hot chili limited

Tipping Point

ANNUAL REPORT 2026

ABN 91 130 955 725

hot chili limited

Productora
Project

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Costa Fuego

Productora Resource
High-Grade Starter Pit

San Antonio
Resource

Cortadera Resource
Significant Copper-Gold Porphyry

La Verde Project
Copper-Gold Porphyry Discovery

2026 Key Highlights

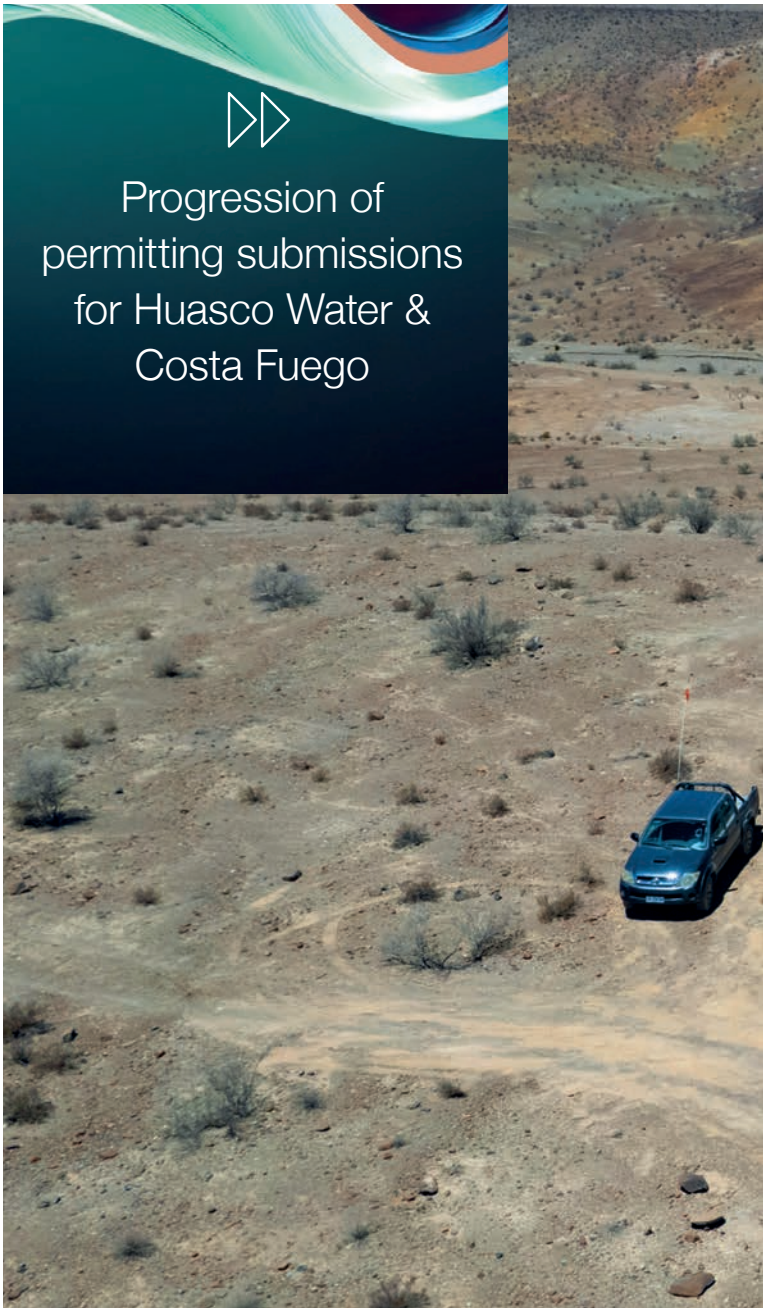
La Verde emerges as key growth asset and accelerates toward maiden MRE

Secured more than AUD$75 M in new funding

Dedicated project development team built

Progression of permitting submissions for Huasco Water & Costa Fuego

Advancement of Revised Costa Fuego Pre-Feasibility Study, including La Verde discovery



START

1 Chairman's Letter

Dear shareholders,

The 2026 financial year was a defining one for Hot Chili. This year also marked the completion of my first full year as the Company's Non-executive Chairman. I remain impressed by the depth of our geological and engineering expertise, together with the Company's strong commitment to social and community relations.

Twelve months ago, La Verde was a promising shallow copper-gold discovery defined by a first-pass reverse circulation program. Today, it stands as a cornerstone asset to be integrated into our Costa Fuego copper-gold project - one of Chile's most significant new coastal Cu-Au porphyry discoveries - with a footprint of approximately 1,000 m by 780 m, mineralisation extending 800 m from surface, and a near-surface, higher-grade enrichment zone capable of delivering a higher-grade starter pit for the greater Costa Fuego project.

Our phase two drilling campaign, which commenced in September 2025 with a single diamond rig, accelerated to three rigs by May 2026 and delivered a series of standout results, including 725 m grading 0.42% CuEq from 18 m in DKD039 - the widest intersection recorded to date at La Verde - and 391 m grading 0.51% CuEq from surface in DKD044. These results underpin a maiden Mineral Resource Estimate for La Verde expected later this calendar year, followed by a revised Pre-Feasibility Study for the Costa Fuego Project incorporating the La Verde discovery, and the formal submission of the Project and Huasco Water Environmental Impact Assessment's (EIA).

Corporately, the Company has a substantially strengthened financial position. During the year the Company raised A$14.1 million through an Entitlement Offer to eligible shareholders and A$40 million through a private placement that attracted strong demand from Australian, Canadian and overseas institutional investors, together with our three largest shareholders. Shortly after year end, we secured a further US$15 million (approximately A$21.4 million) in non-dilutive funding through an Amended and Restated Investment Agreement with OR Royalties Inc., bringing total royalty consideration under the OR arrangement to US$30 million and lifting our cash position to approximately A$46 million with no debt. Hot Chili continues to advance Strategic Partnering opportunities with strong interest from multiple parties, that will facilitate ultimate mine development and operations for Costa Fuego.

Hot Chili also took important organisational steps this year, establishing a dedicated project development team under a single governance framework to deliver the Environmental Impact Assessment and revised Pre-Feasibility Study programs. This marks our evolution from an exploration-focused company to a project development and delivery organisation, and positions Costa Fuego - already ranked amongst the world's top five independent copper developments by scale not controlled by a major mining company - for the critical phase ahead.

None of this would be possible without the commitment of our people in Australia and Chile, the support of the Huasco Valley communities that host our operations, and the continued confidence of you, our shareholders. Our on-ground community relations team demonstrated great leadership assisting the local Huasco communities, pre-emptively assisting with emergency supplies in advance of a major weather system which impacted large parts of the country in late July. On behalf of the Board, thank you for your efforts as an integrated part of the local community.

The year ahead promises to be equally significant, with the maiden La Verde Mineral Resource, the revised Pre-Feasibility Study and submission of two Environmental Impact Assessments.

We look forward to reporting on these milestones.

Stuart Mathews
Non-executive Chairman

2 Review of Operations

Highlights

Hot Chili Limited ("Hot Chili" or "the Company") continued to focus on the significant expansion of the La Verde copper-gold (Cu-Au) porphyry discovery during the year, with **La Verde emerging as a cornerstone asset** for the Company's coastal range Costa Fuego copper-gold project in Chile.

Drilling accelerated from one diamond rig in September 2025 to **three rigs by May 2026**, doubling the depth extent of mineralisation to 800 m from surface, and defining a significant near-surface, higher-grade enrichment zone capable of potentially delivering a high-grade starter pit for early in the Costa Fuego mine schedule.

Standout intersection of **725 m grading 0.42% CuEq (0.36% Cu, 0.07 g/t Au) from 18 m** was recorded by diamond drill hole DKD039 - the widest drilling intersection to date at La Verde, including the **highest-grade 62 m grading 1.03% CuEq.**

With almost **30,000m of drilling complete** as of July, a maiden Mineral Resource Estimate (MRE) for La Verde is expected to be released later in 2026, followed by a revised Pre-Feasibility Study (PFS2) for Costa Fuego including La Verde and formal submission of the Costa Fuego Environmental Impact Assessment in Q2 2027.

A dedicated **project development team** was established to deliver these Company milestones, marking Hot Chili's transition from an exploration-focused company to a **project development and delivery organisation.**

Development of the Huasco Water strategic assets continued throughout the year, with formal submission of the **Huasco Water Environmental Impact Assessment on schedule for end of 2026**, and progression of the second maritime licence application (desalination licence) through regulatory approval processes.

The Company is well-funded, with **A$14.1 million Entitlement Offer** (September 2025), **A$40 million private placement** (February 2026) and **US$15 million (approximately A$21.4 million) OR Royalties amendment agreement** (July 2026) completed shortly after year-end.

30 June 2026 cash position of A$25 million and no debt, increasing to approximately **A$46 million** following closure of the OR transaction.

2 Review of Operations (Cont'd)

La Verde Drilling Delivers Transformational Growth

The second phase of drilling at La Verde commenced in September 2025, focused on expanding the initial shallow porphyry discovery. Diamond drilling (DD) targeted depth extensions and higher-grade Cu-Au centres to better define the system's scale and grade distribution. Following the identification of up-dip higher-grade mineralisation from surface, the program was progressively expanded with a second RC rig commencing in February 2026. By May 2026, drilling was being undertaken by one DD rig and two RC rigs, significantly increasing drilling capacity and testing shallow extensions of the high-grade zones.

The Company's initial 10,000 m RC program had confirmed a substantial +0.2% Cu discovery footprint measuring approximately 1,000 m by 750 m and extending 400 m vertically. Phase two drilling significantly expanded this footprint, doubling the vertical extent of mineralisation to 800 m from surface and confirming the convergence of +0.4% Cu material within a strengthening high-grade core.

Early in the year, diamond drill holes DKD032, DKD033, DKD034 and diamond tail DKP005D confirmed significant expansion of La Verde's high-grade core, particularly at depth where higher-grade centres converge, and identified a high gold-to-copper ratio in the north-eastern high-grade centre. Drill hole DKD039, collared on the western extent of the discovery footprint, subsequently recorded 725 m grading 0.42% CuEq[1] (0.36% Cu, 0.07 g/t Au) from 18 m depth - the widest intersection recorded to date at La Verde – including the highest-grade intersection of 62 m grading 1.03% CuEq (0.90% Cu, 0.18 g/t Au) from 671 m.

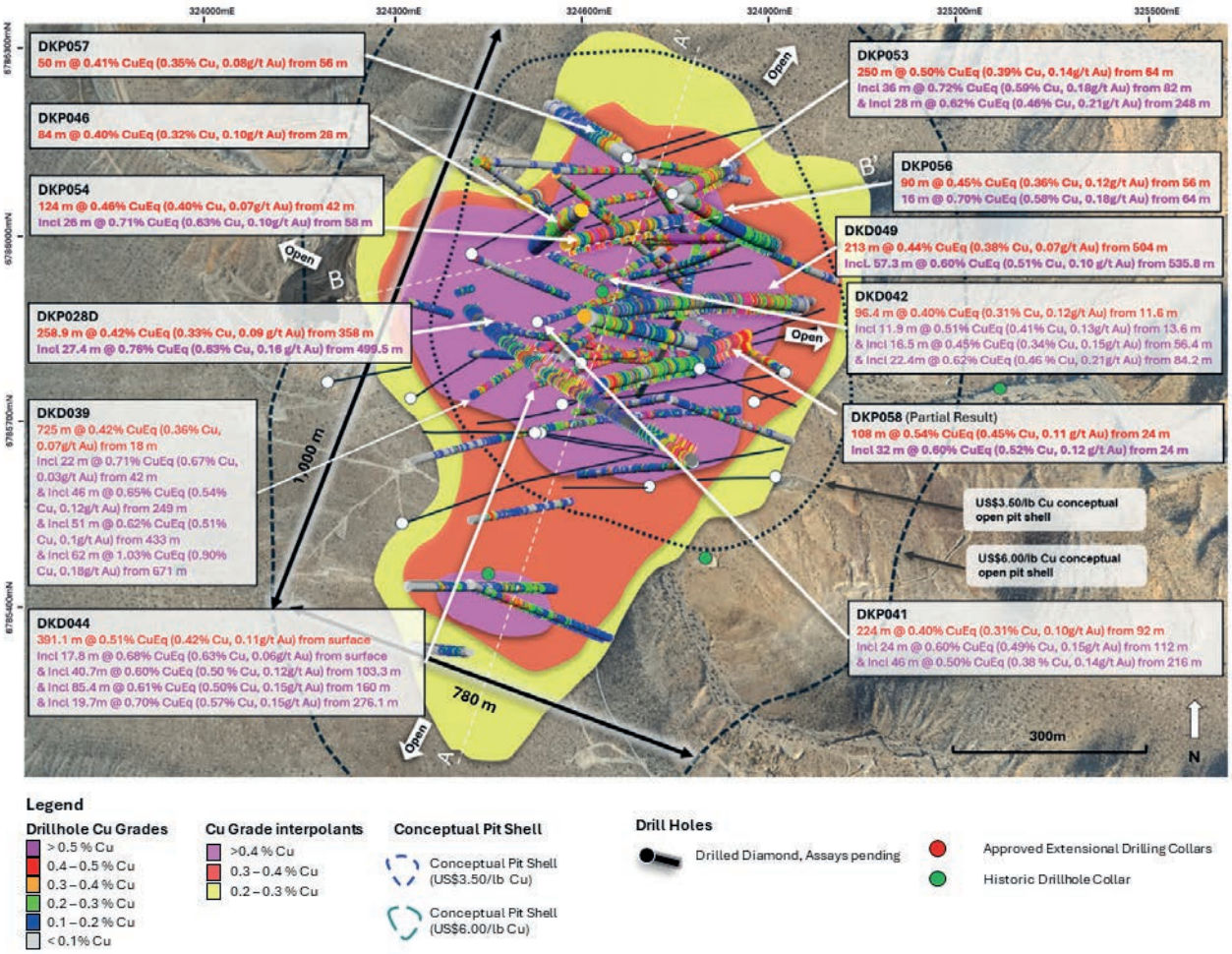
1 Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=4.50 USD/lb, Au=3,150 USD/oz, Mo=20 USD/lb, and Ag=30 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for La Verde uses Cortadera as a proxy, which is considered reasonable given both the similar mineralisation style and amenability testwork completed thus far at La Verde – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq (%) = Cu(%) + 0.69 x Au(g/t) + 0.00044 x Mo(ppm) + 0.0043 x Ag(g/t).

2 Review of Operations (Cont'd)

In the second half of the year, step-out diamond drilling continued to deliver expansion success. Diamond drill hole DKD044 returned 391 m grading 0.51% CuEq (0.42% Cu, 0.11 g/t Au) from surface, confirming broad and continuous high-grade copper-gold mineralisation on the western side of the high-grade core. DKD049, a 175 m step-out from DKD039, confirmed a significant expansion of La Verde's eastern flank at depth, while diamond tail DKP028D extended an original RC drill hole that had ended in mineralisation, recording a further 200 m down-hole of mineralisation across the western flank.

Diamond drilling was also instrumental in the development of an early "4D litho-structural model", with the interpretation of multiple intrusive phases optimising drill target design. Hot Chili geologists continue to apply the same targeting strategies that proved successful at the Company's nearby Cortadera Cu-Au porphyry Resource. In June, a second accredited laboratory was engaged to accelerate assay turnaround times.

Figure 1. Plan view map of La Verde showing recent drill hole results and updated +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (magenta) mineralisation interpolants. Drilled holes with pending assays are shown in black. Position of A – A' cross section (Figure 2), and B – B' cross section (Figure 3) annotated with white dashed lines. Conceptual open pit shells[1] displayed for $US3.50/lb Cu (blue) and $US6.00/lb Cu (green) displayed as dashed lines. Results reported including CuEq[2] and in some instances represent subsequent material results, post reporting period.



1 See Page 18 of this report for detail on the US$3.50 Cu and US$6.00 Cu conceptual open pit shells (Exploration Targets). Any potential tonnage and grade of the Exploration Target shown is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource within the target area, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

2 Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=4.50 USD/lb, Au=3,150 USD/oz, Mo=20 USD/lb, and Ag=30 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for La Verde uses Cortadera as a proxy, which is considered reasonable given both the similar mineralisation style and amenability testwork completed thus far at La Verde – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq (%) = Cu (%) + 0.69 x Au(g/t) + 0.00044 x Mo(ppm) + 0.0043 x Ag(g/t).

2 Review of Operations (Cont'd)

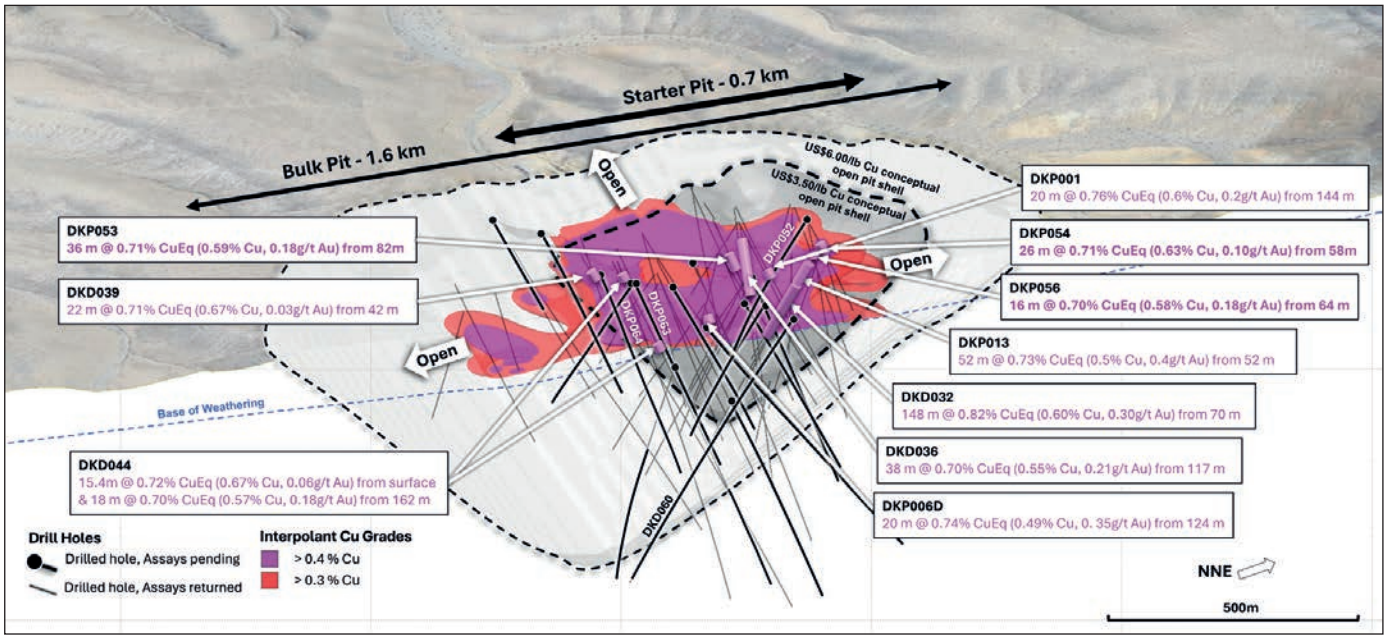
Starter Pit Potential Strengthened by Higher-Grade Near-Surface Results

RC drilling throughout the year progressively defined an emerging, shallow zone of higher-grade copper-gold mineralisation at La Verde. By the March 2026 quarter, thirteen significant drill intersections delineated a +0.6% CuEq zone from surface to 250 m depth across a 450 m x 400 m area, demonstrating strong continuity of higher-grade material.

