

Announcement

Thursday, 25 September 2025

Diamond Drilling Commences at La Verde Cu-Au Porphyry Discovery



Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) (“Hot Chili” or the “Company”) is pleased to announce that diamond drilling has commenced at the La Verde copper-gold (Cu-Au) discovery, located approximately 30km south of the Company’s Costa Fuego Cu-Au Project (“Costa Fuego” or “the Project”) planned central processing hub at low elevation in the coastal range of the Atacama region, Chile.

Diamond drilling commenced on 22 September 2025 with one drill rig in operation on a double-shift basis. This second phase of drilling at La Verde aims to significantly expand the initial shallow porphyry discovery.

Phase-two drilling follows the success of the Company’s first-pass reverse circulation (RC) drill program, which confirmed a significant +0.2% Cu discovery footprint measuring 1,000 m by 750 m and extending up to 400 m vertical depth.

Importantly, over half of Hot Chili’s first pass drill holes ended in significant mineralisation at the capacity of RC drilling, leaving the porphyry discovery open at depth and laterally.

To date, three spatially distinct higher-grade centres have been confirmed from near surface (refer announcement dated 19 May 2025). Phase-two diamond drilling will target depth extension to these high-grade centres.

Impact modelling by Hot Chili has outlined the potential for significant additional open pit material to be added to the front-end of Coast Fuego's 20 year mine schedule, providing both mine life growth and materially enhanced financial metrics to Hot Chili's March 2025 Pre-feasibility Study for Costa Fuego.

Regulatory applications for further drill access at La Verde are currently in the final stages of approval and will provide access to test lateral extensions to the discovery footprint, as well as several nearby "look-alike" targets.

The Company looks forward to providing further updates on the results from drilling activities at La Verde.

This announcement is authorised by the Board of Directors for release to ASX and TSXV.

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Figure 1. Location of La Verde in relation to Costa Fuego, coastal range Chile

