hot Chili and Las Losas Port executed a Memorandum
Hot Chili and Las Losas Port executed a Memorandum of Understanding (MOU) for the Company to jointly fund 20% of an estimated US$4.5 Million two-year feasibility study for bulk concentrate exports in addition to negotiating a binding Port Services Agreement for Costa Fuego.

Port engineering studies being managed by Port of Las Losas are also progressing in consultation with Hot Chili development team. Port studies are being progressed in parallel with Costa Fuego's development timeline to ensure both rotainer and bulk tonnage port loading options are available.

Material Reduction in Option Payments of US$10 Million for 2024

Three Options due for exercise in 2024 over the San Antonio, Valentina and Santiago Z landholdings, have been terminated and replaced with one new option agreement (the "El Fuego Option") now exercisable in September 2026, which comprises all the mining rights included in the former "San Antonio", "Valentina" and "Santago Z" option agreements.

The new El Fuego Option materially reduces the Company's option payments due in 2024 from US$11 million to US$1 million, increases Hot Chili's ownership from 90% to 100%, subject to exercise of the option and extends the option expiry from 2024 to 2026 in exchange for aggregate payments of US$4.3 million over the next three years, including the US$1 million noted above.

Consolidation of Landholdings

During the year Hot Chili successfully consolidated several landholdings: Cometa, Marsellesa and Mina Cordillera, and Domeyko. 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.

Cometa consists of exploration and mining concessions covering an area of approximately 56km^2, located almost 15km SE of Costa Fuego's planned operating center and contiguous with Hot Chili's landholdings in the region.

Marsellesa and Cordillera are located approximately 10km southwest of Costa Fuego's planned central processing hub. These areas had only been privately held and exploited for shallow copper oxide and sulphide deposits, but they had never undergone drill testing before the acquisition.

The Domeyko project, represented a 25% lift in Hot Chili's total landholding area at Costa Fuego. Cometa consists of exploration and mining concessions covering an area of approximately 56km^2, located almost 15km SE of Costa Fuego's planned operating center and contiguous with Hot Chili's landholdings in the region.

4 Corporate Activities (Cont'd)

Our role in the Community

The Company has developed a strong connection to the community over the last decade of project advancement. Local community engagement has become embedded into the Project development, so those most affected are consulted and involved throughout the process. The Company supports the community by:

- Supporting economic development within the Huasco Valley through employment and procurement of local goods and services;
- Providing support to communities in the vicinity of our projects in times of need, including the provision of water for irrigation, water tanks, solar panels and materials for fencing;
- Working with local area government to support small miners and pastoralists in the vicinity of our projects;
- Supporting two orphanages in Freirina and Vallenar;
- Partnering with a local psychological health institution (associated with University of Chile) to provide counselling support services in the region delivering improved mental health outcomes for children and the elderly; and
- Continuing our programme of early citizen participation, including public meetings and targeted consultations with identified stakeholders including Indigenous communities, and wider communication through social media.

A plan for ESG

The Company's ESG Framework is continuing to develop, having established a foundational knowledge base. The completion of this ESG Framework will precede the key milestones of the completion of the Costa Fuego PFS and submission of the EIA.

To support sustainability, the Company:

- Has formed an ESG Board Committee to ensure compliance with best practice;
- Has invested in ESG competence through the appointment of roles specific to ESG, and ESG professional development; and
- Is in the process of finalising the Company's ESG Framework.

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 2024 and the auditor's report thereon.

Directors

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

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman

Christian Easterday
Managing Director

Roberto de Andraca Adriasola
Non-Executive Director

Mark Jamieson
Non-Executive Director

Stephen Quin
Independent Non-Executive Director

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

Directors' Information

Dr Nicole Adshead-Bell
Independent Non-Executive Chairman

Dr Nicole Adshead-Bell is a geologist with a deep understanding of the mining industry from over 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.

More recently she established Cupel Advisory Corp. to focus on investments and advisory services in the mining sector.

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

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)

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.

Stephen Quin
Independent Non-Executive Director

Mr Quin is a graduate of the Royal School of Mines, London, with a BSc (Honours) in Mining Geology and has 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 served as Non-Executive Director of Chalice Mining Ltd until 21 November 2021. He has not held any other 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.

Results of Operations

The results of the consolidated entity after providing for income tax and non-controlling interest for the year ended 30 June 2024 was a loss of $7,569,376 (2023: $5,225,065).

Dividends

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

Review of Operations

Refer to Review of Operations Report in Section 2.

Significant Changes in the State of Affairs

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

Matters Subsequent to the End of the Financial Year

On 26 June 2024, Hot Chili announced the resignation of Ms Penelope Beattie as Company Secretary and Chief Financial Officer effective 1 July 2024 and announced the appointment of Mrs Carol Marinkovich as Company Secretary for the Company, effective 1 July 2024.

On 2 July 2024, Hot Chili announced the appointment of Ms Deborah Le Moignan as interim Chief Financial Officer effective 1 July 2024. Ms Le Moignan was recently appointed Financial Controller and succeeded Ms Beattie who stepped down to pursue other career opportunities.

On 8 July 2024, Hot Chili announced the establishment of Aguas para El Huasco SpA (Huasco Water), a new joint venture company (held by Hot Chili 80% and Compania Minera del Pacifico (CMP) 20%) formed to supply both sea water and desalinated water to the Huasco Valley region of Chile. Water assets were transferred from El Aguila to Huasco Water.

On 15 July 2024, Hot Chili announced the appointment of Ryan Finkelstein as Chief Financial Officer effective 15 July 2024. Mr Finkelstein took over from Ms Le Moignan who had been appointed Interim CFO.

On 26 July 2024, Hot Chili announced that 295,168 performance rights had lapsed effective 2 July 2024 because the conditions were not met or were incapable of being satisfied.

5 Directors' Report (Cont'd)

Matters Subsequent to the End of the Financial Year (Cont'd)

The Company also announced that 1,914,000 options at an exercise price of $1.50 were issued on 25 July 2024 to brokers and underwriters as part of a capital raising transaction with an expiry date of 25 July 2026. The securities were approved at the General Meeting of Shareholders on 4 July 2024.

On 2 August 2024, Hot Chili announced the vesting of service rights previously issued under an employee incentive scheme and the issue of 63,995 ordinary fully paid shares valued at $0.8550 per security.

On 4 September 2024, Hot Chili announced the vesting of service rights previously issued under an employee incentive scheme and the issue of 11,249 ordinary fully paid shares on 3 September 2024 valued at $0.7950 per security.

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

Likely Developments and Expected Results of Operations

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

- Advancement of multiple PFS workstreams, including mining, geotechnical, processing, infrastructure and environmental analysis and design work.
- Completion of drilling operations in support of hydrogeological studies for the planned EIA.
- Continued development of the new 80% HCH owned Huasco Water company, including completion of a Business Case Study.
- Continuation of the Company's Growth strategy, including geophysical surveys and drill programs; focusing on existing and recently acquired targets proximal to the current resources.
- Explore further regional consolidation opportunities adjacent to the Costa Fuego Project.
- Continued derisking of the Costa Fuego Project, including advancing toward a commercial agreement to secure port access and services for the project.

The above planned milestones are planned to lead into the delivery of a Pre-Feasibility Study for the Costa Fuego hub by the end of 2024 as well as the key delivery of the Environmental Impact Assessment in H1 2025.

Associated Risks and Opportunities

The developments and roadmap summarised above are subject to the various risks inherent in the mining industry as well as external factors beyond the control of the projects stakeholders which can impact the project timeline, resulting in delays. Further discussion of these risks are listed on page 12 under the Forward Looking Statements. Material risks and opportunities to the near-term future prospects and operations that are considered and managed by the Board and Management are noted here:

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

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

Corporate Governance Statement

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

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

5 Directors' Report (Cont'd)

Security Holding Interests of Directors

At Reporting Date	Ordinary Shares		Options Over Ordinary Shares		Service Rights		Performance Rights	
Directors	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
Dr Nicole Adshead-Bell	30,000	203,453	-	-	-	153,000	-	-
Christian Easterday	438,430	206,807	-	-	-	828,750	-	828,750
Roberto de Andraca Adriasola	150,000	-	-	-	87,000	-	-	-
Mark Jamieson	-	-	-	-	-	-	-	-
Stephen Quin	-	20,000	-	-	87,000	-	-	-

Unissued Shares under Option and Rights Vested

Unlisted Options

There were 3,109,790 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
30 September 2024	1,850,001	$2.25
28 January 2025	1,259,789	C$1.85

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

Service Rights

There were 3,161,864 service rights at the date of this report. The vesting conditions for 1,053,959 of these rights have been met and therefore, 1,053,959 service rights are exercisable at the date of this report.

Performance Rights

There were 2,834,864 performance rights at the date of this report. The vesting conditions for 330,724 of these rights have been met and therefore, 330,724 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.

Options and Rights Expired, Lapsed or Cancelled

On 31 July 2023, 1,900,008 performance rights which were granted in previous financial years were cancelled as the vesting conditions of those performance rights were not met by 31 July 2023.

On 31 January 2024, 10,900,000 listed options exercisable at C$2.50 each expired.

On 2 July 2024, 295,168 performance rights lapsed because the conditions were not met, or were incapable of being satisfied.

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 2024, 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

Ms Beattie was the Company Secretary until her resignation on 1 July 2024. Ms Beattie is a Chartered Accountant with 20 years' experience in corporate and financial services globally.

Effective 1 July 2024, the Company appointed Mrs Carol Marinkovich as Company Secretary. Mrs 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.

5 Directors' Report (Cont'd)

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**
Nicole Adshead-Bell	5	5	7	7	1	1	1	1
Christian Easterday	5	5	-	-			-	-
Roberto de Andraca Adriasola	5	4	-	-	-	-	-	-
Mark Jamieson	5	5	-	-	-	-	-	-
Stephen Quin	5	5	7	7	1	1	1	1

[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 2024 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 2023 to 30 June 2024, the Directors have assessed that there are no current reporting requirements but may be required to do so in the future.

Occupational Health and Safety

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

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

In terms of safety performance, "Lost Time Incident Frequency Rate (LTIFR)"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 2024) is 16.

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

Auditors Independence Declaration

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

REMUNERATION REPORT (AUDITED)

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

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

The information provided in this remuneration report has been audited.

1. Principles Used to Determine Amount and Nature of Remuneration

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

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

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

2. 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.

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

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.