Shallow infill and step-out RC drilling across the up-dip extension of the high-grade core continued to deliver outstanding results in the June 2026 quarter from drillholes DKP053, DKP054, DKP056 and DKP058, all containing broad zones of higher-grade (+0.7% CuEq) mineralisation from shallow depths. These results further expanded the footprint of near-surface, higher-grade mineralisation and continue to strengthen the scale and continuity of a significant near-surface enrichment zone, capable of potentially delivering a higher-grade starter pit opportunity for Costa Fuego.

Results commence from surface or beneath a shallow gravel cover, indicating the capability for simple, cost-effective overburden removal in a future open pit development. A higher-grade starter pit has the potential to significantly reduce payback and positively impact the key financial metrics of Hot Chili's March 2025 Pre-Feasibility Study.

Figure 2. Oblique slice towards NW (Azi 325°, Plunge+26°). 0.3% and 0.4% Cu interpolants displayed for oxide and transitional material, sliced along NNE orientation with the front removed. US$3.50/lb Cu conceptual open pit shell displayed in dark grey; US$6.00/lb Cu conceptual open pit shell displayed in light grey[1]. Base of weathering shown as dashed blue line. Results reported including CuEq[2] and in some instances represent subsequent material results, post reporting period.



1 See Page 18 of this report for detail on the US$3.50 Cu and US$6.00 Cu conceptual open pit shells (Exploration Targets). Any potential tonnage and grade of the Exploration Target shown is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource within the target area, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

2 Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=4.50 USD/lb, Au=3,150 USD/oz, Mo=20 USD/lb, and Ag=30 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for La Verde uses Cortadera as a proxy, which is considered reasonable given both the similar mineralisation style and amenability testwork completed thus far at La Verde – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq (%) = Cu(%) + 0.69 x Au(g/t) + 0.00044 x Mo(ppm) + 0.0043 x Ag(g/t).

2 Review of Operations (Cont'd)

Table 1: Significant Drill Results Reported in Year Ending 30 June 2026

Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
DKD032	6,785,967	324,835	1,202	270	-60	569.9	41	569.9	528.9	0.41	0.21	0.85	13
						And incl	70	218	148	0.60	0.30	0.84	13
						And incl	295	361	66	0.45	0.31	0.96	10
						And incl (to EOH)	556	569.9	13.9	0.35	0.12	0.79	13
DKP005	6,785,789	324,564	1,124	90	-60	441.2	32	349	317	0.38	0.10	0.9	23
(incl. new DD tail results from DKP005D)						Incl	68	102	34	0.50	0.16	1.2	10
						And incl	236	294	58	0.55	0.12	1.1	39
						And incl	316	344	28	0.49	0.15	1.0	19
						And	412	421	9	0.32	0.06	0.4	92
DKD033	6,785,775	324,785	1,132	274	-60	543	3	498	495	0.38	0.10	0.69	27
						Or Incl	3	543	540	0.36	0.09	0.66	30
						Incl	202	239	37	0.51	0.13	1.19	43
						And incl	289	412	123	0.50	0.13	0.67	39
							521	543	22	0.18	0.04	0.31	75
DKD034	6,785,837	324,433	1,096	99	-59	713.9	16	39	23	0.30	0.06	1.11	20
							194	620	426	0.37	0.08	0.71	32
						Incl	426	533	107	0.46	0.10	0.97	23
						And Incl	566	618	52	0.50	0.08	0.99	50
							679	713.9	34.9	0.27	0.06	0.68	183
DKD035	6,786,027	324,596	1,153	80	-60	278.5	38	258	220	0.47	0.37	0.14	0.65
						Incl	121	153	32	0.56	0.41	0.20	0.68
						& Incl	187	255	68	0.64	0.52	0.15	0.88
						Or Incl	187	207	20	0.76	0.61	0.21	1.05
DKD036	6,786,029	324,597	1,153	130	-54	371.9	30	180	150	0.52	0.37	0.21	0.86
						Incl	117	155	38	0.70	0.55	0.21	1.31
							238	371	133	0.42	0.33	0.12	0.46
						Incl	254	289	35	0.63	0.49	0.19	0.69
DKP006D	6,785,721	324,727	1,130	110	-60	384.2	76	186	110	0.39	0.27	0.15	0.84
						Incl	124	172	48	0.54	0.38	0.22	1.09
						Or Incl	124	144	20	0.74	0.49	0.35	1.36
						& Incl	227	233	6	0.59	0.42	0.25	0.38
							254	272	18	0.49	0.40	0.13	0.41
DKP021D	6,785,619	324,325	1,178	75	-60	834.1	118	128	10	0.30	0.27	0.03	0.41
							284	478	194	0.32	0.26	0.06	0.45
						Incl	286	300	14	0.43	0.37	0.08	0.61
						& Incl	437	449	12	0.51	0.40	0.10	0.81
							593	647	54	0.42	0.34	0.11	0.61
						Incl	593	612	19	0.66	0.51	0.21	0.93
							757	766	9	0.43	0.30	0.15	0.47
DKD037	6,785,842	324,527	1,122	69	-63	321.1	105	289	184	0.42	0.32	0.12	0.61
						Incl	203	281	78	0.50	0.39	0.14	0.89
						Or Incl	203	225	27	0.60	0.48	0.15	0.64
DKD038	6,786,088	324,685	1,185	149	-65	306.4	48	269	221	0.37	0.29	0.11	0.48
						Incl	53	98	45	0.51	0.37	0.19	0.30
						& Incl	126	235	109	0.41	0.32	0.11	0.59
						Or Incl	175	213	38	0.50	0.40	0.13	0.77

Table 1: Significant Drill Results Reported in Year Ending 30 June 2026 (Cont'd)

Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
DKP009D	6,786,075	324,552	1,152	131	-60	555.3	34	422	388	0.41	0.32	0.12	0.67
						Incl	386	398	12	0.51	0.41	0.14	0.85
							454	499	45	0.40	0.33	0.08	0.74
						Incl	455	462	7	0.60	0.49	0.13	1.14
DKP012D	6,785,977	324,839	1,193	300	-60	590.7	44	438	394	0.46	0.35	0.11	0.53
						Incl	62	82	20	0.61	0.46	0.21	0.25
						& Incl	192	202	10	0.64	0.47	0.18	0.57
						& Incl	228	308	80	0.56	0.46	0.12	0.81
							471	493	22	0.34	0.22	0.04	0.34
DKD039	6,785,723	324,420	1,150	54	-60	872.4	18.0	744	725	0.42	0.36	0.07	0.68
						Incl	42.4	64	22	0.71	0.67	0.03	0.29
						& Incl	249.0	295	46	0.65	0.54	0.12	0.71
						& Incl	433.0	484	51	0.62	0.51	0.10	1.25
						& Incl	670.7	732	62	1.03	0.90	0.18	1.81
						Or Incl	693.1	713	20	1.51	1.30	0.29	2.26
							800.3	816	16	0.45	0.39	0.07	0.89
DKD040	6,785,907	324,632	1,139	60	-59	381	4.4	91.0	86.6	0.34	0.15	2.11	7
						incl	12.0	28.7	16.7	0.45	0.20	0.78	3
						& incl	53.7	78.4	24.7	0.41	0.19	1.07	6
							185.2	349.1	163.9	0.34	0.11	0.85	17
						incl	206.0	226.0	20.0	0.43	0.23	0.96	12
						& incl	285.0	322.0	37.0	0.42	0.09	0.80	15
DKP041	6,785,786	324,561	1,124	55	-70	380	92.0	316.0	224.0	0.31	0.10	0.64	24
						Incl	112.0	136.0	24.0	0.49	0.15	0.65	14
						& Incl	216.0	262.0	46.0	0.38	0.14	0.64	44
DKD042	6,785,902	324,635	1,140	300	-70	258.1	11.6	108.0	96.4	0.31	0.12	0.79	9
						Incl	13.6	25.5	11.9	0.41	0.13	0.59	8
						& Incl	56.4	72.8	16.5	0.34	0.15	0.51	9
						& Incl	84.2	106.6	22.4	0.46	0.21	2.00	13
DKD044	6,785,738	324,508	1,131	70	-65	711.4	0.0	391.3	391.3	0.42	0.11	0.85	18
						Incl	0.0	17.8	17.8	0.63	0.06	0.70	10
						& Incl	103.3	144.0	40.7	0.50	0.12	0.86	20
						& Incl	160.0	245.4	85.4	0.50	0.15	1.11	12
						& Incl	276.1	295.8	19.7	0.57	0.15	1.06	33
						& Incl	499.0	520.4	21.3	0.34	0.05	0.87	154
						& Incl	595.0	620.8	26.0	0.39	0.08	0.68	25
DKP028D	6,785,617	324,758	1,136	300	-60	866.1	358.0	616.9	258.9	0.33	0.09	0.62	58
						Incl	380.0	447.6	67.6	0.38	0.13	0.67	85
						& Incl	499.5	526.9	27.4	0.63	0.16	1.00	29
						& Incl	570.8	591.3	20.5	0.40	0.07	0.99	99
						& Incl	628.0	674	46	0.20	0.03	0.50	203
DKP043	6,785,855	324,610	1,131	104	-56	342	8.0	214.0	206.0	0.24	0.08	0.57	37
						Incl	46.0	58.0	12.0	0.32	0.14	0.35	6
						& Incl	198.0	214.0	16.0	0.34	0.12	0.99	80

2 Review of Operations (Cont'd)

Table 1: Significant Drill Results Reported in Year Ending 30 June 2026 (Cont'd)

Hole_ID	Coordinates			Azim.	Dip	Hole Depth	Intersection		Interval	Copper	Gold	Silver	Molybdenum
	North	East	RL				From	To	(m)	(% Cu)	(g/t Au)	(ppm Ag)	(ppm Mo)
DKP046	6,786,025	324,597	1,153	231	-59	184	28.0	112.0	84.00	0.32	0.10	0.50	12
						Incl	54	72	18.0	0.41	0.12	0.29	7
DKP047	6,785,888	324,396	1,093	70	-65	60							
DKD049	6,785,858	324,601	1,131	80	-62	779.9	78.3	104.4	26.1	0.40	0.17	1.03	22
							503.6	716.6	213.0	0.38	0.07	0.72	18
						Incl	535.8	593.1	57.3	0.51	0.10	1.11	28
						& Incl	624.0	639.8	15.8	0.45	0.08	0.65	14
DKP050	6,785,739	324,625	1,127	75	-60	354	6.0	114.0	108.0	0.31	0.08	0.31	10
						Incl	8.0	48.0	40.0	0.40	0.10	0.45	6
							138.0	240.0	102.0	0.28	0.09	0.34	19
DKP053	6,785,969	324,570	1,174	75	-65	408	0.0	32.0	32.0	0.34	0.04	0.49	20
							64.0	314.0	250.0	0.39	0.14	0.62	10
						Incl	66.0	166.0	100.0	0.47	0.15	0.65	14
						Or Incl	82.0	118.0	36.0	0.59	0.18	0.44	13
						& Incl	248.0	276.0	28.0	0.46	0.21	0.84	7
DKP054	6,786,024	324,756	1,188	60	-63	216	42.0	166.0	124.0	0.40	0.07	0.36	18
						Incl	58.0	84.0	26.0	0.63	0.10	0.23	9
DKP055	6,786,037	324,505	1,165	60	-58	42	0.0	32.0	32.0	0.30	0.03	0.43	26
DKP056	6,786,024	324,756	1,188	118	-62	402	56.0	146.0	90.0	0.36	0.12	0.65	13
						Incl	64.0	94.0	30.0	0.50	0.17	0.43	6
						Or Incl	64.0	80.0	16.0	0.58	0.18	0.28	7
DKP057	6,786,108	324,674	1,182	300	-62	330	56.0	106.0	50.0	0.35	0.08	0.77	10
DKP058	6,785,775	324,785	1,134	70	-58	402	24.0	132.0	108.0	0.45	0.11	0.68	12
						Incl	24.0	56.0	32.0	0.51	0.10	0.63	6

Table 2: Details of All Drill Holes Completed at Costa Fuego in Year Ending 30 June 2026

Hole ID	North	East	RL	Azimuth	Dip	Depth	Location
DKD032	6,785,975	324,839	1,192	270	-60	570	La Verde
DKP005D	6,785,789	324,564	1,124	91	-60	441	La Verde
DKD033	6,785,775	324,785	1,132	274	-60	543	La Verde
DKD034	6,785,837	324,433	1,096	99	-59	714	La Verde
DKP006D	6,785,721	324,727	1,130	110	-60	384	La Verde
DKP021D	6,785,619	324,325	1,178	75	-60	834	La Verde
DKD035	6,786,027	324,596	1,153	80	-60	279	La Verde
DKD036	6,786,029	324,597	1,153	130	-54	372	La Verde
DKD037	6,785,842	324,527	1,122	69	-63	321	La Verde
DKD038	6,786,088	324,685	1,185	149	-65	306	La Verde
DKP009D	6,786,075	324,552	1,152	131	-60	555.3	La Verde
DKP012D	6,785,977	324,839	1,192	300	-60	590.7	La Verde
DKD039	6,785,723	324,420	1,150	54	-60	840	La Verde
DKD040	6,785,901	324,629	1,139	60	-59	381	La Verde
DKP041	6,785,786	324,561	1,124	54	-70	390	La Verde

2 Review of Operations (Cont'd)

Table 2: Details of All Drill Holes Completed at Costa Fuego in Year Ending 30 June 2026 (Cont'd)

Hole ID	North	East	RL	Azimuth	Dip	Depth	Location
DKD042	6,785,902	324,635	1,140	299	-70	258.1	La Verde
DKP043	6,785,848	324,593	1,130	104	-56	342	La Verde
DKD044	6,785,738	324,508	1,131	71	-65	711.4	La Verde
DKP045D	6,785,944	324,410	1,109	61	-60	306	La Verde
DKP046	6,786,015	324,591	1,153	230	-59	184	La Verde
DKP047	6,785,882	324,380	1,090	70	-65	60	La Verde
DKP048D	6,785,847	324,740	1,151	80	-62	300	La Verde
DKD049	6,785,852	324,600	1,126	80	-62	779.9	La Verde
DKP050	6,785,739	324,625	1,127	75	-60	354	La Verde
MWDKP001	6,786,124	324,064	1,106	0	-90	54	La Verde
MWDKP002	6,785,654	325,511	1,171	0	-90	90	La Verde
MWDKP003	6,787,100	323,167	1,042	0	-90	60	La Verde
MWDKP006	6,786,674	324,410	1,102	0	-90	48	La Verde
MWDKP005	6,785,505	322,883	1,075	0	-90	60	La Verde
MWDKP004	6,785,505	324,566	1,170	0	-90	72	La Verde
DKP051	6,785,713	324,326	1,170	55	-65	372	La Verde
DKP052	6,786,024	324,756	1,188	245	-60	354	La Verde
DKP053	6,785,969	324,570	1,174	75	-65	408	La Verde
DKP054	6,786,024	324,756	1,188	60	-63	216	La Verde
DKP055	6,786,032	324,499	1,165	60	-58	42	La Verde
DKP056	6,786,024	324,756	1,188	118	-62	402	La Verde
DKP057	6,786,108	324,674	1,182	300	-62	330	La Verde
DKP058	6,785,775	324,785	1,134	70	-58	402	La Verde
DKP059	6,785,715	324,868	1,140	65	-60	120	La Verde
DKP062	6,785,616	324,761	1,136	80	-58	300	La Verde
DKP061	6,785,600	324,900	1,147	270	-60	300	La Verde
DKP063	6,785,708	324,564	1,134	65	-70	417	La Verde
DKP064	6,785,669	324,508	1,157	100	-58	324	La Verde
DKP065	6,785,745	324,194	1,152	75	-60	291	La Verde
DKP066	6,785,708	324,064	1,134	255	-60	342	La Verde
DKP067	6,785,775	325,511	1,134	114	-60	300	La Verde
DKP045D	6,785,944	323,167	1,110	60	-60	840.5	La Verde
DKD037	6,785,836	324,410	1,122	70	-62	777.1	La Verde
DKP028D	6,785,620	322,883	1,136	300	-60	866.1	La Verde
DKD060	6,785,762	324,566	1,139	260	-60	772.7	La Verde
DKP048D	6,785,847	324,326	1,151	80	-65	457.9	La Verde
DKD049	6,785,852	324,756	1,126	260	-60	779.9	La Verde

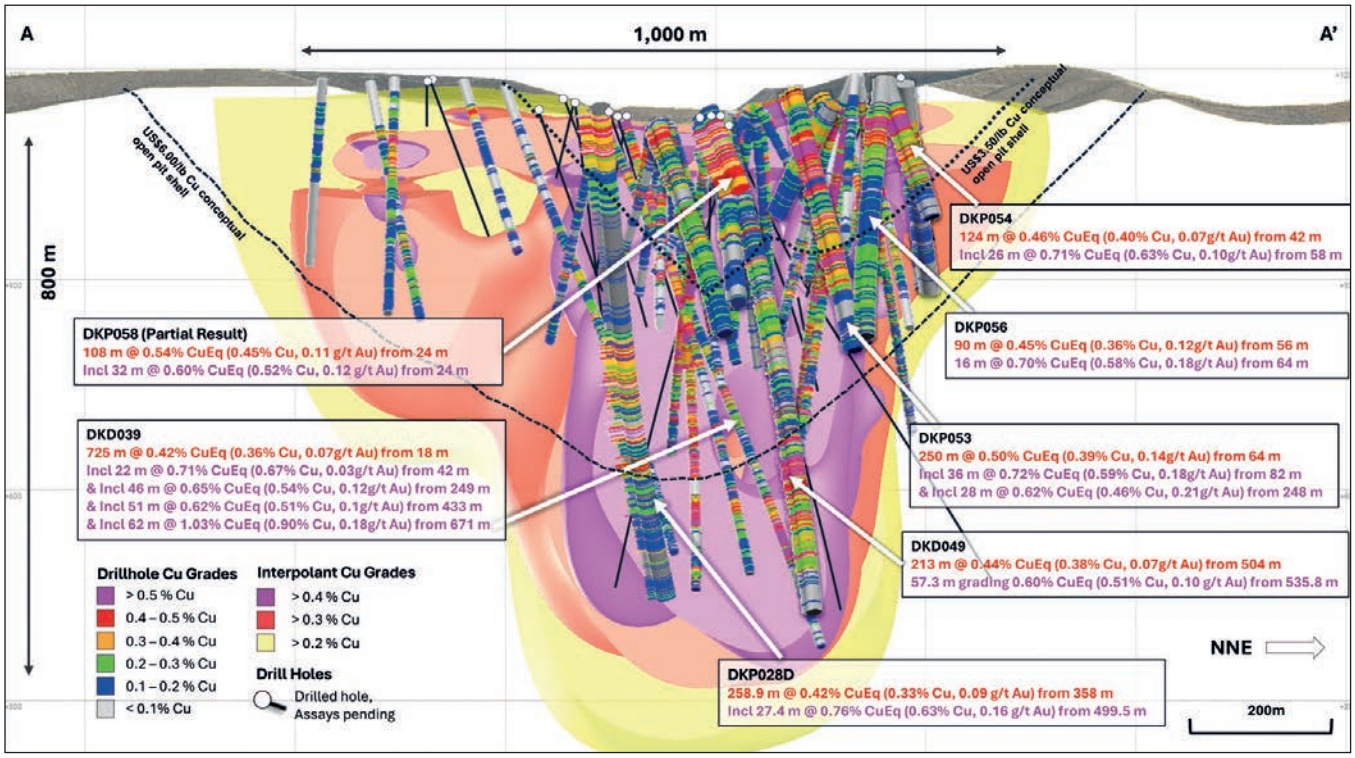
2 Review of Operations (Cont'd)

La Verde Maiden Mineral Resource and PFS Integration

Hydrogeological, geotechnical, metallurgical, mine engineering and environmental workstreams all advanced during the year toward full integration of La Verde into the Company's Costa Fuego production hub. Additional mineralogical analysis activities were carried out, including Terraspec data collection and drill core scanning using LithologIQ's hyperspectral instrument. Initial metallurgical testwork for La Verde, also using seawater, indicated similar recoveries to those recorded at Costa Fuego.