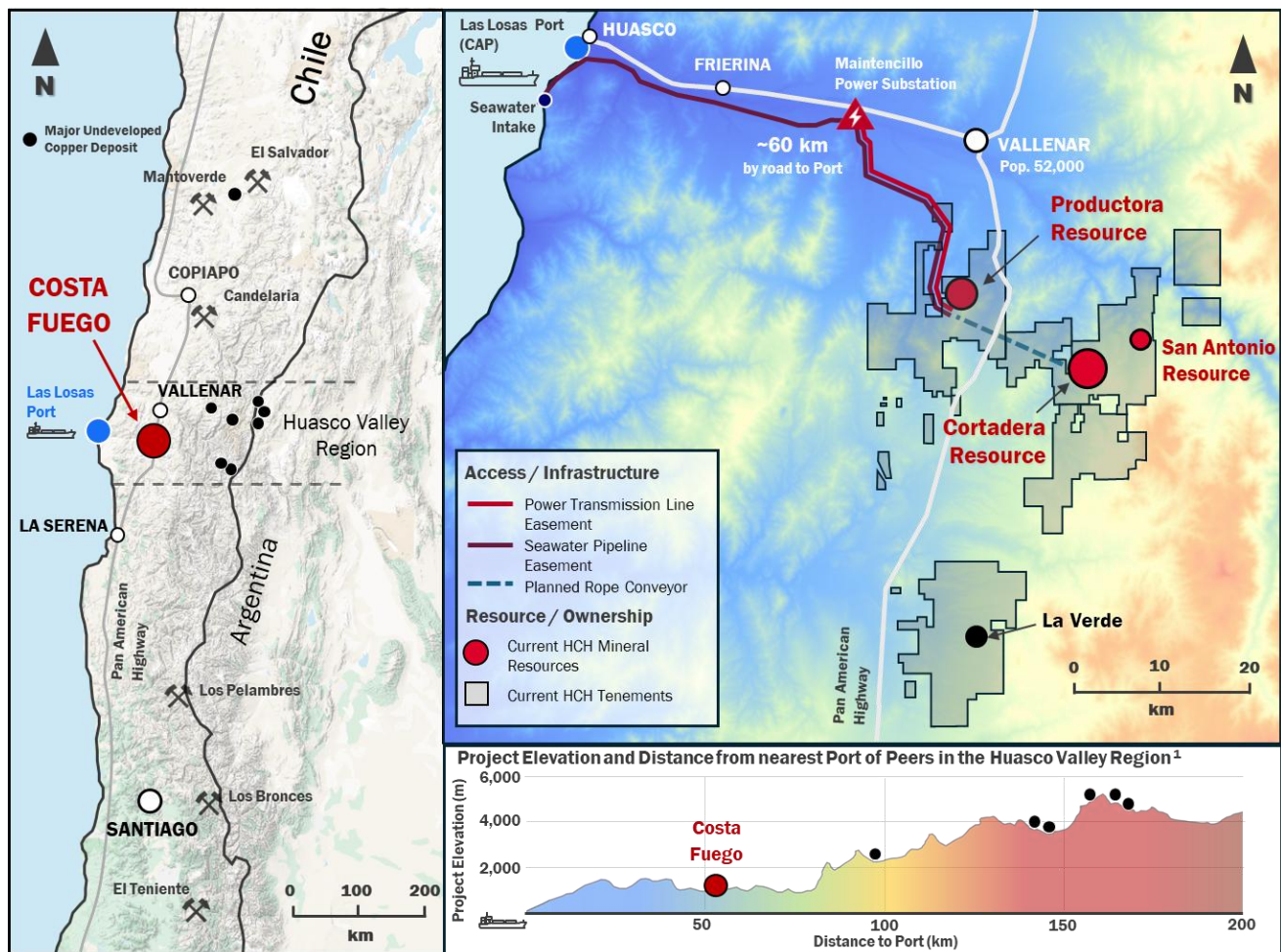
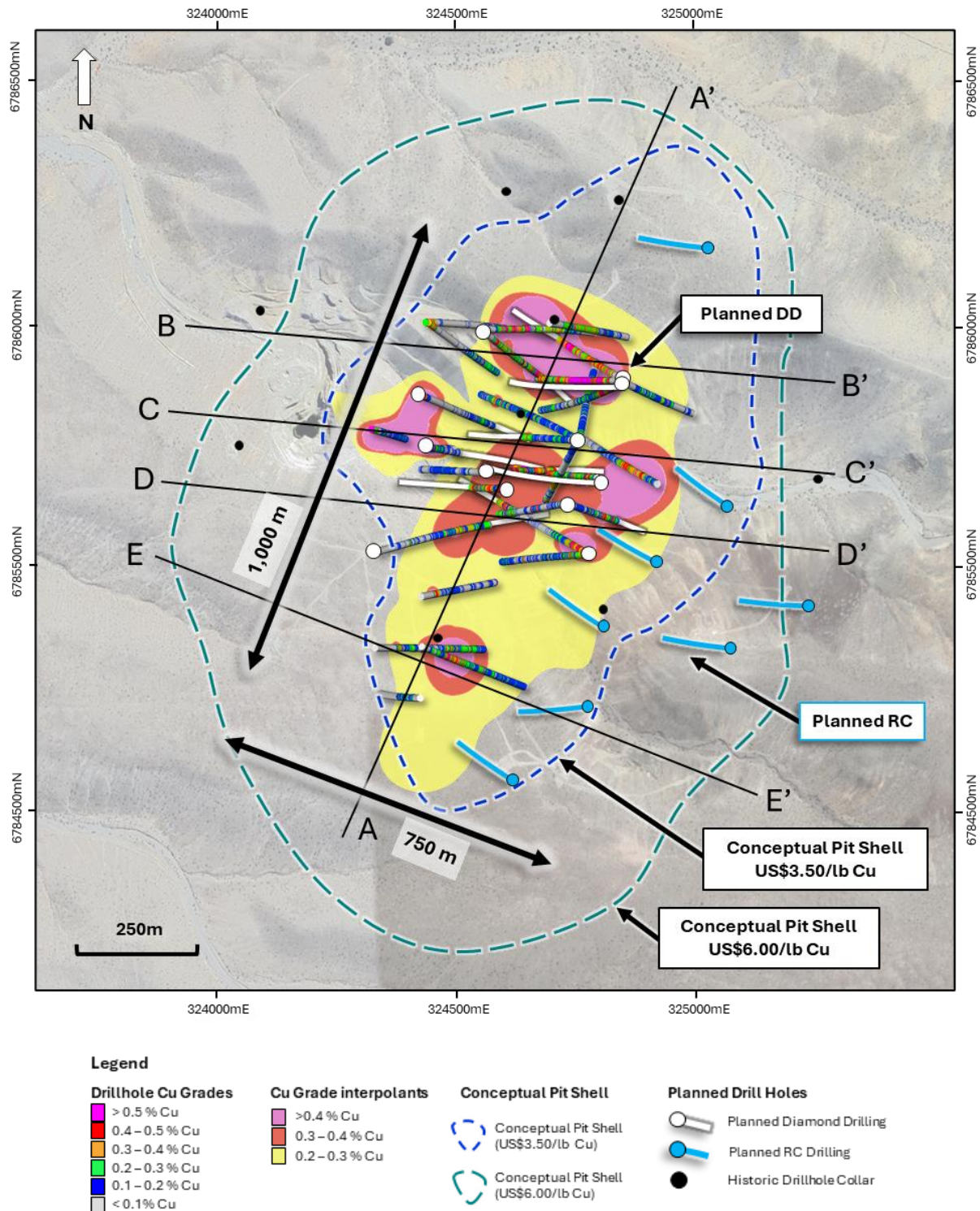