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 Incentives

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

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

Long-Term Incentive Plan

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

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

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

Long-Term Incentive Plan (Cont'd)

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

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

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

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

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)
Latin Resources Ltd (ASX: LRS)	Marimaca Copper Corp. (TSX: MARI)
Legend Mining Ltd (ASX: LEG)	Max Resource Corp. (TSXV: MAX)
Orecorp Ltd (ASX: ORR)	Nevada Copper Corp. (TSX: NCU)
Rex Minerals Limited (ASX: RXM)	Northern Dynasty Minerals (TSX: NDM)
Titan Minerals Ltd (ASX: TTM)	Northisle (TSX: NCX)
	Northwest Copper (TSX: NWST)
	Troilus Gold Corp (TSX: TLG)
	Trilogy Metals (TSX: TMQ)
	Tudor Gold Corp. (TSX: TUD)
	Western Copper and Gold Corporation (TSX: WRN)

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

Long-Term Incentive Plan (Cont'd)

4) A further 25% of overall long-term incentives are based on absolute share price performance over the same three-year period. There is an incentive target and a stretch target. 50% 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 Committee and approved by the Board. The non-executive directors receive fixed fee remuneration consisting of a cash fee and statutory Superannuation contributions for Australian directors, and additional fees for committee roles. The fees reflect the demands made on, and the responsibilities of, the directors.

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

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

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

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

Base Fees	2024 (A$)	2023 (A$)
Chairman	68,000	68,000
Other non-executive directors	46,000	46,000
Committee (Audit & Risk, ESG, Remuneration)		
Each Chair	9,000	9,000
Each Committee Member	5,500	5,500

Approval for allocation of service rights to directors over three years was approved at a general meeting of shareholders held on 10 May 2023. Re-approval of the Company's Employee Incentive Plan was granted at a general meeting of shareholders held on 29 November 2023 and 4 July 2024. Details of service rights held by directors are detailed in Section 7.3 of the Remuneration Report "Director and Other KMP Interests in Service Rights".

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
Dr Nicole Adshead-Bell	Independent Non-Executive Chairman
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Stephen Quin	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

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. Remuneration of Directors and Other KMP for the Reporting Period

2024	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
	Salary and Fees	Other Benefits	Superannuation	Service and Performance Rights[1]	Total	Performance Related
Name	$	$	$	$	$	%
Directors						
Dr Nicole 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.

5 Directors' Report (Cont'd)

REMUNERATION REPORT (AUDITED) (CONT'D)

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

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

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

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

[3] Appointed 5 May 2023.

[4] Retired 29 November 2022.

[5] Resigned 30 November 2022.

[6] Resigned 9 December 2022. Mr Hearne was also given a redundancy payment of $85,995 upon resignation.

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 2024, 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					
Dr Nicole Adshead-Bell	233,453	-	-	-	233,453
Christian Easterday	614,978	-	-	30,259	645,237
Roberto de Andraca Adriasola	130,000	-	-	20,000	150,000
Mark Jamieson	-	-	-	-	-
Stephen Quin	-	-	-	20,000	20,000
	978,431	**-**	**-**	**70,259**	**1,048,690**
Other KMP					
José Ignacio Silva	151,045	-	-	(30,000)	121,045
Grant King	11,572	-	-	-	11,572
	162,617	**-**	**-**	**(30,000)**	**132,617**
Total	**1,141,048**	**-**	**-**	**40,259**	**1,181,307**

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.

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							
Dr Nicole Adshead-Bell	153,000	-	-	-	-	153,000	51,000
Christian Easterday	828,750	-	-	-	-	828,750	276,250
Roberto de Andraca Adriasola	87,000	-	-	-	-	87,000	29,000
Mark Jamieson	-	-	-	-	-	-	-
Stephen Quin	87,000	-	-	-	-	87,000	29,000
	1,155,750	**-**	**-**	**-**	**-**	**1,155,750**	**385,250**
Other KMP							
José Ignacio Silva	483,176	-	-	-	-	483,176	161,058
Grant King	447,525	-	-	-	-	447,525	149,175
	930,701	**-**	**-**	**-**	**-**	**930,701**	**310,233**
Total	**2,086,451**	**-**	**-**	**-**	**-**	**2,086,451**	**695,483**

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

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							
Dr Nicole Adshead-Bell	-	-	-	-	-	-	-
Christian Easterday	1,228,752	-	-	(400,002)	-	828,750	96,687
Roberto de Andraca Adriasola	-	-	-	-	-	-	-
Mark Jamieson	-	-	-	-	-	-	-
Stephen Quin	-	-	-	-	-	-	-
	1,228,752	**-**	**-**	**(400,002)**	**-**	**828,750**	**96,687**
Other KMP							
José Ignacio Silva	783,176	-	-	(300,000)	-	483,176	56,370
Grant King	747,525	-	-	(300,000)	-	447,525	52,210
	1,530,701	**-**	**-**	**(600,000)**	**-**	**930,701**	**108,580**
Total	**2,759,453**	**-**	**-**	**(1,000,002)**	**-**	**1,759,451**	**205,267**

[1] These performance rights expired on 31 July 2023.

[2] During the year, Class A (Tranche 1) and Class B (Tranche 1) performance rights vested effective 31 December 2023.

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			
Executive Service Agree-ment with Initial term of 3 years from 9 September 2013 and then ongoing until terminated by either party. Under the agreement, Mr Easterday receives an an-nual salary of $400,000, plus superannuation. Mr Easterday's remunera-tion 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.

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

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):

At Reporting Date	Dr Nicole S Adshead-Bell	Roberto de Andraca Adriasola	Mark Jamieson	Stephen Quin
Term	N/A	N/A	N/A	N/A
Remuneration	A$7,333 per month	A$3,833 per month	-	A$5,792 per month
Termination Benefits	Nil	Nil	Nil	Nil

9. Additional Information

The earnings of the consolidated entity for the five years to 30 June 2024 are summarised below:

	2024 A$	2023 A$	2022 A$	2021 A$	2020 A$
Other income	265,191	170,795	2,520,701	60,465	3,289,606
Expenses	(8,046,513)	(5,594,579)	(9,799,457)	(9,304,467)	(4,555,219)
EBITDA	(7,851,886)	(5,416,529)	(4,780,485)	7,525,912	680,324
EBIT	(8,008,133)	(5,547,227)	(4,870,519)	7,530,689	671,646
Loss after income tax	(7,781,322)	(5,423,784)	(7,278,756)	(9,744,002)	(1,265,613)

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

	2024	2023	2022	2021[1]	2020[1]
Share price at financial year end ($)	0.93	1.12	0.75	1.70	0.85
Basic earnings/(loss) per share (cents per share)	(6.13)	(4.37)	(7.49)	(17.37)	(3.50)

[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 2023 Remuneration Report

At the Annual General Meeting held on 29 November 2023, shareholders adopted the 30 June 2023 Remuneration Report with a clear majority of 33,309,016 votes in favour, being 98.59% 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 27 day of September 2024
Perth, Western Australia

6 Auditors' Independence Declaration

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 2024, 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

RSM AUSTRALIA

Perth, WA
Dated: 27 September 2024

AIK KONG TING
Partner

7 Independent Auditors' Report

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT

To the Members of HOT CHILI LIMITED

Opinion

We have audited the financial report of Hot Chili Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 a 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 2024 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

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

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
Exploration and evaluation expenditure Refer to Note 11 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of $215,831,609 as at 30 June 2024. 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; • Critically assess management's accounting treatment in relation to consideration paid by Osisko Gold royalties Ltd in relation to the net smelter return royalty agreement; • Assessing and evaluating management's assessment of whether indicators of impairment existed at the reporting date; • Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; • Assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; and • Assessing the appropriateness of the disclosures in the financial statements.

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 and options for capital raising services. 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 2024 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

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 2024.

In our opinion, the Remuneration Report of Hot Chili Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

RSM

RSM AUSTRALIA

AIK KONG TING
Partner

Perth, WA
Dated: 27 September 2024

8 Directors' Declaration

In the opinion of the Directors:

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

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

c) the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2024 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 27 day of September 2024
Perth, Western Australia

9 Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

	Note	Consolidated Entity 2024 $	Consolidated Entity 2023 $
Interest income	4	265,191	170,795
Total Income		**265,191**	**170,795**
Depreciation		(156,247)	(130,698)
Corporate fees		(376,260)	(359,220)
Legal and professional		(906,005)	(588,185)
Employee benefits expense		(1,798,442)	(2,322,005)
Administration expenses		(1,149,521)	(1,076,963)
Accounting fees		(48,974)	(15,848)
Other expenses	5	(1,431,302)	(1,263,900)
Foreign exchange gain		323,616	119,145
Share-based payments (expense)/reversal	23	(2,464,998)	90,447
Finance costs		(38,380)	(47,352)
Total Expenses		**(8,046,513)**	**(5,594,579)**
Loss before income tax		(7,781,322)	(5,423,784)
Income tax expense	6	-	-
Loss After Income Tax		**(7,781,322)**	**(5,423,784)**
Other comprehensive income		-	-
Total Comprehensive Loss		**(7,781,322)**	**(5,423,784)**
Loss Attributable To:			
Non-controlling interests		(211,946)	(198,719)
Owners of Hot Chili Limited		(7,569,376)	(5,225,065)
		(7,781,322)	**(5,423,784)**
Basic and diluted loss per share (cents) attributable to the owners of Hot Chili Limited	7	(6.13)	(4.37)

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 2024

		Consolidated Entity	
		2024	2023
	Note	$	$
Current Assets			
Cash and cash equivalents	8	33,741,518	2,948,964
Other current assets	13	278,530	271,678
Total Current Assets		34,020,048	3,220,642
Non-Current Assets			
Plant and equipment	10	162,654	134,721
Exploration and evaluation expenditure	11	215,831,609	220,436,849
Right-of-use assets	12	508,689	277,591
Other non-current assets	13	359,309	362,688
Total Non-Current Assets		216,862,261	221,211,849
Total Assets		**250,882,309**	**224,432,491**
Current Liabilities			
Trade and other payables	14	2,608,414	1,202,362
Provisions	15	267,526	231,546
Lease liabilities	16	162,588	124,490
Total Current Liabilities		3,038,528	1,558,398
Non-Current Liabilities			
Provisions	15	24,591	16,218
Lease liabilities	16	392,014	209,118
Total Non-Current Liabilities		416,605	225,336
Total Liabilities		**3,455,133**	**1,783,734**
Net Assets		**247,427,176**	**222,648,757**
Equity			
Contributed equity	19	297,651,726	269,189,573
Share-based payments reserve	20(a)	6,445,699	5,230,152
Foreign currency translation reserve	20(b)	1,222	1,222
Accumulated losses	21	(76,319,896)	(71,081,853)
Capital and Reserves Attributable to Owners of Hot Chili Limited		227,778,751	203,339,094
Non-controlling interests	22	19,648,425	19,309,663
Total Equity		**247,427,176**	**222,648,757**

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

11 Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Entity	Contributed Equity	Share-Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-Controlling Interest ("NCI")	Total Equity
	$	$	$	$	$	$
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 payment	-	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**
Balance at 30 June 2022	269,189,573	5,517,849	1,222	(68,785,934)	18,848,770	224,771,480
Reclassification of historical allocation of NCI and accumulated losses	-	-	-	2,754,221	(2,754,221)	-
NCI contributions from previous periods[1 2]	-	-	-	(22,325)	1,477,934	1,455,609
Balance at 1 July 2022	**269,189,573**	**5,517,849**	**1,222**	**(66,054,038)**	**17,572,483**	**226,227,089**
Loss for the year	-	-	-	(5,225,065)	(198,719)	(5,423,784)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(5,225,065)**	**(198,719)**	**(5,423,784)**
Options expired	-	(197,250)	-	197,250	-	-
Share-based payment reversal	-	(90,447)	-	-	-	(90,447)
NCI contributions[1]	-	-	-	-	1,935,899	1,935,899
Balance at 30 June 2023	**269,189,573**	**5,230,152**	**1,222**	**(71,081,853)**	**19,309,663**	**222,648,757**

[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.