A maiden MRE for La Verde is expected to be released later in calendar year 2026, followed by a revised PFS for Costa Fuego, culminating in the formal submission of an Environmental Impact Assessment (EIA) for Stage 1 of the Costa Fuego Project in Q2 CY2027. The Company expects that La Verde's rapid integration will be transformative for Costa Fuego's financial metrics and global standing, already ranked amongst the world's top five by scale independent copper developments, not controlled by a major mining company.

Figure 3. Long-section slice (A – A') showing recent drill hole results and updated +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (magenta) mineralisation interpolants. Returned Cu grades shown on hole traces, drilled holes with pending assays are shown in black. Conceptual open pit shells[1] displayed for $US3.50/lb Cu (blue) and $US6.00/lb Cu (green) displayed as dashed lines. Results reported including CuEq[2] and in some instances represent subsequent material results, post reporting period.



1 See Page 18 of this report for detail on the US$3.50 Cu and US$6.00 Cu conceptual open pit shells (Exploration Targets). Any potential tonnage and grade of the Exploration Target shown is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource within the target area, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

2 Copper Equivalent (CuEq) reported for the drillhole intersections were calculated using the following formula: CuEq% = ((Cu% × Cu price 1% per tonne × Cu_recovery) + (Mo ppm × Mo price per g/t × Mo_recovery) + (Au ppm × Au price per g/t × Au_recovery) + (Ag ppm × Ag price per g/t × Ag_recovery)) / (Cu price 1% per tonne × Cu_recovery). The Metal Prices applied in the calculation were: Cu=4.50 USD/lb, Au=3,150 USD/oz, Mo=20 USD/lb, and Ag=30 USD/oz. The entirety of the intersection is assumed as fresh. The recovery and copper equivalent formula for La Verde uses Cortadera as a proxy, which is considered reasonable given both the similar mineralisation style and amenability testwork completed thus far at La Verde – Recoveries of 83% Cu, 56% Au, 83% Mo and 37% Ag. CuEq (%) = Cu(%) + 0.69 x Au(g/t) + 0.00044 x Mo(ppm) + 0.0043 x Ag(g/t).

2 Review of Operations (Cont'd)

Project Development Advances

Global engineering firm Ausenco - with offices in Chile and Australia - was appointed during the year as the lead engineering group to progress the Feasibility Study for the Costa Fuego project. The appointment followed a review of major engineering groups in Chile, with Ausenco's execution of engineering, procurement, construction and ramp-up of the nearby, similar-scale coastal project Mantoverde a key factor in the decision.

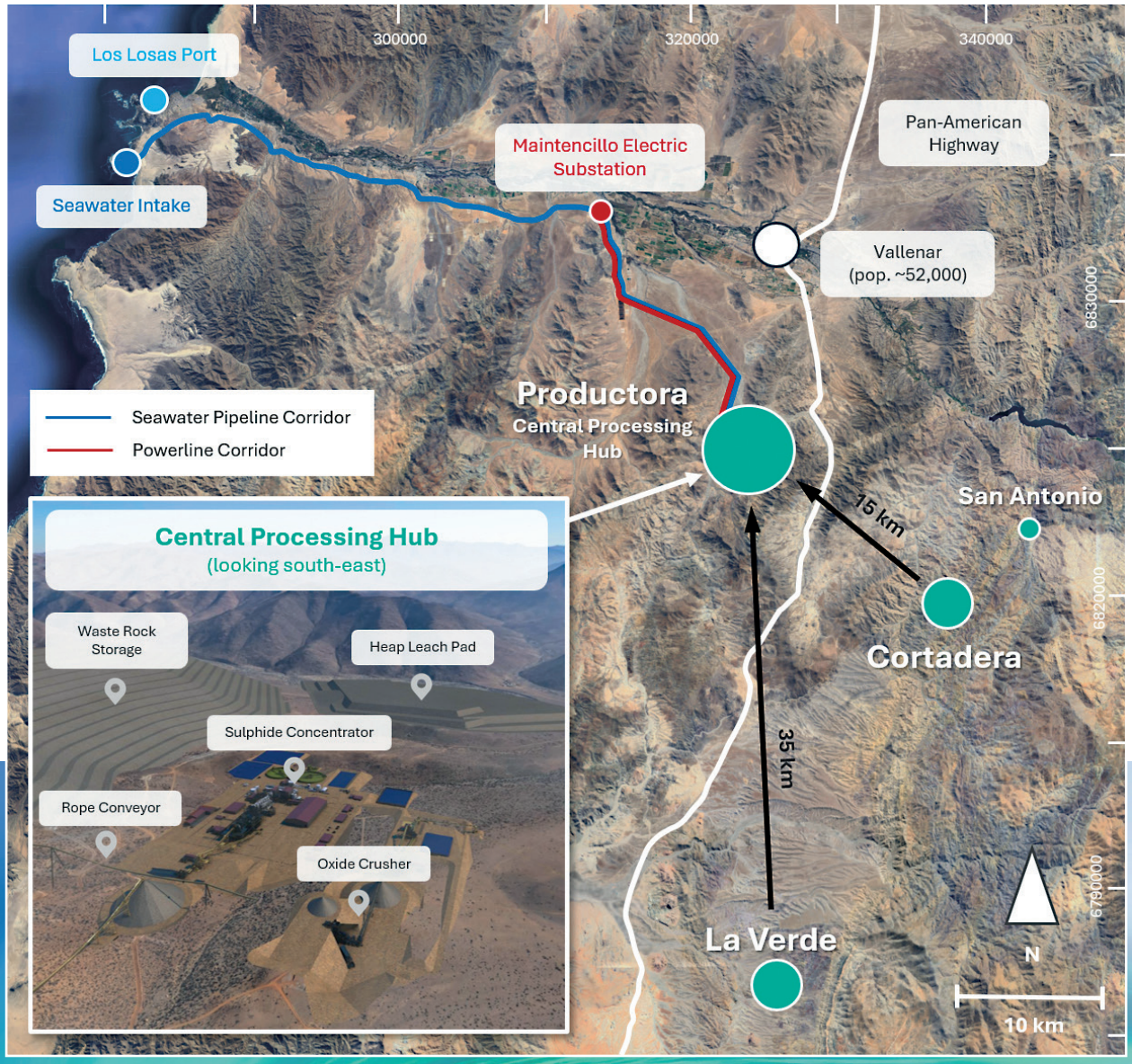
Hot Chili also established a dedicated project development team, led by experienced project director Mr David Bayona, to advance the Costa Fuego Project through its critical development phase. Under a single governance framework, the team is overseeing delivery of the EIA and revised PFS programs, coordinating engineering, permitting, social performance, infrastructure, technical studies, project controls, key service providers and third-party stakeholders. This organisational transition marks an important step in Hot Chili's evolution from an exploration-focused company to a project development and delivery organisation, strengthening readiness for permitting, financing, detailed engineering and project execution.

Revised Pre-Feasibility Study (PFS2)

In May 2026, Hot Chili commenced workstreams toward delivery of a significant revision of its 2025 PFS, aiming to incorporate the La Verde Cu-Au discovery into the Costa Fuego development strategy. The revised study is also assessing development options identified through Value Engineering Trade-off Studies undertaken following the 2025 PFS, to improve project economics, reduce execution risk and simplify project delivery. These include the integration of La Verde and the potential development of a large open-pit mining scenario at Cortadera as an alternative to the previously defined open-pit and underground block cave operation for the later years of Costa Fuego's mine plan. Incorporating these value engineering workstreams into PFS2 will streamline their inclusion into the Feasibility Study, consistent with the engineering analysis being undertaken for the EIA.

2 Review of Operations (Cont'd)

Figure 4. Plan view of the Costa Fuego Project Layout, including the La Verde discovery and integrated infrastructure at Productora.



3 Qualifying Statements

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

Conceptual Open Pit Shells

Conceptual open pit shells represent Exploration Targets as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). They are based on completed exploration activities reported in the announcement released 19 May 2025 ('Hot Chili Announces Latest Drill Results for La Verde, Doubling Porphyry Discovery Footprint').

The conceptual open pit shells were generated using copper (Cu) prices of US$3.50/lb Cu and US$6.00/lb Cu on a series of nested Cu grade shells. Other input parameters informing the conceptual open-pit shells (pit slope angles, mining cost, processing cost, etc.) were derived from values reported in the March 2025 Costa Fuego Pre-feasibility Study and are considered appropriate for the style of mineralisation encountered at the La Verde Cu-Au porphyry discovery.

Any potential quantity and grade of the Exploration Target shown is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource within the target area, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Further exploration activities are detailed in this report and include (but may not necessarily be limited to) a program of diamond drill holes aiming to extend the mineralised footprint at La Verde. Drilling commenced on 22 September 2025, with the length of the program dependent on a number of considerations including (but not limited to) the results of the exploration activities and regulatory applications and approvals.

PFS Technical Report

For readers to fully understand the information in this report, they should read the PFS Technical Report available on SEDAR+ (www.sedarplus.ca) and at www.hotchili.net.au in its entirety titled "Costa Fuego Project, Chile, Preliminary Feasibility Study NI 43-101 Technical Report" dated 9 May 2025 with an effective date of 27 March 2025, including all qualifications, assumptions, limitations and exclusions. The PFS Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The technical information in this report is subject to the assumptions and qualifications to be contained in the PFS Technical Report. The PFS Technical Report replaces and supersedes the technical report titled "Costa Fuego Copper Project – NI 43-101 Technical Report Mineral Resource Estimate Update" dated 8 April 2024, with an effective date of 26 February 2024 (the "2024 PEA").

Qualified Persons – NI 43-101

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

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

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

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

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

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

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

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

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

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

3 Qualifying Statements (Cont'd)

Competent Persons – JORC

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

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

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

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

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

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

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

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

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

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

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

3 Qualifying Statements (Cont'd)

Disclaimer

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

Cautionary Note for U.S. Investors Concerning Mineral Resources

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

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

Forward Looking Statements

This report contains certain statements that are "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of applicable Australian securities regulation (collectively, the "forward-looking statements"). 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 announcement 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 words such as "anticipate", "believe", "coming", "conceptual", "consider", "could", "designed to", "envisage", "estimate", "expect", "expand", "forecast", "is coming", "may", "opportunity", "proposed", "momentum", "plan", "potential", "project", "should", "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.

Forward-looking statements relate to, among other things: the potential of the La Verde discovery; regulatory applications and approvals; the timing and results of future economic studies; and the Company's future exploration and other business plans.

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

3 Qualifying Statements (Cont'd)

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 announcement, including, but not limited to, the following material factors: the ability of drilling and other exploration activities to accurately predict mineralisation; 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 or mineral reserves 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 announcement and elsewhere in the Company's public disclosure record.

Although the forward-looking statements contained in this report are based upon assumptions which the Company believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this announcement, 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 announcement 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.

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.

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

- The Company's public filings with the Australian Securities Exchange (ASX)
- The Canadian public disclosure record on SEDAR+ (www.sedarplus.ca)
- The Company's news releases dated 27 March 2025 and 31 March 2025, and the PFS Technical Report, released 9 May 2025

4 Corporate Activities

Successful Completion of Financings

In September 2025, the Company completed an Entitlement Offer to all eligible shareholders, raising A$14.1 million (before costs). Proceeds from the Entitlement Offer provided funding to deliver key milestones on the growth and development of Hot Chili's Costa Fuego copper-gold project, specifically the commencement of phase two diamond drilling at La Verde.

In February 2026, the Company closed a A$40 million (before costs) private placement to institutional, professional and other investors, which received strong demand from Australian, Canadian and overseas institutional investors, as well as the Company's three largest shareholders (Glencore, Blue Spec and GS Group). Hot Chili issued a total of 24,242,425 shares, comprising 13,209,698 ordinary fully paid shares at A$1.65 on the ASX and 11,032,727 ordinary fully paid shares at CAD$1.56 on the TSXV. Additionally, 1,212,121 broker options were issued at an exercise price of A$2.145 with an expiry date of 12 August 2028 to complete the capital raising transaction.

Proceeds were used to accelerate drilling across the La Verde Cu-Au discovery in support of a maiden Mineral Resource and a potential higher-grade starter pit for the Costa Fuego Project, while advancing key development milestones including the Huasco Water Project, Costa Fuego Pre-Feasibility Study, Costa Fuego EIA, ongoing exploration, strategic funding activities and general working capital requirements.

4 Corporate Activities (Cont'd)

OR Royalty Amendment Agreement

Subsequent to year end, on 7 July 2026, Hot Chili executed a binding Amended and Restated Investment Agreement (the A&R Investment Agreement) with OR Royalties Inc. (OR), under which OR will acquire a Net Smelter Return (NSR) royalty over the La Verde Project, part of the broader Costa Fuego copper-gold development in Chile, for a cash payment of US$15 million (approximately A$21.4 million). The agreement expands the existing 2023 royalty arrangement between the parties and brings total royalty consideration under the OR royalty arrangement to US$30 million.

Key elements of the transaction include:

- US$15 million in additional non-dilutive funding, with proceeds directed toward La Verde and broader Costa Fuego advancement;
- La Verde, a pre-resource asset, added to OR's royalty footprint, representing a significant endorsement by one of North America's most technically rigorous royalty companies;
- A doubling of the royalty's "look-through" value, given the OR royalty is equivalent to a 1.12% CuEq NSR royalty across payable metals for a total consideration of US$30 million against Hot Chili's market capitalisation of approximately US$230 million; and
- An updated Change of Control Buyback right, exercisable prior to the fourth anniversary of the original royalty closing, under which the OR NSR can be reduced to a 0.5% NSR royalty on copper and a 2.5% NSR royalty on gold – negotiated to ensure strategic flexibility and to not negatively impact the Company's ongoing Strategic Partnering Process.

Strategic Partnering Process

Hot Chili continued to advance its asset-level Strategic Partnering Process throughout the year, aimed at introducing one or more qualified partners with the financial, technical and operational capability to assist in funding and delivery of the Costa Fuego and Huasco Water projects. Additional parties entered the Partnering Process during the year, with several advancing through due diligence, including site visits. The Company received further non-binding, indicative, incomplete and conditional proposals in relation to potential transactions for the projects and remains actively engaged in assessing these proposals.

BMO Capital Markets acts as financial adviser in connection with the Partnering Process.

The Partnering Process may result in a range of transactions for the projects, and investors are cautioned that there is no certainty the Partnering Process will result in a transaction or binding agreement. The Company will continue to update the market in accordance with its continuous disclosure obligations.

Cash Position

As at 30 June 2026, the Company had cash of A$25 million and no debt. Combined with the expected receipt of US$15 million (approximately A$21.4 million) under the OR A&R Investment Agreement shortly after year end, the Company's cash position increased to approximately A$46 million, providing a strong funding platform as Costa Fuego advances toward development.

4 Corporate Activities (Cont'd)

Environmental Impact Assessment

The Costa Fuego EIA continued to advance throughout the year, with a key strategic decision during the June 2026 quarter to separate the environmental permitting process into two independent EIAs:

- EIA 1A - focused on the Huasco Water seawater intake, pumping and distribution system; and
- EIA 1B, focused on the Productora and La Verde initial high-grade production of the Costa Fuego Project.

This approach provides greater clarity for regulators, establishes independent areas of influence for environmental assessment, reduces duplication of baseline and impact evaluation work, and aligns the seawater supply system with the development of the mining project. Key workstreams advanced during the year included environmental baseline studies, community and stakeholder engagement, early community engagement (PCT), indigenous stakeholder engagement program, and preparation of the formal EIA documentation.

Huasco Water – Second Maritime Licence Application

A second maritime licence application (desalination licence) continued to advance through regulatory approval processes during the year. Due to a change of government in Chile earlier in the calendar year 2026, the application result has been delayed, however, Hot Chili has been assured by regulatory authorities that the application remains in progress. In line with Huasco Water's priority status with the Chilean Ministry of Finance for streamlined approval processing, the Company expects to receive an update in relation to the application in the coming months.

Social Integration and Community Support

Hot Chili continued its Huasco Valley community support programs during the year. A community perception study completed in June 2026 recorded a 93% "High Positive Awareness" score, with respondents recognising the Company's positive community relationships and its potential to develop a modern mining operation that revitalises the Huasco Valley region through employment and social benefits.

During severe weather events in July 2026 that prompted a government-declared state of emergency, Hot Chili worked proactively with local communities to prepare, providing water, fuel, food and coal to neighbouring residents of Costa Fuego. Following this once-in-fifty-year rain event, the Company resumed visits to reconnect with communities, providing supplies and learning first-hand what was needed for recovery.

(Above) Hot Chili information booth in Vallenar for the PCT (Early Community Consultation) for the Company's EIA submissions.

(Left) Hot Chili Community Team providing support to neighbours of the Costa Fuego Project and (Right) impact of the recent rain event on regional infrastructure.

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 2026 and the auditor's report thereon.

Directors

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

Stuart Mathews
Independent Non-Executive Chairman

Christian Easterday
Managing Director

Roberto de Andraca Adriasola
Non-Executive Director

Mark Jamieson
Non-Executive Director

Fiona Van Maanen
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

Stuart Mathews
Independent Non-Executive Chairman

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

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

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

Mr Mathews is the Chair of Hot Chili's ESG Committee and Chair of the Technical Committee, as well as a member of the Audit & Risk Committee and Remuneration Committee. He also is a Non-Executive Director with Pantoro Gold Limited.

Christian Easterday
Managing Director

Mr Easterday is a highly experienced geologist and mineral economist with more than 25 years in the global mineral exploration and mining industry.

Mr Easterday has held senior leadership and exploration management roles with leading gold producers including Placer Dome, Hill 50 Gold, and Harmony Gold.

His technical expertise spans structural geology, resource development and mineral economic valuation, complemented by project negotiation and asset valuation across a range of commodities including gold, copper, silver, uranium, iron ore, nickel, and tantalum, both in Australia and internationally.

He holds an Honours Degree in Geology from UWA, a Master's Degree in Mineral Economics from Curtin University of Technology, and an MBA from Curtin's Graduate School of Business. He is a Member of the AIG, Competent Person as defined by the JORC Code and Qualified Person within the meaning of CIM NI43-101.

Mr Easterday is a founding Director of Hot Chili Limited and has served as Managing Director since the company's successful listing on the ASX in 2010. 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.

Fiona Van Maanen
Independent Non-Executive Director

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

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

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

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 2026 was a loss of $10,111,664 (2025: $11,137,547).

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 7 July 2026, the Company announced the execution of a binding Amended and Restated Investment Agreement (the A&R Investment Agreement) with OR Royalties Inc., formerly Osisko Gold Royalties Ltd (OR) pursuant to which the Company has agreed to grant to OR a Net Smelter Return (NSR) royalty on the Company's La Verde Project, as part of the broader Costa Fuego Cu-Au Project (Costa Fuego or the Project), in consideration for cash payment of US$15 million.

The A&R Investment Agreement brings total royalty consideration under the OR royalty arrangement to US$30 million (see the Company's press releases dated 28 June 2023, and 26 July 2023) with Hot Chili to receive US$15 million (Royalty Consideration) at closing of the transactions contemplated by the A&R Investment Agreement.

On 14 July 2026, 161,059 vested Service Rights and 16,106 vested Performance Rights were exercised.