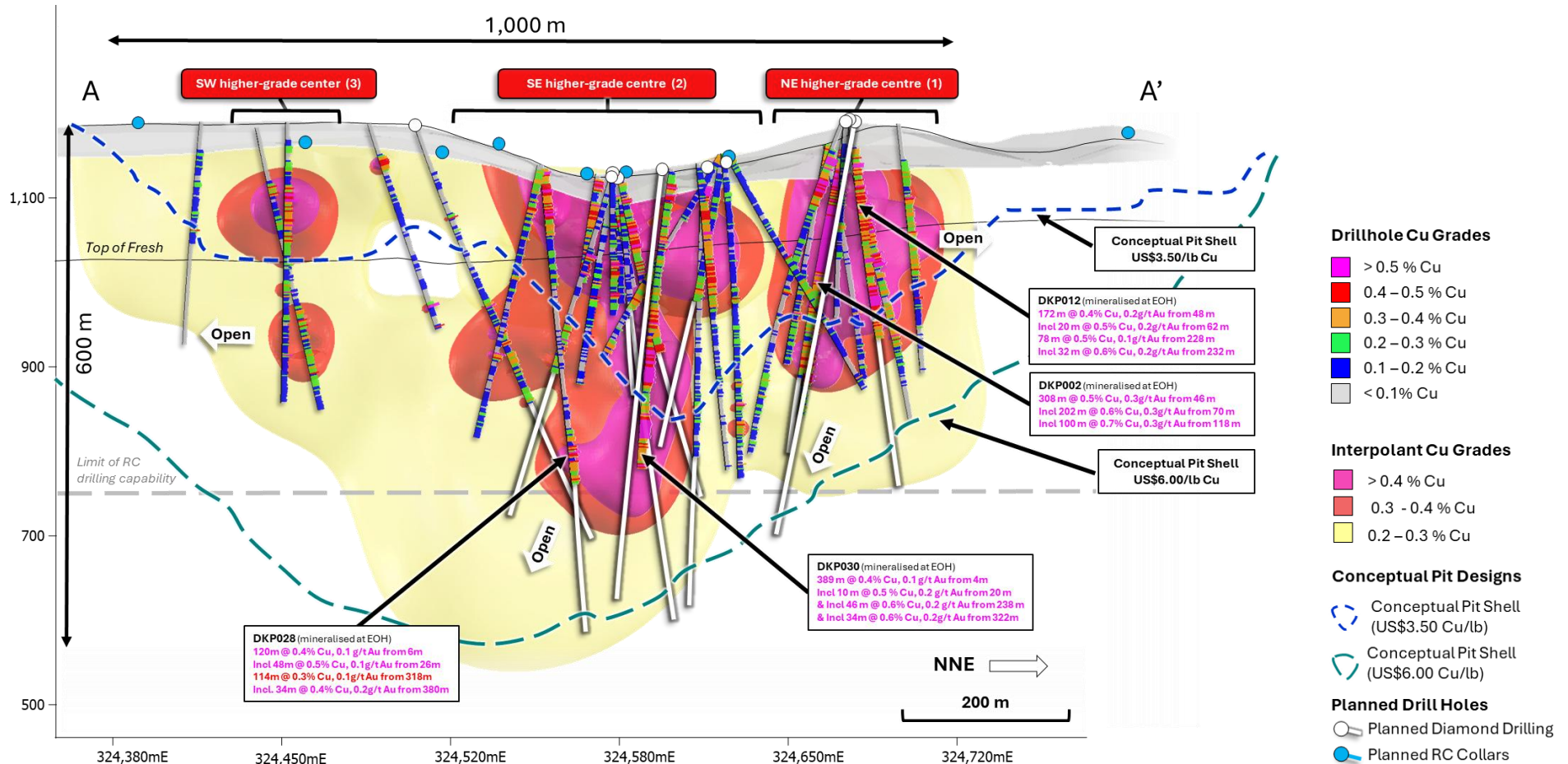


