



26th September 2014
The Companies Officer
Australian Securities Exchange Ltd
2 The Esplanade
Perth WA

Hot Chili Limited Mineral Resource and Ore Reserve Statement as at 30th June 2014

Dear Sir,

Copper, gold and molybdenum Mineral Resources and Ore Reserves for Hot Chili Limited (ASX:HCH) as of 30th June 2014 are reported in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, December 2012 (the JORC Code) as required by the Australian Securities Exchange.

There were material changes to Hot Chili's Mineral Resource and Ore Reserves between the 1st of July 2013 and the 30th of June 2014. These changes were the result of dedicated exploration, resource development and development study activities which are outlined further in this document.

The enclosed annual review of the Ore Reserves and Mineral Resources will be included in the Hot Chili 2014 Annual Report.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Christian Easterday".

Christian Easterday
Managing Director
Hot Chili Limited

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2014 Annual Review – Mineral Resources and Ore Reserves

This document outlines the annual review of Hot Chili Limited's (Hot Chili or the Company) Mineral Resources and Ore Reserves (MROR) as at 30th June 2014. All Mineral Resource and Ore Reserve estimates are reported to the JORC 2012 standard and are based on, and fairly represent, information and supporting documentation prepared and approved by competent persons.

There were material changes to Hot Chili's Mineral Resources and Ore Reserves between the 1st of July 2013 and the 30th of June 2014 (the period covered by the Company's annual report). These were the result of dedicated exploration, resource development and development study activities at the Productora and Frontera projects.

The commodities for this review include copper (Cu), gold (Au) and molybdenum (Mo). Tonnage and quality information contained in the following tables has been rounded and as a result the figures may not add up to the totals quoted.

There were no material changes during the period between the end of the annual reporting date (30th of June 2014) and the date of the MROR review (12th September, 2014).

While Hot Chili does not have a dedicated governance group, the Mineral Resource and Ore Reserve estimation processes followed internally are well established and are subject to systematic internal peer review. Independent technical reviews and audits are undertaken during estimation and signoff, and on an as-required basis.

J.Lachlan Macdonald

Senior Resource Geologist
Hot Chili Ltd
12th September, 2014

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Tenements

There were no changes in tenement ownership in the 12 months to 30th June 2014 that impacted any areas of declared Mineral Resource or Ore Reserves for either Productora or Frontera. A summary of the current tenements is provided below and as an appendix.

Productora

Hot Chili Limited (through its subsidiary company Sociedad Minera El Aguila, "SMEA Spa") controls an area measuring approximately 12.5km north-south by 5km east-west at the project through various agreements with private land holders, CMP (Chile's largest iron ore producer) and government organisations.

The current mineral resources and reserves occur over several leases and the ownership is summarised below. Please see Appendix 1 for full tenement listings.

Area	Tenement Status	Details
CMP South and North	65% Hot Chili / 35% CMP	Joint Venture agreement with CMP (HCH has earned 65% through meeting expenditure commitment)
CCHEN South and North	100% Hot Chili	30 year lease agreement
Central	100% Hot Chili	100% ownership

Frontera

Hot Chili (through its subsidiary company Sociedad Minera La Frontera) holds several tenements at the Frontera Project. The Frontera resource is contained completely within the La Union 1-2 leave and its surrounding assigned demasia area¹. Hot Chili has a 30 month purchase option agreement to earn 100% interest in the Frontera project, for a total exercise price of US\$5.9M. Expiration of the agreement is 30th November 2015. See Appendix 2 for full tenement listing.

Mining Activities

There were no mining activities in the 12 months to 30th June 2014 for either Productora or Frontera. There has been no depletion for any of the current public mineral resources or ore reserves.

¹ According to article 31 of the Chilean Mining Code, a "demasia" is:

The area that is surrounded by three or more mining exploitation concessions, at which it is not possible, because of its form, to request the establishment a new mining exploitation concession; hence said area will be legally considered to be part of the oldest mining concession that surrounds it.



Mineral Resources - Productora

An updated Mineral Resource estimate was released to the public on the 31st March 2014. This superseded the previous Mineral Resource estimate as released on 13th of February 2013. This Mineral Resource revision was based on additional drilling undertaken by Hot Chili which consisted of an additional 351 RC holes and 41 diamond holes (or diamond tail extensions) for 95,571m (85,645m of RC and 9,926.5m diamond). The total drilling inventory available for the 2014 Productora estimate was 238,185m (211,708.5m of RC and 26,476.5m of diamond drilling). A comparison between these is provided below.