On 25 July 2026, 1,914,000 Options expired without exercise or conversion.

On 7 August 2026, 32,500 vested Service Rights and 5,958 vested Performance Rights were exercised.

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

- Delivery of a maiden Mineral Resource Estimate for the La Verde Cu-Au discovery.
- Completion of the revised Pre-Feasibility Study (PFS2) for Costa Fuego, incorporating La Verde into the development strategy and assessing a large open-pit mining scenario at Cortadera, ahead of a planned Feasibility Study to position the project for a final investment decision.
- Formal submission of the Costa Fuego Environmental Impact Assessments, comprising EIA 1A (Huasco Water seawater intake, pumping and distribution system) and EIA 1B (Costa Fuego Development Project).
- Continued development of Huasco Water, including progression of the second maritime (desalination) licence application through Chilean regulatory approval processes.
- Continuation of the Company's exploration growth strategy, including ongoing drill programs at La Verde.
- Pursuing further regional consolidation opportunities for Costa Fuego.
- Continued advancement of the asset-level Strategic Partnering Process, with BMO Capital Markets as financial adviser.

5 Directors' Report (Cont'd)

Business Risks

The following are the material business risks to the Group.

Construction and Start-up of New Mines

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

Infrastructure

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

Operational Risks

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

Operations in Chile

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

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

Commodity Price Volatility

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

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

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

Financing Requirements

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

5 Directors' Report (Cont'd)

Business Risks (Cont'd)

Uncertainty in the Estimation of Mineral Reserves and Mineral Resources

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

The figures for Mineral Reserves and Mineral Resources are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that Mineral Reserves could be mined or processed profitably. Actual Mineral Reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that copper and gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Lower market prices, increased production costs, reduced recovery rates and other factors may result in a revision of its Mineral Reserve estimates from time to time or may render the Company's Mineral Reserves uneconomic to exploit. Mineral Reserve data are not indicative of future results of operations. If the Company's actual Mineral Reserves and Mineral Resources are less than current estimates or if the Company fails to develop its Mineral Resource base through the realization of identified mineralized potential, its results of operations or financial condition may be materially and adversely affected. Evaluation of Mineral Reserves and Mineral Resources occurs from time to time and they may change depending on further geological interpretation, drilling results and metal prices. The category of Inferred Mineral Resource is the least reliable Mineral Resource category and is subject to the most variability. The Company will regularly evaluate its Mineral Resources and Mineral Reserves and will determine the merits of increasing the reliability of its overall Mineral Resources.

Uncertainty Relating to Mineral Resources

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

Community Relations

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

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

Corporate Governance Statement

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

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

Security Holding Interests of Directors

At Reporting Date	Ordinary Shares		Service Rights		Performance Rights	
Directors	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
Stuart Mathews	200,000	-	66,665	-	-	-
Christian Easterday	505,881	1,385,932	-	-	-	763,624
Roberto de Andraca Adriasola	200,000	-	87,000	-	-	-
Mark Jamieson	-	-	-	-	-	-
Fiona Van Maanen	-	-	-	33,482	-	-

5 Directors' Report (Cont'd)

Unissued Shares under Option and Rights Vested

Unlisted Options

There were 1,212,121 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
12 Aug 2028	1,212,121	A$2.145

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 420,302 service rights at the date of this report. The vesting conditions for 420,302 of these rights have been met and therefore, 420,302 service rights are exercisable at the date of this report.

Performance Rights

There were 4,163,682 performance rights at the date of this report. The vesting conditions for 40,170 of these rights have been met and therefore, 40,170 performance rights are exercisable at the date of this report.

Shares Issued on the Exercise of Options or Rights

No listed or unlisted options were exercised during or since the end of the financial year. A total of 236,016 unlisted rights have been exercised since the end of the financial year.

Options and Rights Expired, Lapsed or Cancelled

On 25 July 2026, 1,914,000 options expired without exercise or conversion.

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 2026, no Director of the consolidated entity has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the financial statements) by reason of a contract made by the consolidated entity with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Company Secretary

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

Directors' Meetings

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

	Board Meetings		Audit & Risk Committee		Remuneration & Nomination Committee		ESG Committee		Technical Committee	
Director	Held[1]	Attended	Held[1]	Attended	Held[1]	Attended	Held[1]	Attended	Held[1]	Attended
Stuart Mathews	7	7	6	6	4	4	2	2	1	1
Christian Easterday	7	7	6	6	4	4	2	2	1	1
Roberto de Andraca Adriasola	7	7	-	-	-	-	-	-	-	-
Mark Jamieson	7	6	-	-	-	-	-	-	-	-
Fiona Van Maanen	7	7	6	6	4	4	2	2	1	1

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

5 Directors' Report (Cont'd)

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 2026 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 2025 to 30 June 2026, 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 2026) is 18.

[1] LTIFR = number of lost time injuries in accounting period * 1,000,000 / total 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 2026/183*, issued by the Australian Securities and Investments Commission. As such, the amounts contained in this report and in the financial report have been rounded to the nearest dollar in accordance with that Corporations Instrument, unless otherwise stated.

Auditors Independence Declaration

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

REMUNERATION REPORT (AUDITED)

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

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

The information provided in this remuneration report has been audited.

1. Principles Used to Determine Amount and Nature of Remuneration

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

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

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

2. Senior Executives

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

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

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

Base Pay

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

The current base remuneration for key management personnel was last reviewed with effect from January 2026.

Use of remuneration Consultants

The Company utilises Rem-Smart Pty Ltd's (RemSmart) remuneration benchmarking platform, which provides access to salary market data and peer group comparisons. Analysis of this data across a range of relevant parameters indicated that remuneration should be positioned within the 60th to 75th percentile of the market. This benchmarking information was used as the basis for determining base salaries for executives and senior management.

RemSmart's subscription service is $4,125 per annum.

Superannuation

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

Benefits

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

Novated Lease Salary Sacrifice

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

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

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 Employee Incentive Plan was re approved at the Annual General Meeting held 27 November 2025. Terms and conditions of the Service and performance rights issued to Directors and the Managing Director were approved by shareholders at this same meeting.

The Remuneration and Nomination Committee reviewed the STI and LTI strategy and the Board approved the new plan on the 27 January 2026. The plan was adopted effective 1 January 2026.

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

Short-Term Incentive Plan (STIP)

The aim of the STIP is attraction and retention of key staff engaged in the Company's business.

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

The STI performance period is 1-year from 1 January 2026 to 31 December 2026.

The STI Key Performance Indicators (KPI's) are:

Metric	Weighting	Target	Score
Lost Time Injury Frequency Rate (LTIFR)*	20	Annual LTIFR decreases by 10% or more	30
		Annual LTIFR stays within ±10%	15
		Annual LTIFR increases by 10% or more	0
Environmental	10	No serious breaches of environmental management	10
		Serious breach of environmental management	0
Projects Progress towards completion of operational/strategy tasks as set by the Managing Director	30	100% completion of projects	30
		Between 50% and 75% completion of projects	22.5
		Between 25% and 50% completion of projects	15
		Between 0% and 25% completion of projects	7.5
		No completion of projects	0
Personal Performance	40	Exceptional achievement and exceptional effort	40
		Good effort and exceptional achievement	30
		Good effort and good achievement	20
		Average effort and good achievement	10
		Low effort or achievement	0
Total	**100**		

* In the event of a serious safety incident or workplace fatality, the Board has the discretion to withhold all or part of the STI incentive.

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

Long-Term Incentive Plan (LTIP)

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

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

The LTIs are performance rights measured over a 2-year and a 3-year performance cycle. 50% of LTIP performance rights issued in the reporting period are subject to a 2-year performance period (1 January 2026 to 31 December 2028) and the other 50% are subject to a 3-year performance period (1 January 2026 to 31 December 2029). The rights are subject to the following performance conditions:

Rights	KPIs	LTI %
LTI KPI 1	Relative Total Shareholder Return (RTSR)	25%
LTI KPI 2	Absolute Total Shareholder Return (ATSR)	25%
LTI KPI 3	Resource Growth	40%
LTI KPI 4	Definitive Feasibility Study (DFS)	10%

Relative Total Shareholder Return (RTSR) Performance Condition

The RTSR Rights (25% of total LTI Rights) are measured against a defined peer group of companies over the measurement periods (1 January 2026 to 31 December 2028 and 1 January 2026 to 31 December 2029), which the Board considers compete with the Company for the same investment capital, both in Australia and overseas, and which by the nature of their business are influenced by commodity prices and other external factors similar to those that impact on the TSR performance of the Company.

The representative peer group comprise the following:

ASX listed companies	TSX/TSXV listed companies
AIC Mines (ASX: A1M)	Arizona Sonoran Copper (TSX: ASCU)
Blackstone Minerals (ASX: BSX)	Generation Mining Ltd (TSX: GENM)
Dreadnought Resources Ltd (ASX: DRE)	Laurion Mineral Exploration Inc. (TSXV: LME)
KGL Resources Ltd (ASX: KGL)	Los Andes Copper Ltd. (TSXV: LA)
Legend Mining Ltd (ASX: LEG)	Max Resource Corp. (TSXV: MAX)
Titan Minerals Ltd (ASX: TTM)	Northisle (TSX: NCX)
Caravel Minerals Limited (ASX: CVV)	Northwest Copper (TSX: NWST)
Carnaby Resources Limited (ASX: CNB)	Troilus Gold Corp (TSX: TLG)
Cyprium Metals Limited (ASX: CYM)	Tudor Gold Corp. (TSX: TUD)

REMUNERATION REPORT (AUDITED) (CONT'D)

2. Senior Executives (Cont'd)

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

The vesting schedule for the RTSR measure is as follows:

RTSR Performance	% Contribution to the Number of Employee Rights to Vest
Below 50th percentile	0%
At 50th percentile	50%
Between 50th and 75th percentile	Pro-rata from 50% to 75%
Greater than 75th percentile	100%

Absolute Total Shareholder Return (ATSR) Performance Condition

The ATSR Rights (25% of total LTI Rights) will vest subject to the performance of the Company's ATSR over the measurement periods. The ATSR will be measured by comparing the 20-day VWAP at grant date (1 January 2026) to the 20-day VWAP at the measurement dates (31 December 2028 and 31 December 2029).

The vesting schedule for the ATSR measure is as follows:

ATSR Performance	% Contribution to the Number of Employee Rights to Vest
Below 10%	0%
Between 10% and up to 25%	Pro-rata from 50% to 75%
Between 25% and up to 50%	Pro-rata from 75% to 100%
Greater than 50%	100%

Resource Growth Performance Condition

Resource Growth Rights (40% of total LTI Rights) will be measured by Hot Chili reporting or announcing to ASX global independently estimated JORC compliant resources and reserves (for all Company projects) reported at or above:

a) 0.21% Cu equivalent or greater for open-pit resources; and

b) 0.3% Cu equivalent or greater for underground resources.

The vesting schedule for the Resource Growth measure is as follows:

Resource Growth Performance	% Contribution to the Number of Employee Rights to Vest
Less than a 10% growth	0
Between 10% and 20% growth	50%
Greater than a 20% growth	100%

Definitive Feasibility Study (DFS) Performance Condition

The DFS Rights (10% of total LTI Rights) will be measured by Hot Chili completing a DFS for the Costa Fuego Cu-Au Project.

3. Non-Executive Directors

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

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

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

In this case, RemSmart provided the Remuneration and Nomination Committee with a 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 Company aims to:

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

Base Fees[1]	**2026 (A$)**	**2025 (A$)**
Chairman	141,000	90,000
Other Non-Executive Directors	75,000	46,000
Service rights[2]		
Chairman	-	51,000
Other Non-Executive Directors	-	29,000
Committee Fees		
Each Chair	9,000	9,000
Each Committee Member	4,500	4,500

[1] Effective 1 January 2026, the portion of Non-Executive Director remuneration previously provided through service rights was converted to cash-based director fees. This change aligns the Company's Non Executive Director remuneration structure with prevailing market practice. Accordingly, no service rights form part of Non-Executive Director remuneration from 1 January 2026.

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

REMUNERATION REPORT (AUDITED) (CONT'D)

4. Key Management Personnel

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

Non-Executive Directors	Position
Stuart Mathews	Independent Non-Executive Chairman
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Fiona Van Maanen	Independent Non-Executive Director

Executive Director	Position
Christian Easterday	Managing Director

Other KMP	Position
José Ignacio Silva	Executive Vice President
Grant King	Chief Operating Officer
Alberto Cerda[1]	Project Director/Consultant
David Bayona (appointed 2 March 2026)	Project Director

[1] Until 1 December 2025 when he moved to a consulting role.

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.

REMUNERATION REPORT (AUDITED) (CONT'D)

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

2026	Short-Term Benefits		Post-Employment Benefits	Share-based Payments		
	Salary and Fees	Other Benefits[3]	Superannuation	Service and Performance Rights[1]	Total	Performance Related
Name	$	$	$	$	$	%
Directors						
Mr Stuart Mathews	138,000	-	16,560	239,999	**394,559**	60.8
Christian Easterday	451,347	34,486	57,090	257,442	**800,365**	32.2
Roberto de Andraca Adriasola	60,500	-	-	5,408	**65,908**	8.2
Mark Jamieson[2]	-	-	-	-	**-**	-
Fiona Van Maanen	85,250	-	10,230	30,134	**125,614**	24.0
	735,097	**34,486**	**83,880**	**532,983**	**1,386,446**	**38.4**
Other KMP						
José Ignacio Silva	378,930	-	-	211,300	**590,230**	35.8
Grant King	313,632	30,195	30,000	198,254	**572,081**	34.7
Alberto Cerda[4]	183,228	-	-	-	**183,228**	-
David Bayona[5]	129,468	8,617	-	-	**138,085**	-
	1,005,258	**38,812**	**30,000**	**409,554**	**1,483,624**	**27.6**
Total	**1,740,355**	**73,298**	**113,880**	**942,537**	**2,870,070**	**32.8**

[1] The share-based payments values disclosed above are based on accounting estimates using valuation models for each class of service or performance rights as outlined in more detail in Note 23.

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

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

[4] Until 1 December 2025 when he moved to a consulting role

[5] Appointed 2 March 2026

REMUNERATION REPORT (AUDITED) (CONT'D)

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

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

[1] The share-based payments values disclosed above are based on accounting estimates using valuation models for each class of service or performance rights as outlined in more detail in Note 23.

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

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

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

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

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

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

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 2026, by each director and other KMP of Hot Chili Limited, including their personally related parties, is set out below.

	Balance at the Start of the Year No.	Granted as Compensation No.	Received on Exercise of Options or Rights No.	Other Changes During the Year No.	Balance at the End of the Year No.
Directors					
Stuart Mathews	-	200,000	-	-	200,000
Christian Easterday	681,237	-	980,687	208,931	1,870,855
Roberto de Andraca Adriasola	150,000	-	-	50,000	200,000
Mark Jamieson	-	-	-	-	-
Fiona Van Maanen	-	-	-	-	-
	831,237	**200,000**	**980,687**	**258,931**	**2,270,855**
Other KMP					
José Ignacio Silva	121,045	-	394,593	(150,000)	365,638
Grant King	11,572	-	529,571	100,000	641,143
Alberto Cerda[1]	-	-	-	-	-
David Bayona[2]	-	-	-	-	-
	132,617	**-**	**924,164**	**(50,000)**	**1,006,781**
Total	**963,854**	**200,000**	**1,904,851**	**208,931**	**3,277,636**

[1] Until 1 December 2025 when he moved to a consulting role

[2] Appointed 2 March 2026

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.

REMUNERATION REPORT (AUDITED) (CONT'D)

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

6.3 Director and Other KMP Interests in Service Rights

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

	Balance at the Start of the Year No.	Granted as Compensation No.	Exercised During the Year No.	Expired During the Year No.	Other Changes During the Year No.	Balance at the End of the Year No.	Vested and Exercisable at the End of the Year[1] No.
Directors							
Stuart Mathews	-	66,665	-	-	-	66,665	66,665
Christian Easterday	828,750	-	(828,750)	-	-	-	-
Roberto de Andraca Adriasola	87,000	-	-	-	-	87,000	87,000
Mark Jamieson	-	-	-	-	-	-	-
Fiona Van Maanen	-	33,482	-	-	-	33,482	33,482
	915,750	**100,147**	**(828,750)**	**-**	**-**	**187,147**	**187,147**
Other KMP							
José Ignacio Silva	483,176	-	(322,117)	-	-	161,059	161,059
Grant King	447,525	**-**	**(447,525)**	**-**	**-**	-	-
Alberto Cerda[2]	-	**-**	**-**	**-**	**-**	-	-
David Bayona[3]	-	-	-	-	-	-	-
	930,701	**-**	**(769,642)**	**-**	**-**	**161,059**	**161,059**
Total	**1,846,451**	**100,147**	**(1,598,392)**	**-**	**-**	**348,206**	**348,206**

[1] During the year, Tranche 3 of the service rights vested effective 31 December 2025.
[2] Until 1 December 2025 when he moved to a consulting role.
[3] Appointed 2 March 2026.

REMUNERATION REPORT (AUDITED) (CONT'D)

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

6.4 Director and Other KMP Interests in Performance Rights

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

	Balance at the Start of the Year No.	Granted as Compensation No.	Exercised During the Year No.	Expired During the Year[1] No.	Other Changes During the Year No.	Balance at the End of the Year No.	Vested and Exercisable at the End of the Year[2] No.
Directors							
Stuart Mathews	-	-	-	-	-	-	-
Christian Easterday	759,687	763,624	(151,937)	(607,750)	-	763,624	-
Roberto de Andraca Adriasola	-	-	-	-	-	-	-
Mark Jamieson	-	-	-	-	-	-	-
Fiona Van Maanen	-						
	759,687	**763,624**	**(151,937)**	**(607,750)**	**-**	**763,624**	**-**
Other KMP							
José Ignacio Silva	442,911	326,430	(72,476)	(354,329)	-	342,536	16,106
Grant King	410,231	307,203	(82,046)	(328,185)	-	307,203	-
David Bayona[3]	-	-	-	-	-	-	-
	853,142	**633,633**	**(154,522)**	**(682,514)**	**-**	**649,739**	**16,106**
Total	**1,612,829**	**1,397,257**	**(306,459)**	**(1,290,264)**	**-**	**1,413,363**	**16,106**

[1] These performance rights expired on 31 December 2025.
[2] During the year, Class A (Tranches 1 & 2) and Class B (Tranche 1) performance rights vested effective 31 December 2025.
[3] David Bayona was appointed on the 2 March 2026.

6.5 Share-based compensation

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out as follows:

Name	Date	No. of Shares	Issue price	$
Stuart Mathews	18/12/2025	200,000	0.90	180,000

Service rights

The terms and conditions of each grant of service rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Tranche	Name	Grant Date	No. of Rights	Expiry Date	Vesting Period To	Valuation per Right: ($)
Tranche 3	Christian Easterday	10/05/2023	276,250	11/05/2028	31/12/2025	0.98
Tranche 3	Grant King	10/05/2023	149,175	11/05/2028	31/12/2025	0.98
Tranche 3	Jose Ignacio Silva	10/05/2023	161,059	11/05/2028	31/12/2025	0.98
Tranche 3	Fiona Van Maanen	19/12/2025	33,482	19/12/2030	31/12/2025	0.90
Tranche 3	Stuart Mathews	19/12/2025	66,665	19/12/2030	31/12/2025	0.90
Tranche 3	Roberto de Andraca Adriasola	10/05/2023	29,000	11/02/2028	31/12/2025	0.98

Service rights granted carry no dividend or voting rights.