Figure 2. Plan view map of the La Verde porphyry system showing planned drilling compared with +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (Magenta) mineralisation interpolants from Phase 1 drilling. Conceptual open pit shells¹ displayed for \$US3.50/lb Cu (blue) and \$US6.00/lb Cu (green) displayed as dashed lines. A - A' indicates position of long section in Figure 3. B - B' and C - C' indicate the position of cross sections in Figure 4. D - D' and E - E' indicate the position of cross sections in Figure 5.



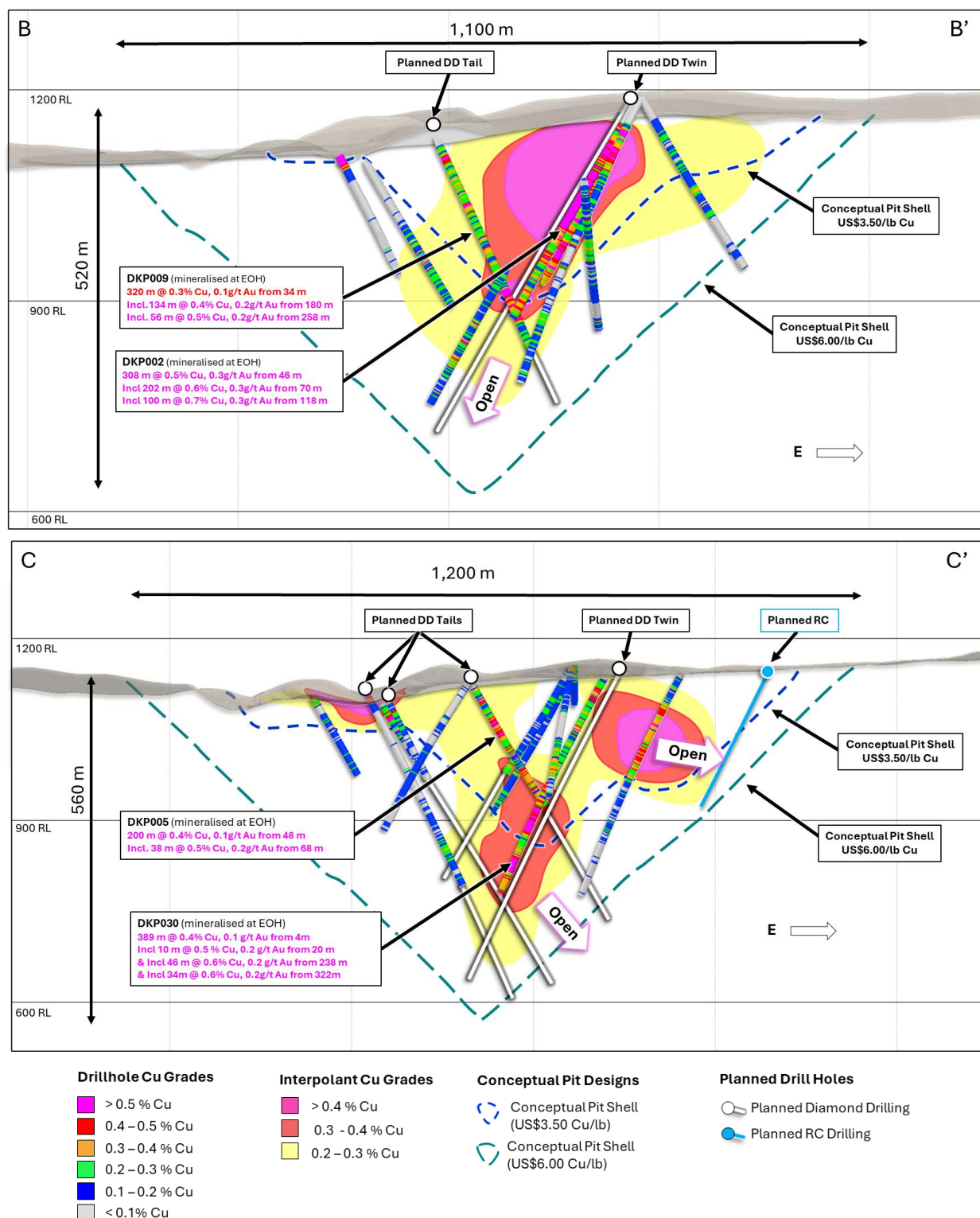
¹ See Page 8 of this announcement for detail on the US\$3.50 Cu and US\$6.00 Cu conceptual open pit shells (Exploration Targets). Any potential tonnage and grade of the Exploration Target shown is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource within the target area, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Figure 3. NNW facing longitudinal section (A - A') of the La Verde porphyry system showing planned diamond drill hole traces, and planned RC collars compared to +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (Magenta) mineralisation interpolants from returned assay results. Weathering profile displayed as top of fresh material (black line). Returned Cu grades graphed downhole along hole traces (grey). Conceptual open pit shells¹ displayed for US\$3.50/lb Cu (blue) and US\$6.00/lb Cu (green) displayed as dashed lines.