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

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

12 Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

		Consolidated Entity	
		2024	2023
	Note	$	$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(5,677,667)	(5,408,260)
Interest received		225,258	159,509
Interest paid		(945)	(417)
Net Cash Used in Operating Activities	9	(5,453,354)	(5,249,168)
Cash Flows from Investing Activities			
Payments for plant and equipment	10	(78,773)	(102,700)
Payments for tenements	11	(2,625,969)	(1,536,835)
Payments for exploration and evaluation		(12,033,794)	(13,856,439)
Net proceeds on sale of NSR		21,286,690	-
Net Cash provided by / (Used) in Investing Activities		6,548,154	(15,495,974)
Cash Flows from Financing Activities			
Proceeds from issue of shares		31,900,000	-
Share issue costs		(2,355,965)	-
Repayment of lease liabilities		(173,276)	(146,847)
Net Cash Provided by / (Used in) Financing Activities		29,370,759	(146,847)
Net increase/(decrease) in cash held		30,465,559	(20,891,989)
Cash and cash equivalents at the beginning of the year		2,948,964	23,721,808
Foreign exchange differences on cash		326,995	119,145
Cash and Cash Equivalents at the End of the Year	8	**33,741,518**	**2,948,964**

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

13 Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

1. MATERIAL ACCOUNTING POLICIES

The principle 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 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(c) Basis of Preparation

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

The financial report was authorised for issue on 27 September 2024 by the Board of Directors.

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

Critical Accounting Estimates

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

Historical Cost Convention

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

(d) Rounding of Amounts

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

(e) Parent Entity Information

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

(f) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hot Chili Limited ("parent entity") as at 30 June 2024 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.

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1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Segment Reporting

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

(h) Foreign Currency Translation

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

Foreign Currency Transactions

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

Foreign Operations

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

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

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

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

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

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

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

(j) Revenue Recognition

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

Interest Income

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

Other Services

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

(k) Finance Costs

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

(l) Income Tax

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

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

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

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

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) Current and Non-Current Classification

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

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

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

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

(n) Fair Value Measurement

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

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

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

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

(o) Impairment of Assets

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

(p) Cash and Cash Equivalents

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

(q) Other Receivables

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

(r) Plant and Equipment

Plant and Equipment

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

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

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

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(r) Plant and Equipment (Cont'd)

Depreciation

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

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

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

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

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

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

(s) Exploration and Evaluation Expenditure

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

(t) Right-of-Use Assets

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

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

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

(u) Lease Liabilities

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

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

(v) Trade and Other Payables

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

(w) Borrowings

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

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

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

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(x) 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.

(y) 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.

(z) 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.

(aa) Earnings per Share

Basic Earnings per Share

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

Diluted Earnings per Share

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

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

(a) Exploration and Evaluation Costs

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

(b) Share-Based Payment Transactions

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

3. SEGMENT INFORMATION

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

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

Segment revenues are allocated based on the country in which the party is located. There was no operating non-interest revenue during the current or previous financial years.

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

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

2024	Australia $	Chile $	Total $
Revenue (non-interest)	-	-	-
EBITDA	(5,834,516)	(2,017,370)	(7,851,886)
Depreciation			(156,247)
Interest income			265,191
Finance costs			(38,380)
Loss Before Income Tax Expense			(7,781,322)
Income tax expense			-
Loss After Income Tax Expense			**(7,781,322)**
Segment Assets	**33,643,742**	**217,238,567**	**250,882,309**
Segment Liabilities	**(1,218,702)**	**(2,236,431)**	**(3,455,133)**

2023	Australia $	Chile $	Total $
Revenue (non-interest)	-	-	-
EBITDA	(3,813,944)	(1,602,585)	(5,416,529)
Depreciation			(130,698)
Interest income			170,795
Finance costs			(47,352)
Loss Before Income Tax Expense			(5,423,784)
Income tax expense			-
Loss After Income Tax Expense			**(5,423,784)**
Segment Assets	**2,615,989**	**221,816,502**	**224,432,491**
Segment Liabilities	**(978,517)**	**(805,217)**	**(1,783,734)**

	Consolidated Entity 2024 $	Consolidated Entity 2023 $

4. INTEREST INCOME

	2024 $	2023 $
Interest earnt on bank deposits	265,191	170,795
	265,191	**170,795**

5. OTHER EXPENSES

	2024 $	2023 $
Marketing expenses	1,179,638	836,470
Travel costs	251,664	352,094
Community development costs	-	75,336
	1,431,302	**1,263,900**

6. INCOME TAX EXPENSE

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

	2024 $	2023 $
Loss before income tax	(7,781,322)	(5,423,784)
Prima facie income tax at 25% (2023: 25%)	(1,945,331)	(1,355,946)
Tax-effect of amounts not deductible in calculating taxable income	761,847	139,161
Tax loss not recognised	1,183,484	1,216,785
Income Tax Expense	**-**	**-**

(b) Tax Losses:

	2024 $	2023 $
Unused tax losses for which no deferred tax asset has been recognised	40,149,871	36,460,217
Potential tax benefit at 25% (2023: 25%)	10,037,468	9,115,054

As shown above, the directors estimate that the potential deferred tax asset at 30 June 2024 in respect of tax losses not brought to account is $10,037,468 (2023: $9,115,054).

In addition, Chilean subsidiaries of Hot Chili Limited also have tax losses that are a potential deferred tax asset of $27,101,844 (2023: $33,203,301).

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.

	Consolidated Entity 2024 $	Consolidated Entity 2023 $

7. LOSS PER SHARE

	2024 $	2023 $
Loss after tax attributable to the owners of Hot Chili Limited	(7,569,376)	(5,225,065)
The weighted average number of ordinary shares on issue used in the calculation of basic loss per share	123,565,151	119,445,206
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share[i]	**123,565,151**	**119,445,206**
Basic Loss Per Share (Cents)	**(6.13)**	**(4.37)**
Diluted Loss Per Share (Cents)[i]	**(6.13)**	**(4.37)**

[i] Unexercised options are not dilutive.

8. CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash at bank	23,741,518	2,948,964
Short-term deposits	10,000,000	-
Total Cash and Cash Equivalents	**33,741,518**	**2,948,964**

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:

	2024 $	2023 $
Cash and Cash Equivalents	**33,741,518**	**2,948,964**

9. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Net Cash Used in Operating Activities

	2024 $	2023 $
Loss for the year	(7,781,322)	(5,423,784)
Adjustments for:		
Depreciation	156,247	130,698
Foreign exchange gain	(323,616)	(119,145)
Community development costs recognised as investing activities	-	75,336
Share-based payments	2,464,998	(90,447)
Finance costs on lease liabilities	37,435	46,935
Net cash flows from operating activities before change in assets and liabilities	(5,446,258)	(5,380,407)
Change in assets and liabilities during the financial year (i):		
Other current assets	(46,670)	(326,695)
Trade and other payables	(4,779)	326,683
Provisions	44,353	131,251
Net Cash Outflow from Operating Activities	**(5,453,354)**	**(5,249,168)**

[i] As related to operating activities.

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

(b) Non-Cash Investing and Financing Activities

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

2023
There were no non-cash investing and financing activities during the previous year.

	Consolidated Entity	
	2024	**2023**
	$	**$**
10. PLANT AND EQUIPMENT		
Plant and equipment at cost	1,121,975	1,043,203
Less: Accumulated depreciation	(959,321)	(908,482)
Total Plant and Equipment	**162,654**	**134,721**
Reconciliation:		
Carrying amount at the beginning of the year	134,721	75,149
Additions	78,772	102,700
Depreciation expensed	(30,509)	(13,340)
Depreciation capitalised into exploration costs	(20,330)	(29,788)
Carrying Amount at the End of the Year	**162,654**	**134,721**
11. EXPLORATION AND EVALUATION EXPENDITURE		
Carrying amount at the beginning of the year	220,436,849	207,436,542
Net disposal of underlying mineral resource and property rights (i)	(21,286,690)	-
Consideration given for mineral exploration acquisition	2,625,969	1,536,835
Capitalised mineral exploration and evaluation (ii)	14,055,481	11,463,472
Carrying Amount at the End of the Year (iii)	**215,831,609**	**220,436,849**

(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.

	Consolidated Entity	
	2024	2023
	$	$

12. RIGHT-OF-USE ASSET

Right-of-use assets at cost	831,495	474,660
Less: Accumulated depreciation	(322,806)	(197,069)
	508,689	**277,591**
Reconciliation of Right-of-Use Assets		
Opening balance	277,591	292,274
Additions (i)	356,835	102,675
Amortisation	(125,737)	(117,358)
Closing balance	**508,689**	**277,591**

(i) From the previous year up until 1 June 2024, the Chilean entities leased their previous office premises at Avenida Isidora Goyenechea, Las Condes, Santiago under an operating lease. The commitments for minimum lease payments in relation to the previous Chilean office was previously disclosed in Note 17(c) of the Company's annual report for the year ended 30 June 2023. Effective on 1 June 2024, the Chilean entities entered into a new lease agreement for their new Chilean office premises at Lan 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 terminates on 28 February 2025 and the lease for the first floor terminates on 28 February 2026.