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)

6.5 Share-based compensation (Cont'd)

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Tranche	Name	Grant Date	No. of Rights	Expiry Date	Vesting Period To	Valuation per Right: ($)
Class A - Tranche 3	Christian Easterday	10/05/2023	27,625	11/05/2028	31/12/2025	0.98
Class B - Tranche 3	Christian Easterday	10/05/2023	69,063	11/05/2028	31/12/2025	0.83
Class C - 1st 50%	Christian Easterday	10/05/2023	103,594	11/05/2028	10/05/2026	0.47
Class C - 2nd 50%	Christian Easterday	10/05/2023	103,593	11/05/2028	10/05/2026	0.47
Class D - 1st Milestone	Christian Easterday	10/05/2023	165,750	11/05/2028	31/12/2025	0.98
Class D - 2nd Milestone	Christian Easterday	10/05/2023	165,750	11/05/2028	31/12/2025	0.98
LTI PR6 - Tranche 1A	Christian Easterday	27/11/2025	56,565	30/04/2031	31/12/2027	0.72
LTI PR6 - Tranche 1B	Christian Easterday	27/11/2025	56,565	30/04/2031	31/12/2027	0.58
LTI PR6 - Tranche 1C	Christian Easterday	27/11/2025	90,504	30/04/2031	31/12/2027	0.90
LTI PR6 - Tranche 1D	Christian Easterday	27/11/2025	22,626	30/04/2031	31/12/2027	0.90
LTI PR7 - Tranche 2A	Christian Easterday	27/11/2025	56,565	30/04/2031	31/12/2028	0.78
LTI PR7 - Tranche 2B	Christian Easterday	27/11/2025	56,565	30/04/2031	31/12/2028	0.65
LTI PR7 - Tranche 2C	Christian Easterday	27/11/2025	90,504	30/04/2031	31/12/2028	0.90
LTI PR7 - Tranche 2D	Christian Easterday	27/11/2025	22,626	30/04/2031	31/12/2028	0.90
STI PR5 - Tranche 1	Christian Easterday	27/11/2025	311,106	30/04/2031	31/12/2026	0.90
Class A - Tranche 3	Grant King	10/05/2023	14,918	11/05/2028	31/12/2025	0.98
Class B - Tranche 3	Grant King	10/05/2023	37,294	11/05/2028	31/12/2025	0.83
Class C - 1st 50%	Grant King	10/05/2023	55,941	11/05/2028	10/05/2026	0.47
Class C - 2nd 50%	Grant King	10/05/2023	55,940	11/05/2028	10/05/2026	0.47
Class D - 1st Milestone	Grant King	10/05/2023	89,505	11/05/2028	31/12/2025	0.98
Class D - 2nd Milestone	Grant King	10/05/2023	89,505	11/05/2028	31/12/2025	0.98
LTI PR6 - Tranche 1A	Grant King	1/05/2026	23,040	30/04/2031	31/12/2027	1.63
LTI PR6 - Tranche 1B	Grant King	1/05/2026	23,040	30/04/2031	31/12/2027	1.50
LTI PR6 - Tranche 1C	Grant King	1/05/2026	36,864	30/04/2031	31/12/2027	1.89
LTI PR6 - Tranche 1D	Grant King	1/05/2026	9,216	30/04/2031	31/12/2027	1.89
LTI PR7 - Tranche 2A	Grant King	1/05/2026	23,040	30/04/2031	31/12/2028	1.70
LTI PR7 - Tranche 2B	Grant King	1/05/2026	23,040	30/04/2031	31/12/2028	1.55
LTI PR7 - Tranche 2C	Grant King	1/05/2026	36,864	30/04/2031	31/12/2028	1.89
LTI PR7 - Tranche 2D	Grant King	1/05/2026	9,216	30/04/2031	31/12/2028	1.89
STI PR5 - Tranche 1	Grant King	1/05/2026	122,881	30/04/2031	31/12/2026	1.89
Class A - Tranche 3	Jose Ignacio Silva	10/05/2023	16,106	11/05/2028	31/12/2025	0.98
Class B - Tranche 3	Jose Ignacio Silva	10/05/2023	40,265	11/05/2028	31/12/2025	0.83
Class C - 1st 50%	Jose Ignacio Silva	10/05/2023	60,397	11/05/2028	10/05/2026	0.47
Class C - 2nd 50%	Jose Ignacio Silva	10/05/2023	60,397	11/05/2028	10/05/2026	0.47
Class D - 1st Milestone	Jose Ignacio Silva	10/05/2023	96,635	11/05/2028	31/12/2025	0.98
Class D - 2nd Milestone	Jose Ignacio Silva	10/05/2023	96,635	11/05/2028	31/12/2025	0.98
LTI PR6 - Tranche 1A	Jose Ignacio Silva	1/05/2026	24,482	30/04/2031	31/12/2027	1.63
LTI PR6 - Tranche 1B	Jose Ignacio Silva	1/05/2026	24,482	30/04/2031	31/12/2027	1.50
LTI PR6 - Tranche 1C	Jose Ignacio Silva	1/05/2026	39,172	30/04/2031	31/12/2027	1.89
LTI PR6 - Tranche 1D	Jose Ignacio Silva	1/05/2026	9,793	30/04/2031	31/12/2027	1.89
LTI PR7 - Tranche 2A	Jose Ignacio Silva	1/05/2026	24,482	30/04/2031	31/12/2028	1.70
LTI PR7 - Tranche 2B	Jose Ignacio Silva	1/05/2026	24,482	30/04/2031	31/12/2028	1.55
LTI PR7 - Tranche 2C	Jose Ignacio Silva	1/05/2026	39,172	30/04/2031	31/12/2028	1.89
LTI PR7 - Tranche 2D	Jose Ignacio Silva	1/05/2026	9,793	30/04/2031	31/12/2028	1.89
STI PR5 - Tranche 1	Jose Ignacio Silva	1/05/2026	130,572	30/04/2031	31/12/2026	1.89

Performance rights granted carry no dividend or voting rights.

REMUNERATION REPORT (AUDITED) (CONT'D)

7. Service Contracts

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

Term of Contract	Notice Period	Termination Entitlements	Other Details
Christian Easterday			
Mr Easterday receives an annual salary of $480,000, plus superannuation which was effective 1 January 2026. Mr Easterday is also entitled to receive committee fees of for any committee he sits on. Mr Easterday currently receives an additional $18,000 in committee fees, plus superannuation which was effective 1 January 2026. Mr Easterday's remuneration is subject to annual review.	After the initial term, the agreement continues until either Mr Easterday terminates by giving the Company 6 months' notice, or the Company terminates by giving Mr Easterday 6 months' notice or payment in lieu of notice up to an amount equivalent to 6 months' remuneration.	Upon termination of the agreement, Mr Easterday will be entitled to termination benefits in accordance with Part 2D.2 of the *Corporations Act 2001*. The termination benefits (including any amount of payment in lieu of notice) must not exceed the amount equal to one times the executive's average annual base salary in the last 3 years of service with the Company, unless the benefit has first been approved by the Company's shareholders in a general meeting.	Post termination non-competition restraints up to a maximum of 12 months.
José Ignacio Silva			
The Company, through one of its Chilean subsidiary entities, Sociedad Minera El Corazón Limitada, has a labour agreement with Mr José Ignacio Silva, as Country Manager for Chile and Chief Legal Counsel of the Company. Mr Silva currently receives an annual salary of $379,000 per annum, which was effective from 1 January 2026.	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 receives an annual salary of $343,000, plus superannuation which was effective from 1 January 2026.	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.
David Bayona			
Mr Bayona commenced employment with Hot Chili Limited on 2 March 2026. Mr Bayona receives an annual salary of $400,000 per annum, which was effective from 2 March 2026.	Either party may give notice that the agreement will terminate with 3 months' notice.	Such agreement will continue until either Mr Bayona terminates by giving the Company 3 months' notice or the Company terminates by giving Mr Bayona 3 months' notice or payment in lieu of notice up to an amount equivalent to 3 months' remuneration.	Mr Bayona 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 Bayona.

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 (including superannuation)):

At Reporting Date	Stuart Mathews	Roberto de Andraca Adriasola	Mark Jamieson	Fiona Van Maanen
Term	N/A	N/A	N/A	N/A
Remuneration	A$15,680 per month	A$6,250 per month	-	A$9,520 per month
Termination Benefits	Nil	Nil	Nil	Nil

9. Additional Information

The earnings of the consolidated entity for the five years to 30 June 2026 are summarised below:

	2026 A$	2025 A$	2024 A$	2023 A$	2022 A$
Other income	443,349	483,670	265,191	170,795	2,520,701
Expenses	(11,043,344)	(12,073,874)	(8,046,513)	(5,594,579)	(9,799,457)
EBITDA	(10,875,710)	(11,839,794)	(7,851,886)	(5,416,529)	(4,780,485)
EBIT	(11,006,558)	(12,018,669)	(8,008,133)	(5,547,227)	(4,870,519)
Loss after income tax	(10,599,995)	(11,590,204)	(7,781,322)	(5,423,784)	(7,278,756)

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

	2026	2025	2024	2023	2022[1]
Share price at financial year end ($)	1.99	0.60	0.93	1.12	0.75
Basic earnings/(loss) per share (cents per share)	(5.56)	(7.35)	(6.13)	(4.37)	(7.49)

[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 2025 Remuneration Report

At the Annual General Meeting held on 27 November 2025, shareholders adopted the 30 June 2025 Remuneration Report with a clear majority of 97.32% 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 29th day of September 2026
Perth, Western Australia

6 Auditors' Independence Declaration

RSM Australia Partners

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GPO Box R1253 Perth WA 6844

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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 2026, 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: 29 September 2026

AIK KONG TING
Partner

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7 Independent Auditors' Report

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hot Chili Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Hot Chili Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2026 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to our audit of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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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 $262,466,188 as at 30 June 2026. We considered this to be a key audit matter due to the significant management judgment involved in assessing the carrying value in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, including: • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss; and • Assessing whether exploration activities have reached a stage at which the existence of economically recoverable reserves may be determined.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Assessing whether the rights to tenure of those areas of interest are current; • Testing the option agreement payments are up to date; • Testing on a sample basis of additions to supporting documentation and checking the amounts capitalised during the year are in compliance with the Group's accounting policy and relate to the area of interest; • Assessing and evaluating management's assessment of whether indicators of impairment existed at the reporting date; • Enquiring with management and reading budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; • Assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined; and • Assessing the appropriateness of the disclosures in the financial statements.

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Key Audit Matter	How our audit addressed this matter
Share-based Payment Refer to Notes 23 in the financial statements	
During the year, the Group issued performance and service rights to employees and consultants. 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 2026 but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

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

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

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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/media/bwvjcgre/ar1_2024.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 2026.

In our opinion, the Remuneration Report of Hot Chili Limited, for the year ended 30 June 2026, 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.

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AIK KONG TING
Partner

Perth, WA
Dated: 29 September 2026

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 2026 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 Easterday
Managing Director

Dated this 29th day of September 2026
Perth, Western Australia

9 Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2026

		Consolidated Entity	
		2026	2025
	Note	$	$
Interest income	4	443,349	483,670
Total Income		**443,349**	**483,670**
Depreciation		(130,848)	(178,875)
Corporate fees		(498,990)	(376,430)
Legal and professional		(1,540,372)	(1,835,383)
Employee benefits expense		(3,057,898)	(2,313,488)
Administration expenses		(1,746,255)	(1,502,972)
Accounting fees		(87,508)	(137,523)
Other expenses	5	(1,961,735)	(1,406,173)
Tenement write off		-	(3,111,349)
Foreign exchange loss		(159,287)	(11,070)
Share-based payments expense	23	(1,823,665)	(1,145,406)
Finance costs		(36,786)	(55,205)
Total Expenses		**(11,043,344)**	**(12,073,874)**
Loss before income tax		(10,599,995)	(11,590,204)
Income tax expense	6	-	-
Loss After Income Tax		**(10,599,995)**	**(11,590,204)**
Other comprehensive income		-	-
Total Comprehensive Loss		**(10,599,995)**	**(11,590,204)**
Loss Attributable To:			
Non-controlling interests		(488,331)	(452,657)
Owners of Hot Chili Limited		(10,111,664)	(11,137,547)
		(10,599,995)	**(11,590,204)**
Basic and diluted loss per share (cents) attributable to the owners of Hot Chili Limited	7	(5.56)	(7.35)

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 2026

	Note	Consolidated Entity 2026 $	2025 $
Current Assets			
Cash and cash equivalents	8	24,947,836	5,189,090
Other current assets	13	1,979,111	3,018,313
Total Current Assets		26,926,947	8,207,403
Non-Current Assets			
Plant and equipment	10	324,200	188,593
Exploration and evaluation expenditure	11	262,466,188	235,822,617
Right-of-use assets	12	379,703	345,547
Other non-current assets	13	237,925	240,389
Total Non-Current Assets		263,408,016	236,597,146
Total Assets		**290,334,963**	**244,804,549**
Current Liabilities			
Trade and other payables	14	6,823,251	4,391,338
Provisions	15	447,856	313,778
Lease liabilities	16	141,076	133,239
Total Current Liabilities		7,412,183	4,838,355
Non-Current Liabilities			
Provisions	15	67,356	48,581
Lease liabilities	16	287,046	282,060
Total Non-Current Liabilities		354,402	330,641
Total Liabilities		**7,766,585**	**5,168,996**
Net Assets		**282,568,378**	**239,635,553**
Equity			
Contributed equity	19	347,247,758	297,649,862
Share-based payments reserve	20(a)	7,725,679	5,082,893
Foreign currency translation reserve	20(b)	1,222	1,222
Accumulated losses	21	(95,060,895)	(84,949,231)
Capital and Reserves Attributable to Owners of Hot Chili Limited		259,913,764	217,784,746
Non-controlling interests	22	22,654,614	21,850,807
Total Equity		**282,568,378**	**239,635,553**

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 2026

Consolidated Entity	Contributed Equity	Share-Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-Controlling Interest ("NCI")	Total Equity
	$	$	$	$	$	$
Balance at 1 July 2025	297,649,862	5,082,893	1,222	(84,949,231)	21,850,807	239,635,553
Loss for the year	-	-	-	(10,111,664)	(488,331)	(10,599,995)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(10,111,664)**	**(488,331)**	**(10,599,995)**
Options expired during the period						
Shares issued	53,901,012	-	-	-	-	53,901,012
Share issue costs	(4,483,116)	999,121	-	-	-	(3,483,995)
Share-based payments	180,000	1,643,665	-	-	-	1,823,665
NCI contribution[1]	-	-	-	-	1,292,138	1,292,138
Balance at 30 June 2026	**347,247,758**	**7,725,679**	**1,222**	**(95,060,895)**	**22,654,614**	**282,568,378**
Balance at 1 July 2024	297,651,726	6,445,699	1,222	(76,319,896)	19,648,425	247,427,176
Loss for the year	-	-	-	(11,137,547)	(452,657)	(11,590,204)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**(11,137,547)**	**(452,657)**	**(11,590,204)**
Options expired during the period	-	(2,508,212)	-	2,508,212	-	-
Share issue costs	(1,864)	-	-	-	-	(1,864)
Share-based payments	-	1,145,406	-	-	-	1,145,406
NCI contribution[1]	-	-	-	-	2,655,039	2,655,039
Balance at 30 June 2025	**297,649,862**	**5,082,893**	**1,222**	**(84,949,231)**	**21,850,807**	**239,635,553**

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

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

12 Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2026

		Consolidated Entity	
		2026	2025
	Note	$	$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(8,708,273)	(7,504,263)
Interest received		336,441	529,876
Interest paid		(204)	(6)
Net Cash Used in Operating Activities	9	(8,372,036)	(6,974,393)
Cash Flows from Investing Activities			
Payments for plant and equipment	10	(198,471)	(76,220)
Payments for tenements	11	(4,234,444)	(3,835,382)
Payments for exploration and evaluation		(18,818,811)	(20,082,150)
Reimbursement from CMP during the year		1,292,138	2,655,039
Net Cash used in Investing Activities		(21,959,588)	(21,338,713)
Cash Flows from Financing Activities			
Proceeds from issue of shares		53,901,012	-
Share issue costs		(3,483,995)	-
Repayment of lease liabilities		(176,912)	(194,502)
Net Cash Provided by / (used in) Financing Activities		50,240,105	(194,502)
Net increase / (decrease) in cash held		19,908,481	(28,507,608)
Cash and cash equivalents at the beginning of the year		5,189,090	33,741,518
Foreign exchange differences on cash		(149,735)	(44,820)
Cash and Cash Equivalents at the End of the Year	8	**24,947,836**	**5,189,090**

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 2026

1. MATERIAL ACCOUNTING POLICIES

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

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

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

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

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

Australian Accounting Standards and Interpretations that have recently been issued or amended are not yet mandatory, and have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

(c) Financial report prepared on a going concern basis

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

(d) Basis of Preparation

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

The financial report was authorised for issue on 29 September 2026 by the Board of Directors.

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

Critical Accounting Estimates

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

Historical Cost Convention

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

(e) Rounding of Amounts

The company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*, issued by the Australian Securities and Investments Commission. Therefore, the amounts in this report have been rounded to the nearest dollar in accordance with that Corporations Instrument, unless otherwise stated.

(f) Parent Entity Information

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hot Chili Limited ("parent entity") as at 30 June 2026 and the results of all subsidiaries for the year then ended. Hot Chili Limited and its subsidiaries together are referred to in these financial statements as the "consolidated entity".

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

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

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

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

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

(h) Segment Reporting

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

(i) Foreign Currency Translation

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

Foreign Currency Transactions

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

Foreign Operations

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

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

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

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

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

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

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

(k) Revenue Recognition

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

Interest Income

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

Other Services

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(l) Finance Costs

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

(m) Income Tax

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

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

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

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

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

(n) Current and Non-Current Classification

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

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

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

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

(o) Fair Value Measurement

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

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

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

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

(p) Impairment of Assets

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

(q) Cash and Cash Equivalents

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

(r) Other Receivables

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

1. MATERIAL ACCOUNTING POLICIES (CONT'D)

(s) Plant and Equipment

Plant and Equipment

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

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

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

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

Depreciation

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

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

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

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

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

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

(t) Exploration and Evaluation Expenditure

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

(u) Right-of-Use Assets

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

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

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

(v) Lease Liabilities

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

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

(w) Trade and Other Payables

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

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

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

	Consolidated Entity	
	2026	2025
	$	$
4. INTEREST INCOME		
Interest earnt on bank deposits	443,349	483,670
	443,349	**483,670**
5. OTHER EXPENSES		
Marketing and business development expenses	1,584,303	1,255,228
Travel costs	358,119	99,955
Community development costs	15,106	2,520
Huasco Water direct costs	4,207	48,470
	1,961,735	**1,406,173**
6. INCOME TAX EXPENSE		
(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable		
Loss before income tax	(10,599,995)	(11,590,204)
Prima facie income tax at 25% (2025: 25%)	(2,649,999)	(2,897,551)
Tax-effect of amounts not deductible in calculating taxable income	881,883	760,082
Tax loss not recognised	1,768,116	2,137,469
Income Tax Expense	**-**	**-**
(b) Tax Losses:		
Unused tax losses for which no deferred tax asset has been recognised	49,251,036	44,415,076
Potential tax benefit at 25% (2025: 25%)	12,312,759	11,103,769

As shown above, the directors' estimate that the potential deferred tax asset at 30 June 2026 in respect of tax losses not brought to account is $12,312,759 (2025: $11,103,769).

In addition, Chilean subsidiaries of Hot Chili Limited also have tax losses that are a potential deferred tax asset of $37,676,272 (2025: $37,062,757).