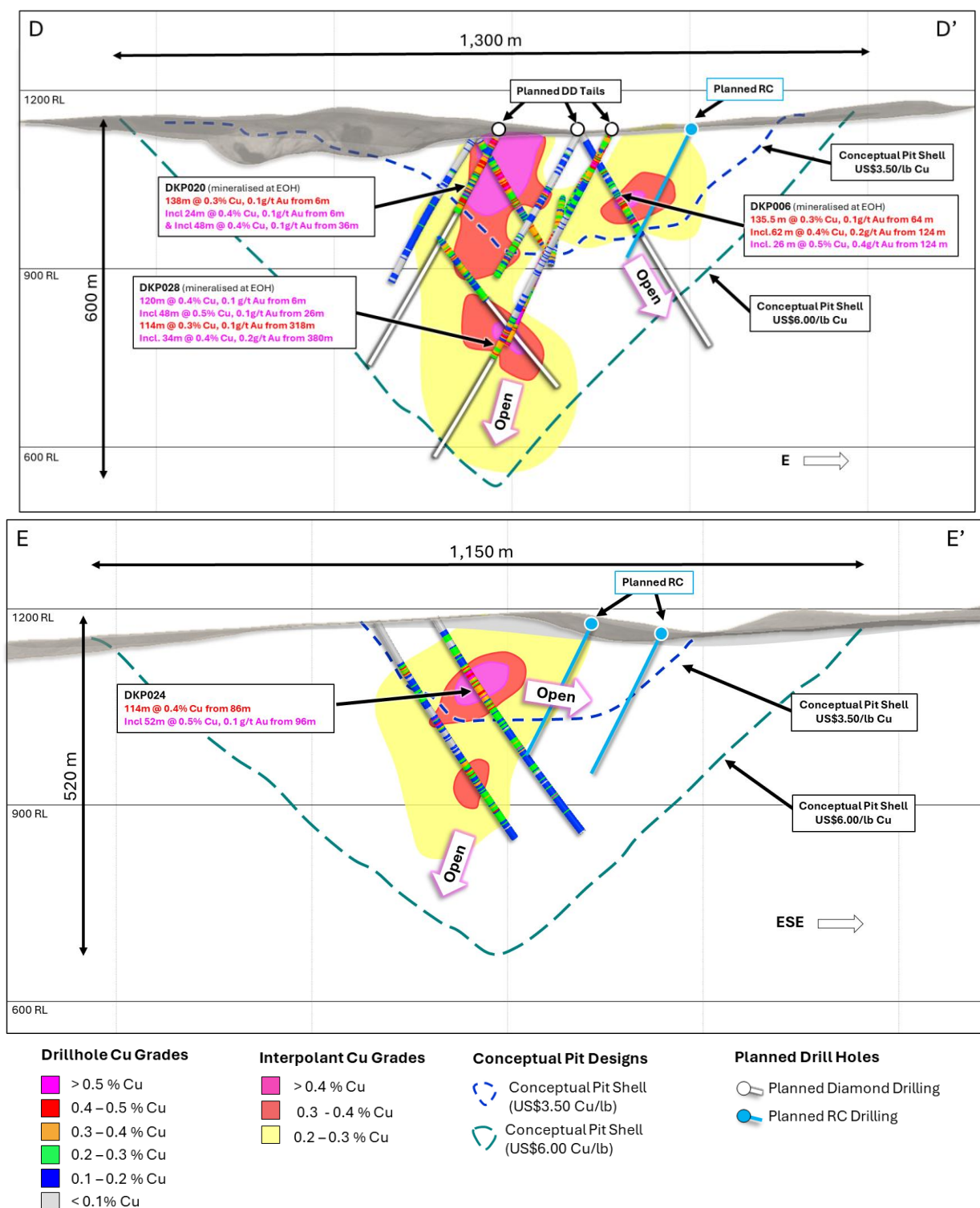
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Figure 4. (Top) North facing cross section B - B' ($\pm 75\text{m}$ clipping), **(Bottom)** and North facing cross section C-C' ($\pm 75\text{m}$ clipping) through the La Verde porphyry system showing planned diamond and RC drill holes compared to +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (Magenta) mineralisation interpolants from returned assay results. Conceptual open pit shells¹ displayed for US\$3.50/lb Cu (blue) and US\$6.00/lb Cu (green) displayed as dashed lines.