	Consolidated Entity	
	2024	2023
	$	$

13. OTHER ASSETS

Current		
Prepayments	227,311	260,392
Other receivables	51,219	11,286
Total Other Current Assets	**278,530**	**271,678**
Non-Current		
Term deposits and bonds	359,309	362,688
Total Other Non-Current Assets	359,309	362,688
Total Other Assets	**637,839**	**634,366**

	Consolidated Entity	
	2024	2023
	$	$
14. TRADE AND OTHER PAYABLES		
Trade payables and accruals	2,608,414	1,202,362
	2,608,414	**1,202,362**

15. PROVISIONS

Current		
Annual leave	182,429	153,213
Long service leave	85,097	78,333
Total Current Provisions	**267,526**	**231,546**
Non-Current		
Long service leave	24,591	16,218
Total Non-Current Provisions	**24,591**	**16,218**
Total Provisions	**292,117**	**247,764**

16. LEASE LIABILITIES

Current	162,588	124,490
Non-current	392,014	209,118
Total Lease Liabilities	**554,602**	**333,608**
Maturity Analysis:		
Year 1	216,180	158,783
Year 2	164,086	148,784
Year 3	82,306	81,780
Year 4	82,306	-
Year 5	82,306	-
Year 6	75,447	-
	702,631	389,347
Less: Interest portion of lease liabilities	(148,029)	(55,739)
Closing Balance	**554,602**	**333,608**

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

	Consolidated Entity 2024 $	Consolidated Entity 2023 $

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:

	2024 $	2023 $
Within one year	377,415	2,021,961
Later than one year but not later than five years	1,509,662	1,508,296
More than five years	4,906,401	5,279,035
	6,793,478	**8,809,292**

(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:

	2024 $	2023 $
Within one year	4,378,019	7,088,989
Later than one year but not later than five years	22,388,285	12,217,195
More than five years	-	-
	26,766,304	**19,306,184**

(c) Operating Leases

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

	2024 $	2023 $
Within one year	-	100,992
Later than one year but not later than five years	-	488,267
More than five years	-	-
	-	**589,259**

[i] Refer to Note 12(i) with regards to the lease for the new Chilean office premises. As such, the Group no longer has any operating lease related commitments at 30 June 2024.

18. CONTINGENT LIABILITIES

(a) VAT Payments

At year-end, Hot Chili Limited had accumulated:

- VAT refund payments of $14,939,275 (2023: $16,890,566) with respect to VAT recovered at year end by Sociedad Minera El Águila SpA (refer to the table below); and
- VAT refund payments of $9,731,571 (2023: $9,604,604) with respect to VAT recovered at year-end by Sociedad Minera Frontera SpA (refer to the table below).

	Consolidated Entity	
	2024	**2023**
	$	**$**
VAT recovered by Sociedad Minera El Águila SpA (CLP 9,344,976,756; 2023: CLP 8,988,767,896)	14,939,275	16,890,566
VAT recovered by Sociedad Minera Frontera SpA (CLP 6,087,397,302; 2023: CLP 5,111,348,028)	9,731,571	9,604,604
Total VAT Recovered by the Group (CLP 15,432,374,058; 2023: CLP 14,100,115,924)	**24,670,846**	**26,495,170**

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.

19. CONTRIBUTED EQUITY

	Consolidated Entity			
	2024		**2023**	
	No. Shares	**$**	**No. Shares**	**$**
(a) Share Capital				
Ordinary shares – fully paid	151,345,206	297,651,726	119,445,206	269,189,573
(b) Movement in Ordinary Share Capital				
Balance at the beginning of the period	119,445,206	269,189,573	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	-	-
Less: Costs associated with issue of share capital	-	(3,437,847)	-	-
Balance at the End of the Period	**151,345,206**	**297,651,726**	**119,445,206**	**269,189,573**

[i] Issued at $1.00 per share.

19. CONTRIBUTED EQUITY (CONT'D)

(c) Terms and Conditions of Contributed Equity

Ordinary Shares

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

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

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

Issue Date	Expiry Date	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.
28 Feb 2022	31 Jan 2024	C$2.50	10,900,000	-	-	(10,900,000)	-	-
			10,900,000	**-**	**-**	**(10,900,000)**	**-**	**-**

The warrants were listed on the Canadian TSX Venture Exchange and lapsed without exercise on 31st January 2024.

(e) 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	$2.25	1,850,001	-	-	-	1,850,001	1,850,001
4 Feb 2022	28 Jan 2025	C$1.85	1,259,789	-	-	-	1,259,789	1,259,789
25 Jul 2024(i)	25 Jul 2026	$1.50	-	1,914,000	-	-	1,914,000	1,914,000
			3,109,790	**1,914,000**	**-**	**-**	**5,023,790**	**5,023,790**

(i) Approved at the General Meeting of Shareholders on 4 July 2024.

Weighted average exercise price of options on issue is $2.16 (2023: $2.19). The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.38 years (2023: 1.39 years).

(f) Service Rights

Grant Date	Last Vesting Day	Expiry Date(i)	Balance at Start of Year No.	Issued(ii) No.	Exercised No.	Expired 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	-	-	-	938,953	938,953
10 May 2023	31 Dec 2024	12 May 2028	938,955	-	-	-	938,955	-
10 May 2023	31 Dec 2025	12 May 2028	938,956	-	-	-	938,956	-
21 Aug 2023	31 Dec 2023	22 Aug 2028	-	115,006	-	-	115,006	115,006
21 Aug 2023	31 Dec 2024	22 Aug 2028	-	115,006	-	-	115,006	-
21 Aug 2023	31 Dec 2025	22 Aug 2028	-	114,988	-	-	114,988	-
			2,816,864	**345,000**	**-**	**-**	**3,161,864**	**1,053,959**

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

(ii) During the year, 345,000 service rights were issued to the Company's Chilean employees and certain other consultants. 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, $1,836,975 (2023: $313,871) was expensed in relation to the vesting of service rights (see Note 23).

19. CONTRIBUTED EQUITY (CONT'D)

(g) Performance Rights

Grant Date	Last Vesting Day	Expiry Date[(i)]	Balance at Start of Year No.	Issued[(ii)] No.	Exercised No.	Expired[(iii)] No.	Balance at End of Year No.	Exercisable at End of Year[(iv)] No.
12 Aug 2020	31 Jul 2023	31 Jul 2023	400,002	-	-	(400,002)	-	-
1 Sep 2020	31 Jul 2023	31 Jul 2023	700,002	-	-	(700,002)	-	-
3 Nov 2020	31 Jul 2023	31 Jul 2023	100,002	-	-	(100,002)	-	-
2 Sep 2021	31 Jul 2023	31 Jul 2023	300,000	-	-	(300,000)	-	-
20 Sep 2021	31 Jul 2023	31 Jul 2023	400,002	-	-	(400,002)	-	-
10 May 2023	31 Dec 2023	12 May 2028	290,480	-	-	-	290,480	290,480
10 May 2023	31 Dec 2024	12 May 2028	290,485	-	-	-	290,485	-
10 May 2023	31 Dec 2025	12 May 2028	1,286,433	-	-	-	1,286,433	-
10 May 2023	10 May 2026	12 May 2028	622,466	-	-	-	622,466	-
21 Aug 2023	31 Dec 2023	22 Aug 2028	-	40,244	-	-	40,244	40,244
21 Aug 2023	31 Dec 2024	22 Aug 2028	-	40,244	-	-	40,244	-
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	-
			4,389,872	**345,000**	**-**	**(1,900,008)**	**2,834,864**	**330,724**

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

(ii) During the year, 345,000 performance rights were issued to the Company's Chilean employees and certain other consultants. Refer to Note 23(b)(ii) for details of the fair value of the performance rights granted.

(iii) On 31 July 2023, 1,900,008 performance rights lapsed 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, $628,023 was expensed (2023: $404,318 reversed) in relation to the vesting of performance rights (see Note 23).

(h) Capital Risk Management

The consolidated entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the consolidated entity may issue new shares, pay dividends or return capital to shareholders. Capital is calculated as 'equity' as shown in the statement of financial position and is monitored on the basis of funding exploration activities. The capital risk management policy remains unchanged from the 2023 Annual Report.

	Consolidated Entity 2024 $	Consolidated Entity 2023 $

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:

	2024 $	2023 $
Balance at the beginning of the year	5,230,152	5,517,849
Vesting of service and performance rights during the year (see Note 23)	2,464,998	(90,447)
Issue of options during the year[i]	1,081,882	-
Options or rights expiring during the year (transferred to accumulated losses)	(2,331,333)	(197,250)
Balance at the End of the Year	**6,445,699**	**5,230,152**

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

(b) Foreign Currency Translation Reserve

	2024 $	2023 $
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

	2024 $	2023 $
Accumulated losses at the beginning of the year	(71,081,853)	(68,785,934)
Reclassification of historical allocation of NCI and accumulated losses	-	2,754,221
Reclassification of NCI contributions from previous periods[i]	-	(22,325)
Net loss for the year attributable to the owners of Hot Chili Limited	(7,569,376)	(5,225,065)
Options or rights expiring during the year (transferred from share-based payments reserve)	2,331,333	197,250
Accumulated Losses at the End of the Year	**(76,319,896)**	**(71,081,853)**

[i] See footnote (ii) of Note 22 below.

22. NON-CONTROLLING INTERESTS

	2024 $	2023 $
Balance at the beginning of the year	19,309,663	18,848,770
Reclassification of historical allocation of NCI and accumulated losses	-	(2,754,221)
Reclassification of NCI contributions from previous periods[i][ii]	-	1,477,934
Share of net loss for the year	(211,946)	(198,719)
NCI contributions (current year)[i]	550,708	1,935,899
Balance at the End of the Year	**19,648,425**	**19,309,663**

[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.

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

	Consolidated Entity 2024 $	Consolidated Entity 2023 $
23. SHARE-BASED PAYMENTS		
Share-Based Payments Expense/(Reversal) Recognised in Profit or Loss		
Vesting of service rights to employees and key consultants of the Company (see Note 23(a) below)	1,836,975	313,871
Vesting of performance rights to employees and key consultants of the Company (see Note 23(b) below)	628,023	(404,318)
Total Share-Based Payments Expense/(Reversal) Recognised in Profit or Loss	**2,464,998**	**(90,447)**
Share-Based Payments Recognised Directly in Equity		
Options granted to capital raising lead managers during the year (see Note 23(c) below)	1,081,882	-
Total Share-Based Payments Recognised Directly in Equity	**1,081,882**	**-**
Total Share-Based Payment Transactions	**3,546,880**	**(90,447)**

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

$1,836,975 (2023: $313,871) was expensed in relation to the vesting of the following service rights during the year:

	2024 $	2023 $
Service rights issued in August 2023	297,443	-
Service rights issued in May 2023	1,539,532	313,871
	1,836,975	**313,871**

Refer to Note 23(a)(ii) below for details of the key terms and conditions and the fair value of the service rights granted and issued in August 2023.