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	
	2026	2025
	$	$

7. LOSS PER SHARE

Loss after tax attributable to the owners of Hot Chili Limited	(10,111,664)	(11,137,547)
The weighted average number of ordinary shares on issue used in the calculation of basic loss per share	182,009,397	151,465,213
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share [i]	**182,009,397**	**151,465,213**
Basic Loss Per Share (Cents)	**(5.56)**	**(7.35)**
Diluted Loss Per Share (Cents)[i]	**(5.56)**	**(7.35)**

[i] Unexercised options are not dilutive.

8. CASH AND CASH EQUIVALENTS

Cash at bank	8,840,526	5,189,090
Short-term deposits	16,107,310	-
Total Cash and Cash Equivalents	**24,947,836**	**5,189,090**

Reconciliation to cash and cash equivalents:

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Cash and Cash Equivalents	**24,947,836**	**5,189,090**

9. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Net Cash Used in Operating Activities

Loss for the year	(10,599,995)	(11,590,204)
Adjustments for:		
Depreciation	130,848	178,875
Tenement write off	-	3,111,349
Foreign exchange loss	159,287	11,070
Exploration and evaluation expensed	4,207	48,470
Community development costs recognised as investing activities	15,106	2,520
Share-based payments	1,823,665	1,145,406
Finance costs on lease liabilities	36,582	55,199
Net cash flows from operating activities before change in assets and liabilities	(8,430,300)	(7,037,315)
Change in assets and liabilities during the financial year [i]:		
Other current assets	(265,829)	(39,983)
Trade and other payables	171,240	32,665
Provisions	152,853	70,240
Net Cash Outflow from Operating Activities	**(8,372,036)**	**(6,974,393)**

[i] As related to operating activities.

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

(b) Non-Cash Investing and Financing Activities

2026
During the current year there were non-cash investing and financing activities of $999,121 due to options issued to brokers.

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

	Consolidated Entity	
	2026	**2025**
	$	**$**
10. PLANT AND EQUIPMENT		
Plant and equipment at cost	1,396,666	1,198,195
Less: Accumulated depreciation	(1,072,466)	(1,009,602)
Total Plant and Equipment	**324,200**	**188,593**
Reconciliation:		
Carrying amount at the beginning of the year	188,593	162,654
Additions	198,471	76,220
Depreciation expensed	(11,851)	(15,732)
Depreciation capitalised into exploration costs	(51,013)	(34,549)
Carrying Amount at the End of the Year	**324,200**	**188,593**
11. EXPLORATION AND EVALUATION EXPENDITURE		
Carrying amount at the beginning of the year	235,822,617	215,831,609
Tenement write off [iii]	-	(3,111,349)
Transfer to VAT receivable	-	(3,147,705)
Consideration given for mineral exploration acquisition	4,234,444	3,835,382
Capitalised mineral exploration and evaluation [i]	22,409,127	22,414,680
Carrying Amount at the End of the Year [ii]	**262,466,188**	**235,822,617**

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

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

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

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

	Consolidated Entity	
	2026	2025
	$	$
12. RIGHT-OF-USE ASSET		
Right-of-use assets at cost	984,647	831,495
Less: Accumulated depreciation	(604,944)	(485,948)
	379,703	**345,547**
Reconciliation of Right-of-Use Assets		
Opening balance	345,547	508,689
Additions [i]	153,153	-
Amortisation	(118,997)	(163,142)
Closing balance	**379,703**	**345,547**

[i] Effective on 1 June 2024, the Chilean entities entered into a lease agreement for their new Chilean office premises at Los Condes, Santiago, Republic of Chile. This lease has a fixed term of 3 years, with the option to renew for a further 3 years.

On the 25 May 2026, an additional lease was taken over a further floor at the same premises for a fixed term of 2 years.

Both leases are 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 of premises at 768 Canning Highway, Applecross, Western Australia. The leases for the ground and first floors previously expired and have been extended on a periodic basis.

	Consolidated Entity	
	2026	2025
	$	$
13. OTHER ASSETS		
Current		
Prepayments	472,423	313,502
VAT receivable	1,249,185	2,547,126
Other receivables	257,503	157,685
Total Other Current Assets	**1,979,111**	**3,018,313**
Non-Current		
Term deposits and bonds	237,925	240,389
Total Other Non-Current Assets	237,925	240,389
Total Other Assets	**2,217,036**	**3,258,702**

	Consolidated Entity	
	2026	2025
	$	$

14. TRADE AND OTHER PAYABLES

Trade payables and accruals	6,823,251	4,391,338
	6,823,251	**4,391,338**

15. PROVISIONS

Current		
Annual leave	326,804	220,749
Long service leave	121,052	93,029
Total Current Provisions	**447,856**	**313,778**
Non-Current		
Long service leave	67,356	48,581
Total Non-Current Provisions	**67,356**	**48,581**
Total Provisions	**515,212**	**362,359**

16. LEASE LIABILITIES

Current	141,076	133,239
Non-current	287,046	282,060
Total Lease Liabilities	**428,122**	**415,299**
Maturity Analysis:		
Year 1	168,970	170,192
Year 2	155,480	88,412
Year 3	88,033	88,412
Year 4	80,698	88,412
Year 5	-	81,045
	493,181	516,473
Less: Interest portion of lease liabilities	(65,059)	(101,174)
Closing Balance	**428,122**	**415,299**

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	
	2026	2025
	$	$

17. COMMITMENTS FOR EXPENDITURE

(a) Exploration Commitments

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

Within one year	363,954	381,679
Later than one year but not later than five years	1,455,816	1,526,718
More than five years	4,003,494	4,580,153
	5,823,264	**6,488,550**

(b) Option Payment Commitments

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

Within one year	4,804,193	3,099,237
Later than one year but not later than five years	20,628,913	26,366,412
More than five years	-	-
	25,433,106	**29,465,649**

18. CONTINGENT LIABILITIES

(a) VAT Payments

At year-end, Hot Chili Limited had accumulated:

- VAT refund payments of $19,581,638 (2025: $16,586,083) with respect to VAT recovered at year end by Sociedad Minera El Águila SpA (refer to the table below); and
- VAT refund payments of $12,312,019 (2025: $10,990,802) with respect to VAT recovered at year-end by Sociedad Minera La Frontera SpA (refer to the table below).

	2026	2025
	$	$
VAT recovered by Sociedad Minera El Águila SpA (CLP 12,406,051,392; 2025: CLP 10,140,567,058)	19,581,638	16,586,083
VAT recovered by Sociedad Minera La Frontera SpA (CLP 7,800,345,143; 2025: CLP 6,719,667,817)	12,312,019	10,990,802
Total VAT Recovered by the Group (CLP 20,206,396,535; 2025: CLP16,860,234,875)	**31,893,657**	**27,576,885**

Under the initial terms of the VAT refund payment, the consolidated entity initially had until 31 December 2019 to commercialise production from Productora and meet certain export targets, having the right to extend this term. The Company exercised its right to extend the deadline to meet the committed amount of exports with the Ministry of Economy. Sociedad Minera El Aguila SpA obtained extensions until 30 June 2022, until 30 June 2026 and recently until 30 June 2033. Sociedad Minera La Frontera SpA's extension ends on 31 December 2026 for exports related to the Cortadera deposit. However, a new extension will be required in the following months.

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.

18. CONTINGENT LIABILITIES CONT'D)

(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.

On 7 July 2026, Hot Chili announced the execution of a binding Amended and Restated Investment Agreement (A&R Investment Agreement) with OR Royalties Inc (formerly Osisko) pursuant to which the Company has agreed to grant to OR a Net Smelter Return royalty on the Company's La Verde Project.

The A&R Investment Agreement brings total royalty consideration under the OR royalty arrangement to US$30 million with Hot Chili to receive US$15 million at closing of the transactions contemplated by the A&R Investment Agreement.

19. CONTRIBUTED EQUITY

	Consolidated Entity			
	2026		2025	
	No. Shares	$	No. Shares	$
(a) Share Capital				
Ordinary shares – fully paid	202,686,033	347,247,758	151,606,305	297,649,862
(b) Movement in Ordinary Share Capital				
Balance at the beginning of the period	151,606,305	297,649,862	151,345,206	297,651,726
Shares issued under Private Placement to institutional & professional investors[i]	13,209,698	21,796,002	-	-
Shares issued under Private Placement to institutional & professional investors[ii]	11,032,727	17,916,013		
Shares issued under Private Placement to institutional & professional investors[iii]	23,648,329	14,188,997	-	-
Shares issued to director for onboarding[iv]	200,000	180,000	-	-
Shares issued to employees under Employee Share Scheme[v]	2,988,974	-	261,099	-
Less: Costs associated with issue of share capital	-	(4,483,116)	-	(1,864)
Balance at the End of the Period	**202,686,033**	**347,247,758**	**151,606,305**	**297,649,862**

[i] Issued at $1.65 per share.

[ii] Issued at CAD$1.56 per share.

[iii] Issued at $0.60 per share.

[iv] 200,000 fully paid ordinary shares were issued for onboarding of Chairman Mr Stuart Mathews at $0.90 per share, approved at the AGM on 27 November 2025.

[v] 2,988,974 Service & Performance rights exercised at nil per share.

(c) Terms and Conditions of Contributed Equity

Ordinary Shares

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

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

19. CONTRIBUTED EQUITY (CONT'D)

(d) Unlisted Options Over Ordinary Share Capital

Issue Date	Expiry Date	Exercise Price	Balance at Start of Year No.	Issued No.	Exercised No.	Expired No.	Balance at End of Year No.	Exercisable at End of Year No.
25 Jul 2024[i]	25 Jul 2026	A$1.50	1,914,000	-	-	-	1,914,000	1,914,000
12 Feb 2026[ii]	12 Aug 2028	A$2.145	-	1,212,121	-	-	1,212,121	1,212,121
			1,914,000	**1,212,121**	**-**	**-**	**3,126,121**	**3,126,121**

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

[ii] Non-transferable and unlisted options in the Company issued to Agents acting as lead managers in the placement of shares.

Weighted average exercise price of options on issue is $1.75 (2025: $1.50). The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.86 years (2025: 1.07 years).

(e) Service Rights

Grant Date	Last Vesting Day	Expiry Date[i]	Balance at Start of Year No.	Issued[ii] No.	Exercised No.	Expired/ Lapsed No.	Balance at End of Year No.	Exercisable at End of Year[iii] No.
10 May 2023	31 Dec 2023	12 May 2028	811,549	-	(782,549)	-	29,000	29,000
10 May 2023	31 Dec 2024	12 May 2028	803,263	-	(774,263)	-	29,000	29,000
10 May 2023	31 Dec 2025	12 May 2028	747,572	-	(472,830)	-	274,742	274,742
21 Aug 2023	31 Dec 2023	22 Aug 2028	106,672	-	(53,336)	-	53,336	53,336
21 Aug 2023	31 Dec 2024	22 Aug 2028	115,006	-	(61,670)	-	53,336	53,336
21 Aug 2023	31 Dec 2025	22 Aug 2028	114,988	-	(53,328)	-	61,660	61,660
24 Sep 2024	31 Dec 2024	6 Jan 2030	105,300	-	(105,300)	-	-	-
24 Sep 2024	31 Dec 2025	6 Jan 2030	210,600	-	(210,600)	-	-	-
13 Dec 2024	31 Dec 2024	6 Jan 2030	1,806	-	-	-	1,806	1,806
13 Dec 2024	31 Dec 2025	6 Jan 2030	27,082	-	(16,250)	-	10,832	10,832
19 Dec 2025	31 Dec 2025	19 Dec 30	-	100,147	-	-	100,147	100,147
			3,043,838	**100,147**	**(2,530,126)**	**-**	**613,859**	**613,859**

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

[ii] During the year, 100,147 service rights were issued to the Company's employees. Refer to Note 23(a)(ii) for details of the fair value of the service rights granted.

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

[iv] During the year, $328,837 (2025: $892,470) was expensed in relation to the vesting of service rights (see Note 23).

19. CONTRIBUTED EQUITY (CONT'D)

(f) Performance Rights

Grant Date	Last Vesting Day	Expiry Date [i]	Balance at Start of Year No.	Issued [ii] No.	Exercised No.	Expired/ Lapsed [iii] No.	Balance at End of Year No.	Exercisable at End of Year [iv] No.
10 May 2023	31 Dec 2023	12 May 2028	273,889	-	(273,889)	-	-	-
10 May 2023	31 Dec 2024	12 May 2028	71,857	-	(71,857)	-	-	-
10 May 2023	31 Dec 2025	12 May 2028	1,113,786	-	(47,284)	(1,041,929)	24,574	24,574
10 May 2023	10 May 2026	12 May 2028	538,928	-	-	(538,928)	-	-
21 Aug 2023	31 Dec 2023	22 Aug 2028	37,328	-	(18,664)	-	18,664	18,664
21 Aug 2023	31 Dec 2024	22 Aug 2028	11,497	-	(6,165)	-	5,332	5,332
21 Aug 2023	31 Dec 2025	22 Aug 2028	178,262	-	(5,336)	(166,756)	6,170	6,170
21 Aug 2023	21 Aug 2026	22 Aug 2028	86,250	-	-	(86,250)	-	-
24 Sep 2024	31 Dec 2024	6 Jan 2030	10,530	-	(10,530)	-	-	-
24 Sep 2024	31 Dec 2025	6 Jan 2030	200,070	-	(21,060)	(179,010)	-	-
24 Sep 2024	21 Aug 2026	6 Jan 2030	78,974	-	-	(78,974)	-	-
13 Dec 2024	31 Dec 2024	6 Jan 2030	220	-	-	-	220	220
13 Dec 2024	31 Dec 2025	6 Jan 2030	32,461	-	(4,063)	(27,083)	1,315	1,315
13 Dec 2024	21 Aug 2026	6 Jan 2030	14,218	-	-	(14,218)	-	-
27 Nov 2025	31 Dec2026	30 Apr 2031	-	311,106	-	-	311,106	-
27 Nov 2025	31 Dec 2027	30 Apr 2031	-	226,259	-	-	226,259	-
27 Nov 2025	31 Dec 2028	30 Apr 2031	-	226,259	-	-	226,259	-
1 May 2026	31 Dec 2026	30 Apr 2031	-	1,405,197	-	-	1,405,197	-
1 May 2026	31 Dec 2027	30 Apr 2031	-	990,521	-	-	990,521	-
1 May 2026	31 Dec 2028	30 Apr 2031	-	990,521	-	-	990,521	-
			2,648,270	**4,149,863**	**(458,848)**	**(2,133,148)**	**4,206,137**	**56,275**

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

[ii] During the year, 4,149,863 performance rights were issued to the Company's employees. Refer to Note 23(b) for details of the fair value of the performance rights granted.

[iii] During the year, 2,133,148 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, $1,314,828 (2025: $252,936) was expensed in relation to the vesting of performance rights (see Note 23).

(g) Capital Risk Management

The consolidated entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the consolidated entity may issue new shares, pay dividends or return capital to shareholders. Capital is calculated as 'equity' as shown in the statement of financial position and is monitored on the basis of funding exploration activities. The capital risk management policy remains unchanged from the 2025 Annual Report.

	Consolidated Entity	
	2026	2025
	$	$

20. RESERVES

(a) Share-Based Payments Reserve

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

Balance at the beginning of the year	5,082,893	6,445,699
Vesting of service and performance rights during the year (see Note 23)	1,643,665	1,145,406
Issue of options during the year[i]	999,121	-
Options or rights expiring during the year (transferred to accumulated losses)	-	(2,508,212)
Balance at the End of the Year	**7,725,679**	**5,082,893**

[i] Approved at the General Meeting held 27 November 2025.

(b) Foreign Currency Translation Reserve

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

21. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	(84,949,231)	(76,319,896)
Net loss for the year attributable to the owners of Hot Chili Limited	(10,111,664)	(11,137,547)
Options or rights expiring during the year (transferred from share-based payments reserve)	-	2,508,212
Accumulated Losses at the End of the Year	**(95,060,895)**	**(84,949,231)**

22. NON-CONTROLLING INTERESTS

Balance at the beginning of the year	21,850,807	19,648,425
Share of net loss for the year	(488,331)	(452,657)
NCI contributions (current year)[i]	1,292,138	2,655,039
Balance at the End of the Year	**22,654,614**	**21,850,807**

[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.

	Consolidated Entity	
	2026	2025
	$	$

23. SHARE-BASED PAYMENTS

Share-Based Payments Expense Recognised in Profit or Loss		
Vesting of service rights to employees and key consultants of the Company (see Note 23(a) below)	328,837	892,470
Vesting of performance rights to employees and key consultants of the Company (see Note 23(b) below)	1,314,828	252,936
Recognition of shares issued to employees and key consultants of the Company (see Note 23(d) below)	180,000	-
Total Share-Based Payments Expense/(Reversal) Recognised in Profit or Loss	**1,823,665**	**1,145,406**
Share-Based Payments Recognised Directly in Equity		
Options granted to capital raising lead managers during the year	999,121	-
Total Share-Based Payments Recognised Directly in Equity	**999,121**	**-**
Total Share-Based Payment Transactions	**2,822,786**	**1,145,406**

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

$328,837 (2025: $892,470) was expensed in relation to the vesting of the following service rights during the year:

Service rights issued in December 2025	90,132	-
Service rights issued in January 2025	66,979	225,865
Service rights issued in August 2023	32,324	125,633
Service rights issued in May 2023	139,402	540,972
	328,837	**892,470**

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

23. SHARE-BASED PAYMENTS (CONT'D)

(a) Service Rights (cont'd)

(ii) Fair Value of Service Rights

During the current year 100,147 service rights were issued to the Company's employees.

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

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
SR - Tranche 1	938,953	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.9800	920,174	Continued employment during the 2023 calendar year
SR - Tranche 1	115,006	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3200	151,808	
SR - Tranche 2	938,955	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.9800	920,176	Continued employment during the 2024 calendar year
SR - Tranche 2	115,006	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$1.3200	151,808	
SR - Tranche 2	105,300	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.8450	88,979	
SR - Tranche 2	9,931	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.7000	6,952	
SR - Tranche 3	938,956	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	920,177	Continued employment during the 2025 calendar year
SR - Tranche 3	114,988	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	151,784	
SR - Tranche 3	210,600	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.8450	177,957	
SR - Tranche 3	27,082	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.7000	18,957	
SR - Tranche 3	100,147	18 Dec 25	19 Dec 25	$0.9000	Nil	31 Dec 25	19 Dec 30	70%	3.950%	Nil	$0.9000	90,132	Continued employment during the 2025 calendar year

(b) Performance Rights

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

$1,314,828 was expensed (2025: $252,936) in relation to the vesting of the following performance rights during the year:

	Consolidated Entity	
	2026	**2025**
	$	**$**
Performance rights issued in May 2026	1,786,749	
Performance rights issued in January 2025	(30,132)	62,168
Performance rights issued in August 2023	(85,326)	47,298
Performance rights issued in May 2023	(356,463)	143,470
	1,314,828	**252,936**

During the year 4,149,863 performance rights were issued to the Company's employees.