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Figure 5. (Top) North facing cross section D - D', **(Bottom)** and NNW facing cross section E - E' through the La Verde porphyry system showing planned diamond and RC drill holes compared to +0.2% copper (yellow), +0.3% copper (red), +0.4% copper (Magenta) mineralisation interpolants from returned assay results. Conceptual open pit shells¹ displayed for \$US3.50/lb Cu (blue) and \$US6.00/lb Cu (green) displayed as dashed lines.



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Qualifying Statements

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 announcement and include (but may not necessarily be limited to) a program of diamond drillholes 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.

Qualified Person – NI 43-101

The technical information in this announcement has been reviewed and approved by Mr. Christian Easterday, MAIG, Hot Chili's Managing Director and a qualified person within the meaning of NI43-101.

Competent Person – JORC

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

Disclaimer

The information in this announcement relating to the Exploration Results for La Verde was previously reported in the Company's announcements 'Hot Chili Confirms Major Cu-Au Porphyry Discovery at La Verde', 'Hot Chili Announces Latest Drill Results for La Verde, Doubling Porphyry Discovery Footprint' and 'District-Scale Porphyry Cluster Potential Emerging at La Verde Cu-Au Discovery' released to ASX on 26 February 2024, 19 May 2025 and 29 May 2025 respectively, which are available to view on the Company's website at www.hotchili.net.au/investors/investor-centre/market-announcements. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

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 announcement.

Forward Looking Statements

This announcement contains certain statements that are "forward-looking information" within the meaning of Canadian securities legislation and Australian securities legislation (each, a "forward-looking statement"). Forward-looking statements reflect the Company's current expectations, forecasts, and projections with respect to future events, many of which are beyond the Company's control, and are based on certain assumptions. No assurance can be given that these expectations, forecasts, or projections will prove to be correct, and such forward-looking statements included in this 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 any of the words "estimate", "expectations", "may", "plan", "potential", "project", "reinforce", "unlock", "large-scale", "could", "should", "will", "would", variants of these words and similar expressions are intended to identify forward-looking statements.

The forward-looking statements within this announcement are based on information currently available and what management believes are reasonable assumptions. Forward-looking statements speak only as of the date of this announcement.

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

The forward-looking statements contained in this announcement are expressly qualified by the foregoing cautionary statements and are made as of the date of this announcement. 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 announcement 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 announcement 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.