Refer to Note 23(a)(iii) below for details of the key terms and conditions and the fair value of the service rights granted and issued in May 2023.

(ii) Fair Value of Service Rights Issued in August 2023

During the current year, 345,000 service rights were issued to the Company's Chilean employees and certain other consultants. The key terms and conditions of the service rights issued were as follows:

Service Rights Tranche	Quantity Granted 21 Aug 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	115,006 issued	31 Dec 2023	Continued employment during the 2023 calendar year.
Tranche 2	115,006 issued	31 Dec 2024	Continued employment during the 2024 calendar year.
Tranche 3	114,988 issued	31 Dec 2025	Continued employment during the 2025 calendar year.
Total	**345,000 Issued**		

23. SHARE-BASED PAYMENTS (CONT'D)

(a) Service Rights (Cont'd)

(ii) Fair Value of Service Rights Issued in August 2023 (Cont'd)

The fair values for the service rights were determined using the Black Scholes option pricing model. The inputs for the fair value model for the service rights issued in August 2023 were as follows:

For Service Rights Issued in August 2023	Tranche 1	Tranche 2	Tranche 3
Number	115,006	115,006	114,988
Issue date	22 Aug 2023	22 Aug 2023	22 Aug 2023
Valuation date	21 Aug 2023	21 Aug 2023	21 Aug 2023
Spot price at grant date	$1.3200	$1.3200	$1.3200
Exercise price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	21 Aug 2028	21 Aug 2028	21 Aug 2028
Expected price volatility of the Company's shares	70%	70%	70%
Risk-free interest rate	3.950%	3.950%	3.950%
Dividend yield	Nil	Nil	Nil
Fair value of per service right	$1.3200	$1.3200	$1.3200
Total Value of Service Rights Granted	**$151,808**	**$151,808**	**$151,784**

(iii) Fair Value of Service Rights Issued in May 2023

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

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

23. SHARE-BASED PAYMENTS (CONT'D)

(a) Service Rights (Cont'd)

(iii) Fair Value of Service Rights Issued in May 2023 (Cont'd)

The fair values for the service rights were determined using the Hoadley ESO2 valuation model. The inputs for the fair value model for the service rights issued in May 2023 were as follows:

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

(b) Performance Rights

(i) Share-Based Payments Expense/(Reversal) Related to Performance Rights

$628,023 was expensed (2023: $404,318 was reversed) in relation to the vesting of the following performance rights during the year:

	Consolidated Entity	
	2024 $	2023 $
Performance rights issued in August 2023	121,197	-
Performance rights issued in May 2023	477,897	105,665
Performance rights issued prior 1 July 2022 and lapsed on 31 July 2023	**28,929**	**(509,983)**
	628,023	**(404,318)**

Refer to Note 23(b)(ii) below for details of the key terms and conditions and the fair value of the performance rights granted and issued in August 2023.

Refer to Note 23(b)(iii) below for details of the key terms and conditions and the fair value of the performance rights granted and issued in May 2023.

The reversal of share-based payments charges for the performance rights issued prior to 1 July 2022 was due to non-market vesting conditions not being met before the last vesting day of 31 July 2023. The remaining 1,900,008 performance rights that were issued prior to 1 July 2022 lapsed on 31 July 2023 due to all vesting conditions not being met by that date.

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(ii) Fair Value of Performance Rights Issued in August 2023

During the current year, 345,000 performance rights were issued to the Company's Chilean employees and certain other consultants. The key terms and conditions of the performance rights issued were as follows:

Class A Tranche	Quantity Granted 21 Aug 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	11,497 issued	31 Dec 2023	Lost Time Injury Frequency Rate ("LTIFR") of less than 27 and zero fatalities during the 2023 calendar year.
Tranche 2	11,497 issued	31 Dec 2024	LTIFR of less than 27 and zero fatalities during the 2024 calendar year.
Tranche 3	11,506 issued	31 Dec 2025	LTIFR of less than 27 and zero fatalities during the 2025 calendar year.
Total Class A	34,500 Issued		

Class B Tranche	Quantity Granted 21 Aug 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	28,747 issued	31 Dec 2023	The Company's relative shareholder return ("SR") performance during the 2023 calendar year ranked against a "Peer Group" of comparable companies. 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.
Tranche 2	28,747 issued	31 Dec 2024	Criteria per above, applied to the 2024 calendar year.
Tranche 3	28,756 issued	31 Dec 2025	Criteria per above, applied to the 2025 calendar year.
Total Class B	86,250 Issued		

Class C Tranche	Quantity Granted 21 Aug 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	43,129 issued	As conditions vest	Increase in the Company's 20-day VWAP to $1.69 per share on or before 21 August 2026.
Tranche 2	43,121 issued	As conditions vest	Increase in the Company's 20-day VWAP to $2.72 per share on or before 21 August 2026.
Total Class C	86,250 Issued		

Class D Tranche	Quantity Granted 21 Aug 2023	Vesting Determination Date	Vesting Conditions
Tranche 1	69,000 issued	As conditions vest	Total resources growth to 1.2 billion tonnes on or before 31 December 2025.
Tranche 2	69,000 issued	As conditions vest	Total resources growth to between 1.2 billion tonnes and 1.4 billion tonnes on or before 31 December 2025, vesting on a pro-rata basis.
Total Class D	138,000 Issued		
Total	**345,000 Issued**		

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(ii) Fair Value of Performance Rights Issued in August 2023 (Cont'd)

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 the fair value models for the performance rights issued in August 2023 were as follows:

For Class A Performance Rights Issued in Aug 2023	Tranche 1	Tranche 2	Tranche 3
Number	11,497	11,497	11,506
Issue date	22 Aug 2023	22 Aug 2023	22 Aug 2023
Valuation date	21 Aug 2023	21 Aug 2023	21 Aug 2023
Spot price at grant date	$1.3200	$1.3200	$1.3200
Exercise price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	21 Aug 2028	21 Aug 2028	21 Aug 2028
Expected price volatility of the Company's shares	70%	70%	70%
Risk-free interest rate	3.950%	3.950%	3.950%
Dividend yield	Nil	Nil	Nil
Fair value of per service right	$1.3200	$1.3200	$1.3200
Total Value of Performance Rights Granted	**$15,176**	**$15,176**	**$15,188**

For Class B Performance Rights Issued in Aug 2023	Tranche 1	Tranche 2	Tranche 3
Number	28,747	28,747	28,756
Issue date	22 Aug 2023	22 Aug 2023	22 Aug 2023
Valuation date	21 Aug 2023	21 Aug 2023	21 Aug 2023
Spot price at grant date	$1.3200	$1.3200	$1.3200
Exercise price	Nil	Nil	Nil
Vesting date	31 Dec 2023	31 Dec 2024	31 Dec 2025
Expiry date	21 Aug 2028	21 Aug 2028	21 Aug 2028
Expected price volatility of the Company's shares	70%	70%	70%
Risk-free interest rate	3.950%	3.950%	3.950%
Dividend yield	Nil	Nil	Nil
Fair value of per service right	$1.3090	$0.8950	$0.8960
Total Value of Performance Rights Granted	**$37,630**	**$25,729**	**$25,765**

For Class C Performance Rights Issued in Aug 2023	Tranche 1	Tranche 2
Number	43,129	43,121
Issue date	22 Aug 2023	22 Aug 2023
Valuation date	21 Aug 2023	21 Aug 2023
Spot price at grant date	$1.3200	$1.3200
Exercise price	Nil	Nil
VWAP barrier price	$1.6900	$2.7200
Last vesting date	21 Aug 2026	21 Aug 2026
Expiry date	21 Aug 2028	21 Aug 2028
Expected price volatility of the Company's shares	70%	70%
Risk-free interest rate	3.895%	3.895%
Dividend yield	Nil	Nil
Fair value of per service right	$1.0090	$1.0090
Total Value of Performance Rights Granted	**$43,517**	**$43,509**

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(ii) Fair Value of Performance Rights Issued in August 2023 (Cont'd)

For Class D Performance Rights Issued in Aug 2023	Tranche 1	Tranche 2
Number	69,000	69,000
Issue date	22 Aug 2023	22 Aug 2023
Valuation date	21 Aug 2023	21 Aug 2023
Spot price at grant date	$1.3200	$1.3200
Exercise price	Nil	Nil
Last vesting date	31 Dec 2025	31 Dec 2025
Expiry date	21 Aug 2028	21 Aug 2028
Expected price volatility of the Company's shares	70%	70%
Risk-free interest rate	3.950%	3.950%
Dividend yield	Nil	Nil
Fair value of per service right	$1.3200	$1.3200
Total Value of Performance Rights Granted	**$91,080**	**$91,080**

(iii) Fair Value of Performance Rights Issued in May 2023

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

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

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

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(iii) Fair Value of Performance Rights Issued in May 2023 (Cont'd)

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

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

The fair values for the Class A and Class D performance rights were determined using the Hoadley ESO2 valuation model, the fair values for the Class B performance rights were determined using the Hoadley Employee Stock Option valuation model, and the fair values for the Class C performance rights were determined using the Hoadley Parisian Barrier and Hoadley Employee Stock Option valuation model.

The inputs for the fair value models for the performance rights issued in May 2023 were as follows:

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

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(iii) Fair Value of Performance Rights Issued in May 2023 (Cont'd)

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

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

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(iii) Fair Value of Performance Rights Issued in May 2023 (Cont'd)

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

(c) Options Granted

(i) Fair Value of Options Granted in May 2024

1,914,000 options were issued to lead managers of a capital raising and the issue was approved in a general meeting on 4 July 2024. The fair value was determined using the Black-Scholes valuation model that takes into account the exercise price, the share price at grant date and expected price volatility of the underlying share, and the risk-free interest rate for the options term. The inputs for the fair value model for fee options were as follows:

	Broker & Underwriter Options
Number of options	1,914 ,000
Issue date	25 July 2024
Valuation date	27 May 2024
Consideration	Nil
Spot price at grant date	$1.1750
Exercise price	$1.5000
Expiry date	25 July 2026
Expected price volatility of the Company's shares	100.00%
Risk-free interest rate	4.03%
Dividend yield	Nil
Fair value of per option	$0.5652
Total Value of Options Granted	$1,081,882

These options were approved at the General Meeting of Shareholders on 4 July 2024 and form part of the fees of the capital raising (refer ASX release dated 1 May 2024).

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 $929 (2023: $699,453).