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

(i) Share-Based Payments Expense Related to Performance Rights (Cont'd)

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

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
PR Class A - Tranche 1	82,994	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.9800	81,334	Lost Time Injury Frequency Rate ("LTIFR") of less than 27 and zero fatalities during the 2023 calendar year.
PR Class A - Tranche 1	11,497	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3200	15,176	
PR Class A - Tranche 2	82,995	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.9800	81,335	LTIFR of less than 27 and zero fatalities during the 2024 calendar year.
PR Class A - Tranche 2	11,497	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$1.3200	15,176	
PR Class A - Tranche 2	10,530	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.8450	8,898	
PR Class A - Tranche 2	2,251	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.7000	1,576	
PR Class A - Tranche 3	82,998	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	81,338	LTIFR of less than 27 and zero fatalities during the 2025 calendar year.
PR Class A - Tranche 3	11,506	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	15,188	
PR Class A - Tranche 3	21,060	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.8450	17,796	
PR Class A - Tranche 3	5,378	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.7000	3,765	
PR Class B - Tranche 1	207,486	12 May 23	10 May 23	$0.9800	Nil	31 Dec 23	12 May 28	75%	3.170%	Nil	$0.7152	203,336	The Company's relative shareholder return ("SR") performance during the 2023 calendar year ranked against a "Peer Group" of comparable companies. The Company's ranking must be above the 50th percentile for any rights in the tranche to vest. The Company's ranking must be above the 75th percentile for all rights in the tranche to vest.
PR Class B - Tranche 1	28,747	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 23	21 Aug 28	70%	3.950%	Nil	$1.3090	37,946	
PR Class B - Tranche 2	207,490	12 May 23	10 May 23	$0.9800	Nil	31 Dec 24	12 May 28	75%	3.170%	Nil	$0.7711	203,340	Criteria per above, applied to the 2024 calendar year.
PR Class B - Tranche 2	28,747	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 24	21 Aug 28	70%	3.950%	Nil	$0.8950	37,946	
PR Class B - Tranche 2	26,325	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.3940	22,245	
PR Class B - Tranche 2	1,265	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 24	06 Jan 30	70%	3.950%	Nil	$0.3957	886	
PR Class B - Tranche 3	207,491	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.8278	203,341	Criteria per above, applied to the 2025 calendar year.
PR Class B - Tranche 3	28,756	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$0.8960	37,958	
PR Class B - Tranche 3	52,650	06 Jan 25	24 Sep 24	$0.8450	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.6023	44,489	
PR Class B - Tranche 3	4,333	06 Jan 25	13 Dec 24	$0.7000	Nil	31 Dec 25	06 Jan 30	70%	3.950%	Nil	$0.4829	3,033	
PR Class C - Tranche 1	311,234	12 May 23	10 May 23	$0.9800	Nil	10 May 26	12 May 28	75%	3.170%	Nil	$0.4706	305,009	Increase in the Company's 20-day VWAP to $1.69 per share on or before 10 May 2026.
PR Class C - Tranche 1	43,129	22 Aug 23	21 Aug 23	$1.3200	Nil	21 Aug 26	21 Aug 28	70%	3.895%	Nil	$1.0090	56,930	
PR Class C - Tranche 1	39,487	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.2482	33,367	
PR Class C - Tranche 1	7,109	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.1570	4,976	
PR Class C - Tranche 2	311,232	12 May 23	10 May 23	$0.9800	Nil	10 May 26	12 May 28	75%	3.170%	Nil	$0.4706	305,007	Increase in the Company's 20-day VWAP to $2.72 per share on or before 10 May 2026.
PR Class C - Tranche 2	43,121	22 Aug 23	21 Aug 23	$1.3200	Nil	21 Aug 26	21 Aug 28	70%	3.895%	Nil	$1.0090	56,920	
PR Class C - Tranche 2	39,487	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.2482	33,367	
PR Class C - Tranche 2	7,109	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.1570	4,976	
PR Class D - Tranche 1	497,972	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	488,013	Total resources growth to 1.2 billion tonnes on or before 31 December 2025.
PR Class D - Tranche 1	69,000	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	91,080	
PR Class D - Tranche 1	63,180	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.8450	53,387	
PR Class D - Tranche 1	11,375	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.7000	7,963	
PR Class D - Tranche 2	497,972	12 May 23	10 May 23	$0.9800	Nil	31 Dec 25	12 May 28	75%	3.170%	Nil	$0.9800	488,013	Total resources growth to between 1.2 billion tonnes and 1.4 billion tonnes on or before 31 December 2025, vesting on a pro-rata basis.
PR Class D - Tranche 2	69,000	22 Aug 23	21 Aug 23	$1.3200	Nil	31 Dec 25	21 Aug 28	70%	3.950%	Nil	$1.3200	91,080	
PR Class D - Tranche 2	63,180	06 Jan 25	24 Sep 24	$0.8450	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.8450	53,387	
PR Class D - Tranche 2	11,375	06 Jan 25	13 Dec 24	$0.7000	Nil	01 Jul 27	05 Jan 30	70%	3.895%	Nil	$0.7000	7,963	

23. SHARE-BASED PAYMENTS (CONT'D)

(b) Performance Rights (Cont'd)

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

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value at Grant Date	Vesting Conditions
STI PRs	311,106	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 26	30 Apr 31	65%	3.705%	Nil	$0.9000	279,995	The percentage that vest will be determined based on a scorecard of key performance indicators to be assessed over the period from 1 January 2026 to 31 December 2026
STI PRs	1,405,197	01 May 26	01 May 26	$1.8850	Nil	31 Dec 26	30 Apr 31	65%	4.616%	Nil	$0.9000	2,648,796	
Tranche 1A LTI PRs	56,565	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 27	30 Apr 31	65%	3.705%	Nil	$0.7242	50,909	The percentage that vest is based on the relative Total Shareholder Return ("RTSR") on the Company's shares 2027 (the "Tranche 1 Measurement Period") and from 1 January 2026 to 31 December 2028 (the "Tranche 2 Measurement Period"), compared to a peer group of companies
Tranche 2A LTI PRs	56,565	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 28	30 Apr 31	65%	3.772%	Nil	$0.7834	50,909	
Tranche 1A LTI PRs	247,630	01 May 26	01 May 26	$1.8850	Nil	31 Dec 27	30 Apr 31	65%	4.616%	Nil	$0.7242	466,783	
Tranche 2A LTI PRs	247,630	01 May 26	01 May 26	$1.8850	Nil	31 Dec 28	30 Apr 31	65%	4.602%	Nil	$0.7834	466,783	
Tranche 1B LTI PRs	56,565	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 27	30 Apr 31	65%	3.705%	Nil	$0.5821	50,909	The percentage that vest is based on the absolute total shareholder return ("ATSR") over the Tranche 1 Measurement Period and Tranche 2 Measurement Period
Tranche 2B LTI PRs	56,565	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 28	30 Apr 31	65%	3.772%	Nil	$0.6475	50,909	
Tranche 1B LTI PRs	247,630	01 May 26	01 May 26	$1.8850	Nil	31 Dec 27	30 Apr 31	65%	4.616%	Nil	$0.5821	466,783	
Tranche 2B LTI PRs	247,630	01 May 26	01 May 26	$1.8850	Nil	31 Dec 28	30 Apr 31	65%	4.602%	Nil	$0.6475	466,783	
Tranche 1C LTI PRs	90,504	01 May 26	27 Nov 25	$0.9000		31 Dec 27	30 Apr 31	65%	3.705%	Nil	$0.9000	81,454	The percentage that vest is based on the Company reporting increases in independently estimated JORC compliant resources and reserves (for all projects) at or above 0.21% Cu equivalent or greater for open-pit resources, and 0.3% Cu equivalent for underground resources
Tranche 2C LTI PRs	90,504	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 28	30 Apr 31	65%	3.772%	Nil	$0.9000	81,454	
Tranche 1C LTI PRs	396,208	01 May 26	01 May 26	$1.8850	Nil	31 Dec 27	30 Apr 31	65%	4.616%	Nil	$0.9000	746,852	
Tranche 2C LTI PRs	396,208	01 May 26	01 May 26	$1.8850	Nil	31 Dec 28	30 Apr 31	65%	4.602%	Nil	$0.9000	746,852	
Tranche 1D LTI PRs	22,626	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 27	30 Apr 31	65%	3.705%	Nil	$0.9000	20,363	The Company completing a Definitive Feasibility Study for the Costa Fuego Cu-Au project
Tranche 2D LTI PRs	22,626	01 May 26	27 Nov 25	$0.9000	Nil	31 Dec 28	30 Apr 31	65%	3.772%	Nil	$0.9000	20,363	
Tranche 1D LTI PRs	99,052	01 May 26	01 May 26	$1.8850	Nil	31 Dec 27	30 Apr 31	65%	4.616%	Nil	$0.9000	186,713	
Tranche 2D LTI PRs	99,052	01 May 26	01 May 26	$1.8850	Nil	31 Dec 28	30 Apr 31	65%	4.602%	Nil	$0.9000	186,713	

The fair values for STI performance rights, Tranche C LTI performance rights and Tranche D LTI performance rights were determined using Black Scholes option valuation methodology.

The fair values for Tranches A and B performance rights were determined using Monte Carlo simulation methodology.

(c) Options Granted

(i) Fair Value of Options Granted

1,212,121 options were issued to lead managers and form part of the fees of the capital raising (refer ASX release dated 4 February 2026).

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

Share Based Payment	Number	Issue Date	Valuation Date	Spot price at Grant Date	Exercise Price	Vesting Date	Expiry Date	Price Volatility	Risk-free Interest Rate	Dividend Yield	Fair Value Per Right	Fair Value per Option
Broker & Underwriter Options	1,914,000	25 Jul 24	27 May 24	$1.1750	$1.5000	N/A	25 Jul 26	100%	4.030%	Nil	$0.5652	1,081,882
Broker & Underwriter Options	1,212,121	12 Feb 26	12 Feb 26	$1.7000	$2.1450	N/A	11 Feb 31	100%	4.230%	Nil	$0.8243	999,121

(d) Shares Issued

200,000 fully paid ordinary shares were issued for onboarding of the Chairman.

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 $26,391 (2025: $2,416,933).

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 2026 and at 30 June 2025, 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
2026	**$**	**$**
Increase in interest rate by 2%	528	528
Decrease in interest rate by 2%	(528)	(528)
2025		
Increase in interest rate by 2%	48,339	48,339
Decrease in interest rate by 2%	(48,339)	(48,339)

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 2026	%	$	$	$	$
Non-Derivatives					
Trade payables	-	6,823,251	-	6,823,251	6,823,251
Lease liabilities - interest bearing	11.0 - 13.0	168,970	324,211	493,181	428,122
Total Financial Liabilities		**6,992,221**	**324,211**	**7,316,432**	**7,251,373**
At 30 June 2025					
Non-Derivatives					
Trade payables	-	4,391,338	-	4,391,338	4,391,338
Lease liabilities - interest bearing	11.00 - 13.00	170,192	346,281	516,473	415,299
Total Financial Liabilities		**4,561,530**	**346,281**	**4,907,811**	**4,806,637**

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 2026	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	3.02	24,947,836	-	24,947,836	24,947,836
Other receivables (term deposits and bonds)	2.82	40,000	197,925	237,925	237,925
Total Financial Assets		**24,987,836**	**197,925**	**25,185,761**	**25,185,761**
At 30 June 2025					
Non-Derivatives					
Cash and cash equivalents	1.79	5,189,090	-	5,189,090	5,189,090
Other receivables (term deposits and bonds)	1.76	192,673	200,388	393,061	393,061
Total Financial Assets		**5,381,763**	**200,388**	**5,582,151**	**5,582,151**

(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 2026	CLP Denominated $	USD Denominated $	CAD Denominated $
Cash and cash equivalents	305,247	6,635,723	117,929
Other receivables (term deposits and bonds)	73,143	145,582	-
Trade payables and accruals	(5,937,427)	(62,787)	(21,625)
Net Exposure to Foreign Exchange Risk	**(5,559,037)**	**6,718,518**	**96,304**
At 30 June 2025			
Cash and cash equivalents	2,460,437	43,390	96,439
Other receivables (term deposits and bonds)	75,607	152,672	-
Trade payables and accruals	(3,724,615)	(21,973)	(60,566)
Net Exposure to Foreign Exchange Risk	**(1,188,571)**	**174,089**	**35,873**

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
2026	**$**	**$**
Strengthening of the AUD against the CLP by 10%	555,904	555,904
Weakening of the AUD against the CLP by 10%	(555,904)	(555,904)
Strengthening of the AUD against the USD by 10%	(671,852)	(671,852)
Weakening of the AUD against the USD by 10%	671,852	671,852
Strengthening of the AUD against the CAD by 10%	(9,630)	(9,630)
Weakening of the AUD against the CAD by 10%	9,630	9,630
2025		
Strengthening of the AUD against the CLP by 10%	118,857	118,857
Weakening of the AUD against the CLP by 10%	(118,857)	(118,857)
Strengthening of the AUD against the USD by 10%	(17,409)	(17,409)
Weakening of the AUD against the USD by 10%	17,409	17,409
Strengthening of the AUD against the CAD by 10%	(3,587)	(3,587)
Weakening of the AUD against the CAD by 10%	3,587	3,587

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 2026 and on 30 June 2025.

26. PARENT ENTITY DISCLOSURES

	Hot Chili Limited	
	2026	2025
	$	$
(a) Financial Position		
Assets		
Current assets	25,220,973	3,046,634
Non-current assets	251,481,389	228,116,180
Total Assets	**276,702,362**	**231,162,814**
Liabilities		
Current liabilities	1,333,682	1,058,636
Non-current liabilities	67,356	48,581
Total Liabilities	**1,401,038**	**1,107,217**
Equity		
Issued capital	347,247,758	297,649,862
Reserves	7,725,679	5,082,893
Accumulated losses	(79,672,113)	(72,677,158)
Total Equity	**275,301,324**	**230,055,597**
(b) Financial Performance		
Loss for the year	(6,994,956)	(5,126,592)
Total Comprehensive Income	**(6,994,956)**	**(5,126,592)**

(c) Contingent Liabilities of the Parent Entity

The parent entity did not have any contingent liabilities as at 30 June 2026 or at 30 June 2025.

(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 2026 or at 30 June 2025.

(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(g):

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2026 %	Equity Holding 2025 %
Sociedad Minera El Corazón Limitada	Chile	Ordinary	100	100
Sociedad Minera El Águila SpA [i]	Chile	Ordinary	80 [i]	80 [i]
Aguas para El Huasco SpA [i] [ii]	Chile	Ordinary	80 [i]	80 [i]
Sociedad Minera La Frontera SpA	Chile	Ordinary	100	100
Sociedad Minera Banderas SpA	Chile	Ordinary	100	100
Sociedad Minera Los Mantos SpA	Chile	Ordinary	100	100

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

[ii] The Company was incorporated on 28 June 2024.

(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 2026 $	SMEA 2025 $
(i) Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue	-	34
Expenses	(2,441,655)	(2,263,320)
Loss Before Income Tax Expense	(2,441,655)	(2,263,286)
Income tax expense	-	-
Loss After Income Tax Expense	(2,441,655)	(2,263,286)
Other comprehensive income	-	-
Total Comprehensive Loss	**(2,441,655)**	**(2,263,286)**
(ii) Summarised Statement of Financial Position		
Assets		
Current assets	999,880	2,745,273
Non-current assets	140,094,272	131,440,191
Total Assets	141,094,152	134,185,464
Liabilities		
Current liabilities	2,323,763	1,995,689
Non-current liabilities	25,497,320	22,935,742
Total Liabilities	27,821,083	24,931,431
Net Assets	**113,273,069**	**109,254,033**
(iii) Statement of Cash Flows		
Net cash used in operating activities	(2,410,057)	(2,224,774)
Net cash used in investing activities	(5,297,505)	(11,552,364)
Net cash from financing activities	7,730,129	13,401,788
Net Increase/(Decrease) in Cash and Cash Equivalents	**22,567**	**(375,350)**
(iv) Other Financial Information		
Loss attributable to non-controlling interests	(488,331)	(452,657)
Accumulated Non-Controlling Interests at the End of the Reporting Period	**22,654,614**	**21,850,807**

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

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

Non-Executive Directors	Position
Stuart Mathews	Independent Non-Executive Chair
Roberto de Andraca Adriasola	Non-Executive Director
Mark Jamieson	Non-Executive Director
Fiona Van Maanen	Independent Non-executive Director

Executive Director	Position
Christian Easterday	Managing Director

Other KMP	Position
José Ignacio Silva	Country Manager and Executive Vice President
Grant King	Chief Operating Officer
Alberto Cerda[1]	Project Director/Consultant
David Bayona[2]	Project Director

[1] Until 1 December 2025 when he moved to a consulting role

[2] Appointed 2 March 2026

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

	Consolidated Entity	
	2026	2025
	$	$
Directors		
Short-term benefits	735,097	554,541
Post-employment benefits	83,880	53,063
Share-based payments	532,983	281,281
Other benefits	34,486	11,999
	1,386,446	**900,884**
Other KMP		
Short-term benefits	1,005,258	723,499
Post-employment benefits	30,000	29,932
Share-based payments	409,554	282,767
Other benefits	38,812	10,175
	1,483,624	**1,046,373**
Total	**2,870,070**	**1,947,257**

29. REMUNERATION OF AUDITORS

	Consolidated Entity	
	2026	2025
	$	$
(a) RSM Australia Partners		
Audit or review of financial reports for the Group	78,000	74,000
Tax compliance services	20,500	18,500
Tax advisory services*	45,192	-
Total Audit and Other Services Provided by RSM Australia Partners	**143,692**	**92,500**
Total Remuneration of Auditors	**143,692**	**92,500**

* Relates to non-recurring advisory services.

30. EVENTS OCCURRING AFTER REPORTING DATE

On 7 July 2026, the Company announced the execution of a binding Amended and Restated Investment Agreement ('the A&R Investment Agreement') with OR Royalties Inc., formerly Osisko Gold Royalties Ltd ('OR') pursuant to which the Company has agreed to grant to OR a Net Smelter Return ('NSR') royalty on the Company's La Verde Project, as part of the broader Costa Fuego Cu-Au Project ('Costa Fuego' or 'the Project'), in consideration for cash payment of US$15 million.

The A&R Investment Agreement brings total royalty consideration under the OR royalty arrangement to US$30 million (see the Company's press releases dated 28 June 2023, and 26 July 2023) with Hot Chili to receive US$15 million ('Royalty Consideration') at closing of the transactions contemplated by the A&R Investment Agreement.

On 14 July 2026, 161,059 vested Service Rights and 16,106 vested Performance Rights were exercised.

On 25 July 2026, 1,914,000 Options expired without exercise or conversion.

On 7 August 2026, 32,500 vested Service Rights and 5,958 vested Performance Rights were exercised.

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 2026

The following entities were part of the consolidated entity as at 30 June 2026:

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

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

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

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

AS AT 21 SEPTEMBER 2026

Information Required by the Australian Securities Exchange Limited

(a) Spread of Holdings

			Shareholders	Units	%
1	-	1,000	1,758	1,005,487	0.50%
1,001	-	5,000	2,042	5,257,244	2.59%
5,001	-	10,000	742	5,492,534	2.71%
10,001	-	100,000	966	30,225,193*	14.90%
100,001	&	Over	207	160,921,198	79.28%
			5,715	**202,901,656**	**100%**

There are 371 holders of unmarketable parcels comprising 59,598 shares.