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 2024 and at 30 June 2023, 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
2024	**$**	**$**
Increase in interest rate by 2%	19	19
Decrease in interest rate by 2%	(19)	(19)
2023		
Increase in interest rate by 2%	13,989	13,989
Decrease in interest rate by 2%	(13,989)	(13,989)

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 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**
At 30 June 2023					
Non-Derivatives					
Trade payables	-	1,202,362	-	1,202,362	1,202,362
Lease liabilities - interest bearing	13.00	158,783	230,564	389,347	333,608
Total Financial Liabilities		**1,361,145**	**230,564**	**1,591,709**	**1,535,970**

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 2024	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	1.47	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**
At 30 June 2023					
Non-Derivatives					
Cash and cash equivalents	1.91	2,948,964	-	2,948,964	2,948,964
Other receivables (term deposits and bonds)	0.86	-	362,688	362,688	362,688
Total Financial Assets		**2,948,964**	**362,688**	**3,311,652**	**3,311,652**

(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 2024	CLP Denominated $	USD Denominated $	CAD Denominated $
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**
At 30 June 2024			
Cash and cash equivalents	1,139,379	4,473	-
Other receivables (term deposits and bonds)	87,076	150,830	-
Trade payables and accruals	(608,683)	(42,003)	(96,610)
Net Exposure to Foreign Exchange Risk	617,772	**113,300**	**(96,610)**

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
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
2023		
Strengthening of the AUD against the CLP by 10%	(61,777)	(61,777)
Weakening of the AUD against the CLP by 10%	61,777	61,777
Strengthening of the AUD against the USD by 10%	(11,330)	(11,330)
Weakening of the AUD against the USD by 10%	11,330	11,330
Strengthening of the AUD against the CAD by 10%	9,661	9,661
Weakening of the AUD against the CAD by 10%	(9,661)	(9,661)

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 2024 and on 30 June 2023.

26. PARENT ENTITY DISCLOSURES

	Hot Chili Limited	
	2024	**2023**
	$	**$**
(a) Financial Position		
Assets		
Current assets	33,216,961	2,079,212
Non-current assets	202,039,947	206,684,331
Total Assets	**235,256,908**	**208,763,543**
Liabilities		
Current liabilities	1,115,973	753,181
Non-current liabilities	102,729	225,336
Total Liabilities	**1,218,702**	**978,517**
Equity		
Issued capital	298,733,608	269,189,573
Reserves	5,363,817	5,230,152
Accumulated losses	(70,059,219)	(66,634,699)
Total Equity	**234,038,206**	**207,785,026**
(b) Financial Performance		
Loss for the year	(5,755,854)	(3,821,199)
Total Comprehensive Income	**(5,755,854)**	**(3,821,199)**

(c) Contingent Liabilities of the Parent Entity

The parent entity did not have any contingent liabilities as at 30 June 2024 or at 30 June 2023.

(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 2024 or at 30 June 2023.

(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.

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(f).

			Equity Holding	
Name of Entity	**Country of Incorporation**	**Class of Shares**	**2024 %**	**2023 %**
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)]	-
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	
	2024 $	**2023 $**
(i) Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue	-	34,940
Expenses	(1,059,730)	(1,028,535)
Loss Before Income Tax Expense	(1,059,730)	(993,595)
Income tax expense	-	-
Loss After Income Tax Expense	(1,059,730)	(993,595)
Other comprehensive income	-	-
Total Comprehensive Loss	**(1,059,730)**	**(993,595)**
(ii) Summarised Statement of Financial Position		
Assets		
Current assets	458,471	125,418
Non-current assets	119,613,280	121,874,889
Total Assets	120,071,751	122,000,307
Liabilities		
Current liabilities	1,675,514	484,302
Non-current liabilities	20,154,112	24,967,692
Total Liabilities	21,829,626	25,451,994
Net Assets	**98,242,125**	**96,548,313**
(iii) Statement of Cash Flows		
Net cash used in operating activities	(1,060,227)	(1,028,541)
Net cash used in investing activities	4,004,027	(3,468,119)
Net cash from financing activities	(2,610,747)	4,428,764
Net Increase/(Decrease) in Cash and Cash Equivalents	**333,053**	**(67,896)**
(iv) Other Financial Information		
Loss attributable to non-controlling interests	(211,946)	(198,719)
Accumulated Non-Controlling Interests at the End of the Reporting Period	**19,648,425**	**19,309,663**

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

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

Non-Executive Directors	Position
Dr Nicole Adshead-Bell	Independent Non-Executive Chairman
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Stephen Quin (appointed 5 May 2023)	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

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

	Consolidated Entity 2024 $	Consolidated Entity 2023 $
Directors		
Short-term benefits	603,500	553,572
Post-employment benefits	47,667	43,838
Share-based payments	835,118	21,644
	1,486,285	**619,054**
Other KMP		
Short-term benefits	621,740	691,322
Post-employment benefits	27,399	43,296
Share-based payments	728,845	(154,458)
Other benefits	-	85,994
	1,377,984	**666,154**
Total	**2,864,269**	**1,285,208**

29. REMUNERATION OF AUDITORS

	Consolidated Entity	
	2024	2023
	$	$
(a) RSM Australia Partners		
Audit or review of financial reports for the Group	77,800	72,700
Tax compliance services	31,050	23,288
Total Audit and Other Services Provided by RSM Australia Partners	**108,850**	**95,988**
Total Remuneration of Auditors	**108,850**	**95,988**

30. EVENTS OCCURRING AFTER REPORTING DATE

On 26 June 2024, Hot Chili announced the resignation of Ms Penelope Beattie as Company Secretary and Chief Financial Officer effective 1 July 2024 and announced the appointment of Mrs Carol Marinkovich as interim Company Secretary for the Company, effective 1 July 2024.

On 2 July 2024, Hot Chili announced the appointment of Ms Deborah Le Moignan as interim Chief Financial Officer effective 1 July 2024. Ms Le Moignan was recently appointed Financial Controller and succeeded Ms Beattie who stepped down to pursue other career opportunities.

On 8 July 2024, Hot Chili announced the establishment of Aguas para El Huasco SpA (Huasco Water), a new joint venture company (held by Hot Chili 80% and Compania Minera del Pacifico (CMP) 20%) formed to supply both sea water and desalinated water to the Huasco Valley region of Chile. Water assets were transferred from El Aguila to Huasco Water.

On 15 July 2024, Hot Chili announce the appointment of Mr Ryan Finkelstein as Chief Financial Officer effective 15 July 2024. Mr Finkelstein took over from Ms Le Moignan who had been appointed Interim CFO.

On 26 July 2024, Hot Chili announced that 295,168 performance rights had lapsed effective 2 July 2024 because the conditions were not met or were incapable of being satisfied.

The Company also announced that 1,914,000 options at an exercise price of $1.50 were issued on 25 July 2024 to brokers and underwriters as part of a capital raising transaction with an expiry date of 25 July 2026. The securities were approved at the General Meeting of Shareholders on 4 July 2024.

On 2 August 2024, Hot Chili announced the vesting of service rights previously issued under an employee incentive scheme and the issue of 63,995 ordinary fully paid shares valued at $0.8550 per security.

On 4 September 2024, Hot Chili announced the vesting of service rights previously issued under an employee incentive scheme and the issue of 11,249 ordinary fully paid shares on the 3 September 2024 valued at $0.7950 per security.

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 2024

The following entities were part of the consolidated entity as at 30 June 2024:

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 Corpo-rate (Listed Pulic Entity)	(N/A: Listed Public Ultimate Par-ent 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.

15 Shareholder Information

Information Required by the Australian Securities Exchange Limited

(a) Spread of Holdings

			Shareholders	Units	%
1	-	1,000	1,563	991,454	0.65%
1,001	-	5,000	2,150	5,645,856	3.73%
5,001	-	10,000	699	5,257,686	3.47%
10,001	-	100,000	670	11,949,076	7.89%
100,001	&	Over	479	127,576,378	84.26%
			5,561	**151,420,450**	**100%**

There are 857 holders of unmarketable parcels comprising 370,109 shares.

(b) The names of the twenty largest shareholders as at 18 September 2024, who between them held 52.22% of the issued capital are listed below::

		Number of Ordinary Shares	%
1	CITICORP NOMINEES PTY LIMITED	14,511,854	9.58%
2	GLENCORE AUSTRALIA HOLDINGS PTY LIMITED	11,450,890	7.56%
3	CDS & CO	11,042,823	7.29%
4	GS GROUP AUSTRALIA PTY LTD <GS GROUP AUSTRALIA A/C>	8,916,681	5.89%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,706,678	3.77%
6	BLUE SPEC SONDAJES CHILE SPA	5,552,956	3.67%
7	UBS NOMINEES PTY LTD	2,936,841	1.94%
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,771,237	1.83%
9	BLUE SPEC DRILLING PTY LTD	2,479,525	1.64%
10	MR DAVID STEWART FIELD	2,299,259	1.52%
11	BNP PARIBAS NOMS PTY LTD <DRP>	1,545,923	1.02%
12	CAP S A	1,323,078	0.87%
13	JAERICA PTY LTD	1,291,859	0.85%
14	DALTON CORPORATE PTY LIMITED <DALTON FAM SF A/C>	1,120,000	0.74%
15	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	1,071,943	0.71%
16	MRS NERIDA RUTH SCOTT <SCOTT FAMILY A/C>	1,040,000	0.69%
17	BUTTONWOOD NOMINEES PTY LTD	1,010,000	0.67%
18	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,006,360	0.66%
19	SAMLISA NOMINEES PTY LTD	1,000,000	0.66%
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	986,538	0.65%
Total Units Held		**79,064,445**	**52.22%**
Total Units on Issue		**151,420,450**	**100.00%**

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

		Relevant Interest Per Notice	
	Date Received	Number of Shares	% of Issued Capital
Glencore Australia Holdings Pty Ltd	20/05/2024	11,235,497	7.78%
Murray Edward Black (grouped)	11/02/2022	8,367,481	5.53%
GS Group Australia Pty Ltd atf GS Group Australia Trust	01/02/2024	8,320,123	5.49%

15 Shareholder Information (Cont'd)

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

(d) Holdings of Warrants, Options and Rights

(i) As at 18 September 2024 there are no listed warrants over shares on issue.

As at 18 September 2024 there are 17 holders of the 3,173,789 unlisted options over shares on issue.

(ii) As at 18 September 2024 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$2.25 expiring 30 Sep 2024	1,850,001	9	1
Unlisted options exercisable at C$1.85 expiring 28 Jan 2025	1,259,789	9	3
Unlisted options exercisable at A$2.25 expiring 30 Sep 2024	1,914,000	8	2
	5,023,790		

Unquoted Equity Security Holdings Greater Than or Equal to 20%

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

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

	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 18 September 2024 there 20 holders of the 2,939,051 service rights on issue. There are no voting rights attached to service rights.

As at 18 September 2024 there 17 holders of the 2,520,189 performance rights on issue. There are no voting rights attached to performance rights.

(e) On-Market Buyback

As at 18 September 2024 there was no current on-market buyback under way.

16 Tenement Schedule

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2024

Cortadera Project

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

16 Tenement Schedule (Cont'd)

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

Productora Project

License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
FRAN 1 1/60	80% SMEA SpA		220	
FRAN 2 1/20	80% SMEA SpA		100	
FRAN 3 1/20	80% SMEA SpA		100	
FRAN 4 1/20	80% SMEA SpA		100	
FRAN 5 1/20	80% SMEA SpA		100	
FRAN 6 1/26	80% SMEA SpA		130	
FRAN 7 1/37	80% SMEA SpA		176	
FRAN 8 1/30	80% SMEA SpA		120	
FRAN 12 1/40	80% SMEA SpA		200	
FRAN 13 1/40	80% SMEA SpA		200	
FRAN 14 1/40	80% SMEA SpA		200	
FRAN 15 1/60	80% SMEA SpA		300	
FRAN 18 1/60	80% SMEA SpA		273	
FRAN 21 1/46	80% SMEA SpA		226	
ALGA 7A 1/32	80% SMEA SpA		89	
ALGA VI 5/24	80% SMEA SpA		66	
MONTOSA 1/4	80% SMEA SpA		35	NSR 3%
CHICA	80% SMEA SpA		1	
ESPERANZA 1/5	80% SMEA SpA		11	
LEONA 2A 1/4	80% SMEA SpA		10	
CARMEN I 1/50	80% SMEA SpA		222	
CARMEN II 1/60	80% SMEA SpA		274	
ZAPA 1 1/10	80% SMEA SpA		100	
ZAPA 3 1/23	80% SMEA SpA		92	
ZAPA 5A 1/16	80% SMEA SpA		80	
ZAPA 7 1/24	80% SMEA SpA		120	
CABRITO CABRITO 1/9	80% SMEA SpA		50	
CUENCA A 1/51	80% SMEA SpA		255	
CUENCA B 1/28	80% SMEA SpA		139	
CUENCA C 1/51	80% SMEA SpA		255	
CUENCA D	80% SMEA SpA		3	
CUENCA E	80% SMEA SpA		1	
CHOAPA 1/10	80% SMEA SpA		50	
ELQUI 1/14	80% SMEA SpA		61	
LIMARÍ 1/15	80% SMEA SpA		66	
LOA 1/6	80% SMEA SpA		30	
MAIPO 1/10	80% SMEA SpA		50	
TOLTÉN 1/14	80% SMEA SpA		70	
CACHIYUYITO 1 1/20	80% SMEA SpA		100	
CACHIYUYITO 2 1/60	80% SMEA SpA		300	
CACHIYUYITO 3 1/60	80% SMEA SpA		300	
LA PRODUCTORA 1/16	80% SMEA SpA		75	

16 Tenement Schedule (Cont'd)

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

Productora Project (Cont'd)

License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
ORO INDIO 1A 1/20	80% SMEA SpA		82	
AURO HUASCO I 1/8	80% SMEA SpA		35	
URANIO, 1-70	0%	0%	350	25-year Lease Agreement US$250,000 per year (average for the 25-year term); plus 2% NSR all but gold; 4% NSR gold; 5% NSR non-metallic
JULI 9 1/60	80% SMEA SpA		300	
JULI 10 1/60	80% SMEA SpA		300	
JULI 11 1/60	80% SMEA SpA		300	
JULI 12 1/42	80% SMEA SpA		210	
JULI 13 1/20	80% SMEA SpA		100	
JULI 14 1/50	80% SMEA SpA		250	
JULI 15 1/55	80% SMEA SpA		275	
JULI 16 1/60	80% SMEA SpA		300	
JULI 17 1/20	80% SMEA SpA		100	
JULI 19	80% SMEA SpA		300	
JULI 20	80% SMEA SpA		300	
JULI 21 1/60	80% SMEA SpA		300	
JULI 22	80% SMEA SpA		300	
JULI 23 1/60	80% SMEA SpA		300	
JULI 24 1/60	80% SMEA SpA		300	
JULI 25	80% SMEA SpA		300	
JULI 27 1/30	80% SMEA SpA		146	
JULI 27 B 1/10	80% SMEA SpA		48	
JULI 28 1/60	80% SMEA SpA		300	
JULIETA 5	80% SMEA SpA		200	
JULIETA 6	80% SMEA SpA		200	
JULIETA 7	80% SMEA SpA		100	
JULIETA 8	80% SMEA SpA		100	
JULIETA 9	80% SMEA SpA		100	
JULIETA 10 1/60	80% SMEA SpA		300	
JULIETA 11	80% SMEA SpA		300	
JULIETA 12	80% SMEA SpA		300	
JULIETA 13 1/60	80% SMEA SpA		298	
JULIETA 14 1/60	80% SMEA SpA		269	
JULIETA 15 1/40	80% SMEA SpA		200	
JULIETA 16	80% SMEA SpA		200	
JULIETA 17	80% SMEA SpA		200	
JULIETA 18 1/40	80% SMEA SpA		200	
ARENA 1 1/6	80% SMEA SpA		40	
ARENA 2 1/17	80% SMEA SpA		113	
ZAPA 1/6	80% SMEA SpA		6	GSR 1%
JULITA 1/4	80% SMEA SpA		4	

16 Tenement Schedule (Cont'd)

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

El Fuego Project

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment- Payments
SANTIAGO 21/36		10% Frontera SpA	76	100% HCH Purchase Option Agreement ▪ USD 300,000 already paid; ▪ US$1,000,000 payable 30 September 2024; ▪ US$1,000,000 payable 30 September 2025; and ▪ US$2,000,000 payable by 30 September 2026 to exercise the El Fuego Option. (2 additional and conditional payments of USD 2,000,000, each one, to be paid by 31 December 2030 under certain conditions.)
SANTIAGO 37/43		100% Frontera SpA	26	
SANTIAGO A 1/26		100% Frontera SpA	244	
SANTIAGO B 1/20		100% Frontera SpA	200	
SANTIAGO C 1/30		100% Frontera SpA	300	
SANTIAGO D 1/30		100% Frontera SpA	300	
SANTIAGO E 1/30		100% Frontera SpA	300	
PRIMA UNO		100% Frontera SpA	1	
PRIMA DOS		100% Frontera SpA	2	
SANTIAGO 15/19		100% Frontera SpA	25	
SAN ANTONIO 1/5		100% Frontera SpA	25	
SANTIAGO 1/14 Y 20		100% Frontera SpA	75	
ROMERO 1/31		100% Frontera SpA	31	
MERCEDES 1/3		100% Frontera SpA	50	
KRETA 1/4		100% Frontera SpA	16	
MARI 1/12		100% Frontera SpA	64	
PORFIADA VII 1/60		100% Frontera SpA	270	
PORFIADA VIII 1/60		100% Frontera SpA	300	
SANTIAGO Z 1/30		100% Frontera SpA	300	
PORFIADA IX 1/60		100% Frontera SpA	300	
PORFIADA A 1/33		100% Frontera SpA	160	
PORFIADA C 1/60		100% Frontera SpA	300	
PORFIADA E 1/20		100% Frontera SpA	100	
PORFIADA F 1/50		100% Frontera SpA	240	
SAN JUAN SUR 1/5		100% Frontera SpA	10	
SAN JUAN SUR 6/23		100% Frontera SpA	90	
PORFIADA G	100% Frontera SpA		200	
CORTADERA 1	100% Frontera SpA		200	
CORTADERA 2	100% Frontera SpA		200	
CORTADERA 3	100% Frontera SpA		200	
CORTADERA 4	100% Frontera SpA		200	
CORTADERA 5	100% Frontera SpA		200	
CORTADERA 6 1/60	100% Frontera SpA		265	
CORTADERA 7 1/20	100% Frontera SpA		93	
SAN ANTONIO 1	100% Frontera SpA		200	
SAN ANTONIO 2	100% Frontera SpA		200	
SAN ANTONIO 3	100% Frontera SpA		300	
SAN ANTONIO 4	100% Frontera SpA		300	
SAN ANTONIO 5	100% Frontera SpA		300	

16 Tenement Schedule (Cont'd)

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

El Fuego Project (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment- Payments
DORO 1	100% Frontera SpA		200	
DORO 2	100% Frontera SpA		200	
DORO 3	100% Frontera SpA		300	
PORFIADA I	100% Frontera SpA		300	
PORFIADA II	100% Frontera SpA		300	
PORFIADA III	100% Frontera SpA		300	
PORFIADA IV	100% Frontera SpA		300	
PORFIADA V	100% Frontera SpA		200	
PORFIADA X	100% Frontera SpA		200	
PORFIADA VI	100% Frontera SpA		100	
PORFIADA B	100% Frontera SpA		200	
PORFIADA D	100% Frontera SpA		300	
CHILIS 1	100% Frontera SpA		200	
CHILIS 3	100% Frontera SpA		100	
CHILIS 4	100% Frontera SpA		200	
CHILIS 5	100% Frontera SpA		200	
CHILIS 6	100% Frontera SpA		200	
CHILIS 7	100% Frontera SpA		200	
CHILIS 8	100% Frontera SpA		200	
CHILIS 9	100% Frontera SpA		300	
CHILIS 10 1/38	100% Frontera SpA		190	
CHILIS 11	100% Frontera SpA		200	
CHILIS 12 1/60	100% Frontera SpA		300	
CHILIS 13	100% Frontera SpA		300	
CHILIS 14	100% Frontera SpA		300	
CHILIS 15	100% Frontera SpA		300	
CHILIS 16	100% Frontera SpA		300	
CHILIS 17	100% Frontera SpA		300	
CHILIS 18	100% Frontera SpA		300	
SOLAR 1	100% Frontera SpA		300	
SOLAR 2	100% Frontera SpA		300	
SOLAR 3	100% Frontera SpA		300	
SOLAR 4	100% Frontera SpA		300	
SOLAR 5	100% Frontera SpA		300	
SOLAR 6	100% Frontera SpA		300	
SOLAR 7	100% Frontera SpA		300	
SOLAR 8	100% Frontera SpA		300	
SOLAR 9	100% Frontera SpA		300	
SOLAR 10	100% Frontera SpA		300	
SOLEDAD 1	100% Frontera SpA		300	
SOLEDAD 2	100% Frontera SpA		300	
SOLEDAD 3	100% Frontera SpA		300	
SOLEDAD 4	100% Frontera SpA		300	