(b) (b) The names of the twenty largest shareholders as at 21 September 2026, who between them held 57.35% of the issued capital are listed below:

		Number of Ordinary Shares	%
1	CITICORP NOMINEES PTY LIMITED	21,042,398	10.37
2	CANADIAN REGISTER CONTROL A\C (CDS & CO)	17,212,121	8.48
3	GLENCORE AUSTRALIA HOLDINGS PTY LIMITED	15,242,732	7.51
4	BLUE SPEC	11,779,602	5.81
5	HSBC CUSTODY NOMINEES	11,323,958	5.58
6	GS GROUP AUSTRALIA PTY LTD <GS GROUP AUSTRALIA A/C>	10,189,409	5.02
7	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,934,618	2.92
8	MR DAVID STEWART FIELD	3,790,000	1.87
9	BNP PARIBAS NOMINEES PTY LTD	3,622,321	1.79
10	DALTON CORPORATE PTY LIMITED <DALTON FAM SF A/C>	2,640,000	1.30
11	SAMLISA NOMINEES PTY LTD	2,000,000	0.99
12	MR CHRISTIAN ERVIN EASTERDAY	1,892,842	0.93
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	1,669,058	0.82
14	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,419,168	0.70
15	CAP S A	1,323,078	0.65
16	LONERGAN FOUNDATION PTY LTD <LONERGAN FOUNDATION A/C>	1,280,000	0.63
17	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	1,093,425	0.54
18	MRS NERIDA RUTH SCOTT <SCOTT FAMILY A/C>	1,040,000	0.51
19	DIAMOND ROCK PTY LTD	960,000	0.47
20	MS JIHUA WANG	914,975	0.45
Total Units Held		**116,369,705**	**57.35**
Total Units on Issue		**202,901,656**	**100**

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

		Relevant Interest Per Notice	
	Date Received	**Number of Shares**	**% of Issued Capital**
Murray Edward Black (grouped)	03/10/2025	10,034,147	5.66%
Glencore Australia Holdings Pty Ltd	21/05/2024	11,235,497	7.78%
GS Group Australia Pty Ltd atf GS Group Australia Trust	01/02/2024	8,320,123	6.97%

15 Shareholder Information (Cont'd)

AS AT 21 SEPTEMBER 2026

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

(d) Holdings of Warrants, Options and Rights

(i) As at 21 September 2026 there are no listed warrants over shares on issue.

(ii) As at 21 September 2026 there are 4 holders of the 1,212,121 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$2.145 expiring 12 August 2028	1,212,121	4	3
	1,212,121	**4**	**3**

Unquoted Equity Security Holdings Greater Than or Equal to 20%

	Unlisted Options Exercisable at $2.145 Expiring 12 August 2028	No. of Unlisted Options	%
1	VERITAS CONSOLIDATED PTY LTD	375,758	31.00%
2	NATIONAL BANK FINANCIAL INC <5FHE0AA A/C>	375,758	31.00%
3	DESJARDINS SECURITIES INC	339,393	28.00
	Total Units Held	**1,090,909**	**90.400**
	Total Units on Issue	**1,212,121**	**100%**

(iii) As at 21 September 2026 there 8 holders of the 320,155 service rights on issue. There are no voting rights attached to service rights.

(iv) As at 21 September 2026 there 38 holders of the 4,263,829 performance rights on issue. There are no voting rights attached to performance rights.

(e) On-Market Buyback

As at 21 September 2026 there was no current on-market buyback under way.

16 Tenement Schedule

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026

Cortadera Project Tenements

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

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Cortadera Project Tenements (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
38	CHAPULIN COLORADO 1/3	100% Frontera SpA		3	
39	CHILIS 1	100% Frontera SpA		200	
40	CHILIS 3	100% Frontera SpA		100	
41	CHILIS 4	100% Frontera SpA		200	
42	CHILIS 5	100% Frontera SpA		200	
43	CHILIS 6	100% Frontera SpA		200	
44	CHILIS 7	100% Frontera SpA		200	
45	CHILIS 8	100% Frontera SpA		200	
46	CHILIS 9	100% Frontera SpA		300	
47	CHILIS 10 1/38	100% Frontera SpA		190	
48	CHILIS 11	100% Frontera SpA		200	
49	CHILIS 12 1/60	100% Frontera SpA		300	
50	CHILIS 13	100% Frontera SpA		300	
51	CHILIS 14	100% Frontera SpA		300	
52	CHILIS 15	100% Frontera SpA		300	
53	CHILIS 16	100% Frontera SpA		300	
54	CHILIS 17	100% Frontera SpA		300	
55	CHILIS 18	100% Frontera SpA		300	
56	CORTADERA 1	100% Frontera SpA		200	
57	CORTADERA 2	100% Frontera SpA		200	
58	CORTADERA 3	100% Frontera SpA		200	
59	CORTADERA 4	100% Frontera SpA		200	
60	CORTADERA 5	100% Frontera SpA		200	
61	CORTADERA 6 1/60	100% Frontera SpA		265	
62	CORTADERA 7 1/20	100% Frontera SpA		93	
63	CRISTINA 1/40	100% SMEA SpA		40	
64	DIABLITO 1/5	100% SMEA SpA		25	
65	DONA FELIPA 1/10	100% Frontera SpA		50	
66	DORO 1	100% Frontera SpA		200	
67	DORO 2	100% Frontera SpA		200	
68	DORO 3	100% Frontera SpA		300	
69	FALLA MAIPO 2 1/10	100% Frontera SpA		99	
70	FALLA MAIPO 3 1/8	100% Frontera SpA		72	
71	FALLA MAIPO 4 1/26	100% Frontera SpA		26	
72	MINORI 1	100% SMEA SpA		300	
73	MINORI 2	100% SMEA SpA		300	
74	MINORI 3	100% SMEA SpA		300	
75	MINORI 4	100% SMEA SpA		300	

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Cortadera Project Tenements (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
76	PORFIADA B	100% Frontera SpA		200	
77	PORFIADA D	100% Frontera SpA		300	
78	PORFIADA G	100% Frontera SpA		200	
79	PORFIADA I	100% Frontera SpA		300	
80	PORFIADA II	100% Frontera SpA		300	
81	PORFIADA III	100% Frontera SpA		300	
82	PORFIADA IV	100% Frontera SpA		300	
83	PORFIADA V	100% Frontera SpA		200	
84	PORFIADA VI	100% Frontera SpA		100	
85	PORFIADA X	100% Frontera SpA		200	
86	SAN ANTONIO 1	100% Frontera SpA		200	
87	SAN ANTONIO 2	100% Frontera SpA		200	
88	SAN ANTONIO 3	100% Frontera SpA		300	
89	SAN ANTONIO 4	100% Frontera SpA		300	
90	SAN ANTONIO 5	100% Frontera SpA		300	
91	MARINA 1/10	100% Frontera SpA		100	
92	CATITA V 1/9	100% Frontera SpA		9	
93	CHILIS 19	100% Frontera SpA		300	
94	PAULINA	100% Frontera SpA		100	
95	ARBOLEDA 7 1/25	100% Frontera SpA		234	
96	NAVARRO 1 41/60	100% Frontera SpA		81	
97	WH 1 1/20	100% Frontera SpA		100	
	TOTAL			**19,377**	

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

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Productora Project Tenements

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	ALGA 7 A 1/32	80% SMEA SpA		89	
2	ALGA VI 4	100% SMEA SpA		2	
3	ALGA VI 5/24	80% SMEA SpA		66	
4	ARENA 1 1/6	80% SMEA SpA		40	
5	ARENA 2 1/17	80% SMEA SpA		113	
6	AURO HUASCO 1A 1/8	80% SMEA SpA		35	
7	CABRITO-CABRITO 1/9	80% SMEA SpA		50	
8	CACHIYUYITO 1 1/20	80% SMEA SpA		100	
9	CACHIYUYITO 2 1/60	80% SMEA SpA		300	
10	CACHIYUYITO 3 1/60	80% SMEA SpA		300	
11	CARMEN I, 1/50	80% SMEA SpA		222	
12	CARMEN II, 1/60	80% SMEA SpA		274	
13	CF 12	100% Frontera SpA		100	
14	CF 13	100% Frontera SpA		200	
15	CF 14	100% Frontera SpA		300	
16	CHICA	80% SMEA SpA		1	
17	CHOAPA 1/10	80% SMEA SpA		50	
18	CUENCA A 1/51	80% SMEA SpA		255	
19	CUENCA B 1/28	80% SMEA SpA		139	
20	CUENCA C 1/51	80% SMEA SpA		255	
21	CUENCA D	80% SMEA SpA		3	
22	CUENCA E	80% SMEA SpA		1	
23	ELEONOR RIGBY 1/10	100% Frontera SpA		100	
24	ELQUI 1/14	80% SMEA SpA		61	
25	ESPERANZA 1/5	80% SMEA SpA		11	
26	FRAN 1 1/60	80% SMEA SpA		220	
27	FRAN 12 1/40	80% SMEA SpA		200	
28	FRAN 13 1/40	80% SMEA SpA		200	
29	FRAN 14 1/40	80% SMEA SpA		200	
30	FRAN 15 1/60	80% SMEA SpA		300	
31	FRAN 18, 1/60	80% SMEA SpA		273	
32	FRAN 2 1/20	80% SMEA SpA		100	
33	FRAN 21, 1/46	80% SMEA SpA		226	
34	FRAN 3 1/20	80% SMEA SpA		100	
35	FRAN 4 1/20	80% SMEA SpA		100	
36	FRAN 5 1/20	80% SMEA SpA		100	
37	FRAN 6 1/26	80% SMEA SpA		130	
38	FRAN 7 1/37	80% SMEA SpA		176	
39	FRAN 8 1/30	80% SMEA SpA		120	

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Productora Project Tenements (Cont'd)

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

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Productora Project Tenements (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
76	LOA 1/6	80% SMEA SpA		30	
77	MAIPO 1/10	80% SMEA SpA		50	
78	MONTOSA ¼	80% SMEA SpA		35	NSR 3%
79	ORO INDIO 1A 1/20	80% SMEA SpA		82	
80	PEGGY SUE 1/10	100% Frontera SpA		100	
81	PRODUCTORA 1/16	80% SMEA SpA		75	
82	TOLTEN 1/14	80% SMEA SpA		70	
83	URANIO 1/70	0%		350	25-year Lease Agreement US$250,000 per year (average for the 25 year term); plus 2% NSR all but gold; 4% NSR gold; 5% NSR non-metallic
84	ZAPA 1 1/10	80% SMEA SpA		100	
85	ZAPA 1/6	80% SMEA SpA		6	GSR 1%
86	ZAPA 3 1/23	80% SMEA SpA		92	
87	ZAPA 5A 1/16	80% SMEA SpA		80	
88	ZAPA 7 1/24	80% SMEA SpA		120	
89	SIERRA SOLIS 1	100% SMEA SpA		200	
90	SIERRA SOLIS 2	100% SMEA SpA		300	
91	SIERRA SOLIS 3	100% SMEA SpA		300	
92	SIERRA SOLIS 4	100% SMEA SpA		200	
93	SIERRA SOLIS 5	100% SMEA SpA		300	
94	SIERRA SOLIS 6	100% SMEA SpA		300	
95	SIERRA SOLIS 7	100% SMEA SpA		300	
96	SIERRA SOLIS 8	100% SMEA SpA		300	
97	ZAPALLO 1	100% SMEA SpA		100	
98	ZAPALLO 2	100% SMEA SpA		200	
99	ZAPALLO 3	100% SMEA SpA		200	
100	HWZC 1 1/14	100% SMEA SpA		98	
101	BUENA SUERTE 1/6	100% SMEA SpA		30	
102	PILAR 1/2	100% SMEA SpA		10	
	TOTAL			**17,316**	

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

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

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Domeyko Project Tenements (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	ANTONIO 1 1/56		100% Frontera SpA	280	100% HCH Domeyko Purchase Option Agreement US$320,000 (already satisfied) US$200,000 payable by April 19th 2027 US$3.480,000 payable by April 19th 2028 NSR 1%
2	ANTONIO 1/40		100% Frontera SpA	200	
3	ANTONIO 10 1/21		100% Frontera SpA	63	
4	ANTONIO 19 1/30		100% Frontera SpA	128	
5	ANTONIO 21 1/20		100% Frontera SpA	60	
6	ANTONIO 36 1/15		100% Frontera SpA	74	
7	ANTONIO 5 1/40		100% Frontera SpA	200	
8	ANTONIO 9 1/40		100% Frontera SpA	193	
9	CAZURRO 1		100% Frontera SpA	200	
10	CAZURRO 2		100% Frontera SpA	200	
11	CAZURRO 3		100% Frontera SpA	300	
12	CAZURRO 4		100% Frontera SpA	300	
13	CAZURRO 5		100% Frontera SpA	100	
14	CAZURRO 6		100% Frontera SpA	200	
15	CAZURRO 7		100% Frontera SpA	200	
16	CAZURRO 8		100% Frontera SpA	200	
17	CERRO MOLY 1		100% Frontera SpA	300	
18	CERRO MOLY 2		100% Frontera SpA	300	
19	CERRO MOLY 3		100% Frontera SpA	300	
20	CERRO MOLY 4		100% Frontera SpA	300	
21	CAZURRO 3 1/60		100% Frontera SpA	300	
22	CAZURRO 4 1/60		100% Frontera SpA	300	
23	CAZURRO 7 1/40		100% Frontera SpA	200	
24	EMILIO 1 1/8		100% Frontera SpA	38	
25	EMILIO 3 1/9		100% Frontera SpA	45	
26	INES 1/40		100% Frontera SpA	200	
27	LORENA ½		100% Frontera SpA	2	
28	MERCEDITA 1/7		100% Frontera SpA	22	
29	PRIMO 1 1/6		100% Frontera SpA	36	
30	SANTIAGUITO 5 1/24		100% Frontera SpA	114	
31	DOMINOCEROS 1/20 (1/4)		100% Frontera SpA	20	100% HCH Dominoceros Purchase Option Agreement US$1,000,000 (already satisfied) US$1,000,000 payable by October 25th 2026 US$6,890,000 payable by October 25th 2027
32	CF SUR 1	100% Frontera SpA		300	
33	CF SUR 2	100% Frontera SpA		300	
34	CF SUR 3	100% Frontera SpA		300	
35	CF SUR 4	100% Frontera SpA		300	
36	CF SUR 5	100% Frontera SpA		200	

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

Domeyko Project Tenements (Cont'd)

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
37	CF SUR 6	100% Frontera SpA		300	
38	CF SUR 7	100% Frontera SpA		300	
39	CF SUR 8	100% Frontera SpA		300	
40	CF SUR 9	100% Frontera SpA		200	
41	CF SUR 10	100% Frontera SpA		200	
42	CF SUR 11	100% Frontera SpA		300	
43	CF SUR 12	100% Frontera SpA		300	
44	CF SUR 13	100% Frontera SpA		300	
45	CF SUR 14	100% Frontera SpA		300	
46	CF SUR 15	100% Frontera SpA		200	
47	CF SUR 16	100% Frontera SpA		300	
48	CF SUR 18	100% Frontera SpA		300	
49	CF SUR 19	100% Frontera SpA		300	
50	CF SUR 20	100% Frontera SpA		300	
51	CF SUR 21	100% Frontera SpA		300	
52	CF SUR 22	100% Frontera SpA		300	
53	CF SUR 23	100% Frontera SpA		200	
54	CF SUR 24	100% Frontera SpA		200	
55	CF SUR 25	100% Frontera SpA		300	
56	CF SUR 26	100% Frontera SpA		300	
57	CF SUR 28	100% Frontera SpA		200	
58	CF SUR 29	100% Frontera SpA		300	
59	CF SUR 31	100% Frontera SpA		300	
60	CF SUR 32	100% Frontera SpA		300	
61	CF SUR 33	100% Frontera SpA		300	
62	CF SUR 34	100% Frontera SpA		300	
63	CF SUR 35	100% Frontera SpA		300	
64	KRETA ¼	100% Frontera SpA		16	The mining concession is included in SanAntonio Purchase Option Agreement
65	MARI 1	100% Frontera SpA		300	
66	MARI 1/12	100% Frontera SpA		64	The mining concession is included in San Antonio Purchase Option Agreement
67	MARI 6	100% Frontera SpA		300	
69	MARI 8	100% Frontera SpA		300	
69	PAJONALES	100% Frontera SpA		300	
70	PORFIADA SUR 1 1/60		100% Frontera SpA	300	
71	PORFIADA SUR 2 1/60		100% Frontera SpA	300	
72	PORFIADA SUR 3 1/40		100% Frontera SpA	200	
73	PORFIADA SUR 4 1/60		100% Frontera SpA	300	
	TOTAL			**16.583**	

16 Tenement Schedule (Cont'd)

Table 2: Current Tenement (Patente) Holdings in Chile as at 30 June 2026 (Cont'd)

El Fuego Project Tenements

No	License ID	HCH % Held	HCH % Earning	Area (ha)	Agreement Details
1	MERCEDES 1/3		100% Frontera SpA	50	100% HCH San Antonio Purchase Option Agreement USD 2,400,000 already paid. US$2,000,000 payable by September 30th 2026 to exercise the El Fuego Option. (2 additional and conditional payments of USD 2,000,000, each one, to be paid by December 31, 2030 under certain conditions detailed at title "Tenement Changes During the Quarter" of this quarterly report.)
2	PORFIADA A 1/33		100% Frontera SpA	160	
3	PORFIADA C 1/60		100% Frontera SpA	300	
4	PORFIADA E 1/20		100% Frontera SpA	100	
5	PORFIADA F 1/50		100% Frontera SpA	240	
6	PORFIADA IX 1/60		100% Frontera SpA	300	
7	PORFIADA VII 1/60		100% Frontera SpA	270	
8	PORFIADA VIII 1/60		100% Frontera SpA	300	
9	PRIMA 1		100% Frontera SpA	1	
10	PRIMA 2		100% Frontera SpA	2	
11	ROMERO 1/31		100% Frontera SpA	31	
12	SAN ANTONIO 1/5		100% Frontera SpA	25	
13	SAN JUAN SUR 1/5		100% Frontera SpA	10	
14	SAN JUAN SUR 6/23		100% Frontera SpA	90	
15	SANTIAGO Z 1/30		100% Frontera SpA	300	
16	SANTIAGO 1/4 Y 20		100% Frontera SpA	75	
17	SANTIAGO 15/19		100% Frontera SpA	25	
18	SANTIAGO 21/36		100% Frontera SpA	76	
19	SANTIAGO 37/43		100% Frontera SpA	26	
20	SANTIAGO A, 1/26		100% Frontera SpA	244	
21	SANTIAGO B, 1/20		100% Frontera SpA	200	
22	SANTIAGO C, 1/30		100% Frontera SpA	300	
23	SANTIAGO D, 1/30		100% Frontera SpA	300	
24	SANTIAGO E, 1/30		100% Frontera SpA	300	
	TOTAL			**3,725**	

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

Cordillera Project

1	ALBORADA III 1/35		100% Frontera SpA	162	100% HCH Purchase Option Agreement USD 100,000 already paid US$100,000 payable by November 14th 2026 US$100,000 payable by November 14th 2027 US$3,700,000 payable by November 14th 2028 NSR 1% for underground mining and 1,5% for open-pit mining
2	ALBORADA IV 1/20		100% Frontera SpA	54	
3	ALBORADA VII 1/25		100% Frontera SpA	95	
4	CAT IX 1/30		100% Frontera SpA	150	
5	CATITA IX 1/20		100% Frontera SpA	100	
6	CATITA XII 1/13		100% Frontera SpA	61	
7	CORDILLERA 1/5		100% Frontera SpA	20	
8	HERREROS 1/14		100% Frontera SpA	28	
9	MINA HERREROS III 1/6		100% Frontera SpA	18	
10	MINA HERREROS IV 1/10		100% Frontera SpA	23	
11	PORSIACA 1/20		100% Frontera SpA	20	
12	QUEBRADA 1/10		100% Frontera SpA	28	
13	VETA 1/17		100% Frontera SpA	17	
	TOTAL			**776**	

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

17 Corporate Directory

Directors

Stuart Mathews
(Independent Non-Executive Chairman)

Christian Easterday
(Managing Director)

Roberto de Andraca Adriasola
(Non-Executive Director)

Mark Jamieson
(Non-Executive Director)

Fiona Van Maanen
(Independent Non-Executive Director)

Company Secretary

Carol Marinkovich

Chief Financial Officer

Ryan Finkelstein

Executive Management

Jose Ignacio Silva
(Country Manager & Executive Vice President)

Grant King
(Chief Operating Officer)

David Bayona
(Project Director)

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