16 Tenement Schedule (Cont'd)

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

El Fuego Project (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment- Payments
CF 1	100% Frontera SpA		300	
CF 2	100% Frontera SpA		300	
CF 3	100% Frontera SpA		300	
CF 4	100% Frontera SpA		300	
CF 5	100% Frontera SpA		200	
CHAPULIN COLORADO 1/3	100% Frontera SpA		3	
PEGGY SUE 1/10	100% Frontera SpA		100	
DONA FELIPA 1/10	100% Frontera SpA		50	
ELEANOR RIGBY 1/10	100% Frontera SpA		100	
CF 6	100% Frontera SpA		200	
CF 7	100% Frontera SpA		100	
CF 8	100% Frontera SpA		200	
CF 9	100% Frontera SpA		100	
MARI 1	100% Frontera SpA		300	
MARI 6	100% Frontera SpA		300	
MARI 8	100% Frontera SpA		300	
FALLA MAIPO 2 1/10	100% Frontera SpA		99	
FALLA MAIPO 3 1/8	100% Frontera SpA		72	
FALLA MAIPO 4 1/26	100% Frontera SpA		26	
ARBOLEDA 7 1/25		100% Frontera SpA	234	100% HCH Purchase Option Agreement with Antofagasta Minerals S.A. (AMSA): ▪ US$1,500,000 to be paid by 15 November 2024.
NAVARRO 1 41/60		100% Frontera SpA	81	
NAVARRO 2 21/37		100% Frontera SpA	78	
MONICA 21/40		100% Frontera SpA	85	
MONICA 41/52		100% Frontera SpA	39	
CORDILLERA 1/5		100% Frontera SpA	20	100% HCH Purchase Option Agreement to acquire historical copper mine area in Cordillera: ▪ USD 100,000 already paid; ▪ US$200,000 payable by 14 November 2025; and ▪ US$3,700,000 payable by 14 November 2027. NSR 1% for underground mining and 1.5% for open-pit mining.
QUEBRADA 1/10		100% Frontera SpA	28	
ALBORADA III 1/35		100% Frontera SpA	162	
ALBORADA IV 1/20		100% Frontera SpA	54	
ALBORADA VII 1/25		100% Frontera SpA	95	
CAT IX 1/30		100% Frontera SpA	150	
CATITA IX 1/20		100% Frontera SpA	100	
CATITA XII 1/13		100% Frontera SpA	61	
MINA HERREROS III 1/6		100% Frontera SpA	18	
MINA HERREROS IV 1/10		100% Frontera SpA	23	
HERREROS 1/14		100% Frontera SpA	28	
VETA 1/17		100% Frontera SpA	17	
PORSIACA 1/20		100% Frontera SpA	20	

16 Tenement Schedule (Cont'd)

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

El Fuego Project (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment- Payments
MARSELLESA 1/5		100% Frontera SpA	50	100% HCH Purchase Option Agreement to acquire historical copper mine area in Marsellesa: ▪ US$100,000 paid at signature (already satisfied); ▪ US$100,000 payable by 14 November 2024; ▪ US$150,000 payable by 14 November 2025; and ▪ US$1,000,000 by 14 November 2027. NSR 1%
COMETA 1 1/60		100% Frontera SpA	300	100% HCH Purchase Option Agreement with Bastion Minerals Limited ("Bastion") to acquire Bastion's Cometa Project: Option may be exercised, alternatively, within 12, 18 or 30 months of the date of grant at the discretion of HCH. If the option is exercised within 12 months the price is US$2,500,000: ▪ US$100,000 (already satisfied); and ▪ US$2,400,000 within 12 months from the date of grant of the option. If the option is exercised within 18 or 30 months the price is US$2,700,000 or US$3,300,000, depending on the date the option is exercised: ▪ US$100,000 (already satisfied); ▪ US$200,000 within 12 months from the date of grant of the option; and ▪ US$2,400,000 (if the option is exercised within 18 months) or US$3,000,000 (if the option is exercised within 30 months). HCH may, subject to applicable regulatory approvals, including the approval of the TSX Venture Exchange ("TSXV"), elect to satisfy the purchase consideration in cash (100%), or in cash (50%) and ordinary shares of HCH (50%) issued at a price per share equal to the greater of (i) the 15-day VWAP at the date of exercise of the option, and (ii) the minimum price permitted by the TSXV.
COMETA 2 1/60		100% Frontera SpA	300	
COMETA 3 1/60		100% Frontera SpA	300	
COMETA NORTE 1 B 1/40		100% Frontera SpA	200	
COMETA NORTE 2 B 1/40		100% Frontera SpA	200	
COMETA ESTE 1B		100% Frontera SpA	200	
COMETA ESTE 2B		100% Frontera SpA	200	
COMETA ESTE 3B		100% Frontera SpA	300	
COMETA ESTE 4B		100% Frontera SpA	300	
COMETA 4B		100% Frontera SpA	200	
COMETA SUR UNO D		100% Frontera SpA	200	
COMETA SUR DOS D		100% Frontera SpA	200	
COMETA 4A		100% Frontera SpA	300	
COMETA 3D		100% Frontera SpA	200	
COMETA IV D		100% Frontera SpA	300	
COMETA V D		100% Frontera SpA	300	
COMETA VI D		100% Frontera SpA	300	
COMETA NORTE 1 D		100% Frontera SpA	200	
COMETA NORTE 2 D		100% Frontera SpA	200	
COMETA NORTE 3 D		100% Frontera SpA	300	
COMETA NORTE 4 D		100% Frontera SpA	200	
COMETA NORTE 5 D		100% Frontera SpA	100	
COMETA OESTE I D		100% Frontera SpA	200	
COMETA OESTE II D		100% Frontera SpA	200	

16 Tenement Schedule (Cont'd)

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

El Fuego Project (Cont'd)

<table>
<tr><th>Licence ID</th><th>HCH % Held</th><th>HCH % Earning</th><th>Area (ha)</th><th>Exploration and Expenditure Commitment- Payments</th></tr>
<tr><td>ANTONIO 1 1/56</td><td></td><td>100% Frontera SpA</td><td>280</td><td rowspan="26">100% HCH Purchase Option Agreement to acquire the "Domeyko cluster" concessions:
▪ US$120,000 (already satisfied);
▪ US$100,000 payable by 19 April 2025;
▪ US$100,000 payable by 19 April 2026;
▪ US$200,000 payable by 19 April 2027; and
▪ US$3,480,000 payable by 19 April 2028
NSR 1%</td></tr>
<tr><td>ANTONIO 1/40</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>ANTONIO 10 1/21</td><td></td><td>100% Frontera SpA</td><td>63</td></tr>
<tr><td>ANTONIO 19 1/30</td><td></td><td>100% Frontera SpA</td><td>128</td></tr>
<tr><td>ANTONIO 21 1/20</td><td></td><td>100% Frontera SpA</td><td>60</td></tr>
<tr><td>ANTONIO 5 1/40</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>ANTONIO 9 1/40</td><td></td><td>100% Frontera SpA</td><td>193</td></tr>
<tr><td>EMILIO 1 1/8</td><td></td><td>100% Frontera SpA</td><td>38</td></tr>
<tr><td>EMILIO 3 1/9</td><td></td><td>100% Frontera SpA</td><td>45</td></tr>
<tr><td>INES 1/40</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>LORENA 1/2</td><td></td><td>100% Frontera SpA</td><td>2</td></tr>
<tr><td>MERCEDITA 1/7</td><td></td><td>100% Frontera SpA</td><td>22</td></tr>
<tr><td>PRIMO 1 1/6</td><td></td><td>100% Frontera SpA</td><td>36</td></tr>
<tr><td>SANTIAGUITO 5 1/24</td><td></td><td>100% Frontera SpA</td><td>114</td></tr>
<tr><td>CAZURRO 1</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>CAZURRO 2</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>CAZURRO 3</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CAZURRO 4</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CAZURRO 5</td><td></td><td>100% Frontera SpA</td><td>100</td></tr>
<tr><td>CAZURRO 6</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>CAZURRO 7</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>CAZURRO 8</td><td></td><td>100% Frontera SpA</td><td>200</td></tr>
<tr><td>CERRO MOLY 1</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CERRO MOLY 2</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CERRO MOLY 3</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CERRO MOLY 4</td><td></td><td>100% Frontera SpA</td><td>300</td></tr>
<tr><td>CF SUR 1</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>CF SUR 2</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>CF SUR 3</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>CF SUR 4</td><td>100% Frontera SpA</td><td></td><td>300</td><td></td></tr>
<tr><td>CF SUR 5</td><td>100% Frontera SpA</td><td></td><td>200</td><td></td></tr>
</table>

16 Tenement Schedule (Cont'd)

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

El Fuego Project (Cont'd)

Licence ID	HCH % Held	HCH % Earning	Area (ha)	Exploration and Expenditure Commitment- Payments
CF SUR 6	100% Frontera SpA		300	
CF SUR 7	100% Frontera SpA		300	
CF SUR 8	100% Frontera SpA		300	
CF SUR 9	100% Frontera SpA		200	
CF SUR 10	100% Frontera SpA		200	
CF SUR 11	100% Frontera SpA		300	
CF SUR 12	100% Frontera SpA		300	
CF SUR 13	100% Frontera SpA		300	
CF SUR 14	100% Frontera SpA		300	
CF SUR 15	100% Frontera SpA		200	
CF SUR 16	100% Frontera SpA		300	
CF SUR 17	100% Frontera SpA		300	
CF SUR 18	100% Frontera SpA		300	
CF SUR 19	100% Frontera SpA		300	
CF SUR 20	100% Frontera SpA		300	
CF SUR 21	100% Frontera SpA		300	
CF SUR 22	100% Frontera SpA		300	
CF SUR 23	100% Frontera SpA		200	
CF SUR 24	100% Frontera SpA		200	
CF SUR 25	100% Frontera SpA		300	
CF SUR 26	100% Frontera SpA		300	
CF SUR 27	100% Frontera SpA		300	
CF SUR 28	100% Frontera SpA		200	
CF SUR 29	100% Frontera SpA		300	
CF SUR 30	100% Frontera SpA		200	
CF SUR 31	100% Frontera SpA		300	
CF SUR 32	100% Frontera SpA		300	
CF SUR 33	100% Frontera SpA		300	
CF SUR 34	100% Frontera SpA		300	
CF SUR 35	100% Frontera SpA		300	

17 Corporate Directory

Directors

Dr Nicole Adshead-Bell
(Independent Non-Executive Chairman)

Christian Easterday
(Managing Director)

Roberto de Andraca Adriasola
(Non-Executive Director)

Mark Jamieson
(Non-Executive Director)

Stephen Quin
(Independent 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)

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