Productora Mineral Resource at 30th June, 2014*							
Classification	Tonnes (millions)	Grade			Contained Metal		
		Cu %	Au g/t	Mo ppm	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Indicated	158.6	0.50	0.11	152	799,000	540,000	24,000
Inferred	55.6	0.41	0.08	97	229,000	133,000	5,000
Total	214.3	0.48	0.10	138	1,029,000	675,000	29,000
Productora Mineral Resource at 30th June, 2013**							
Classification	Tonnes (millions)	Grade			Contained Metal		
		Cu %	Au g/t	Mo ppm	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Indicated	70.6	0.60	0.10	139	420,000	260,000	10,000
Inferred	94.6	0.50	0.10	126	500,000	310,000	12,000
Total	165.2	0.60	0.10	132	920,000	580,000	22,000

*Announced 31st March, 2014. Resource reported equal to or above 0.25% Cu

**Announced 13th February 2013. Resource reported equal to or above 0.3% Cu

Ore Reserves - Productora

A maiden Ore Reserve estimate was released to the public on the 31st March 2014, which was based on the updated Mineral Resource estimate announced on the same date. There was no previous Ore Reserve estimate for Productora prior to this announcement. A summary of the current ore Reserve is provided below.

Productora Ore Reserve at 30th June, 2014											
			Grade			Contained Metal			Payable Metal		
Ore Type	Classification	Tonnes (millions)	Cu %	Au g/t	Mo ppm	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Transitional	Probable	10.2	0.54	0.10	128	55,000	34,000	1,300	27,000	13,000	1,000
Fresh	Probable	80.3	0.47	0.11	177	378,000	274,000	14,200	323,000	139,000	8,000
Total	Probable	90.5	0.48	0.11	172	433,000	308,000	15,500	350,000	152,000	9,000

*Average recovered applied are: Fresh Cu - 88.8%; Fresh Au - 65%; Fresh Mo - 60%, Transitional Cu - 50%, Transitional Au - 50% and Transitional Mo - 50%.

**Payability factors applied for Cu - 96.5%, Au - 78% and Mo - 98%

***Announced 31st March, 2014

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Mineral Resources - Frontera

A maiden Mineral Resource estimate was released to the public on the 11th March 2014. This was based on drilling undertaken by Hot Chili which consisted of 50 holes drilled for a cumulative 16,175.2m (50 RC holes for 15,539m and two diamond tails for 636.2m). There was no previous Mineral Resource estimate for Frontera prior to this announcement.

Frontera Mineral Resource at 30th June, 2014					
Classification	Tonnes (millions)	Grade		Contained Metal	
		Cu %	Au g/t	Copper (tonnes)	Gold (ounces)
Indicated	16.1	0.4	0.2	61,000	116,000
Inferred	34.4	0.4	0.2	125,000	239,000
Total	50.5	0.4	0.2	187,000	356,000

*Announced 11th March, 2014

**Resource reported equal to or above 0.25% Cu

Competent Person's Statement

Mineral Resources – Productora and Frontera Projects

The information in this report that relates to the 2014 Productora and Frontera Mineral Resource estimates is based on information by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is a full-time employee of Hot Chili Ltd. Mr Macdonald is a Member of the Australian Institute of Mining and Metallurgy. Mr Kirchner is employed by Coffey Mining Pty Ltd (Coffey). Coffey has been engaged on a fee for service basis to provide independent technical advice and final audit for the 2014 Productora and Frontera Resource Estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy and is a Member of the Australian Institute of Geoscientists. Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resource and Ore Reserves' (the JORC Code, 2012 edition). Both Mr Macdonald and Mr Kirchner consent to the inclusion in this report of the matter based on their information in the form and context in which it appears.

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Ore Reserves – Productora Project

The information in this report that relates to the Productora Ore Reserve is based on information by Mr Carlos Guzmán. Who is a Fellow of the Australasian Institute of Mining and Metallurgy and is a Member of the Australian Institute of Geoscientists, a Registered Member of the Chilean Mining Commission (RM – a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full-time employee of NCL Ingeniería y Construcción SpA. NCL has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Ore Reserve estimate. Mr Guzmán has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resource and Ore Reserves' (the JORC Code, 2012 edition). Mr Guzmán consents to the inclusion in this report of the matter based on their information in the form and context in which it appears.

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Appendix 1

Hot Chili tenement holding at the Productora Project, tenement ownership, and type

Outside of the Company's own landholding, Hot Chili has executed agreements with several private parties, government organisations and major miners. Importantly, these parties together with Hot Chili control 100% of the strike extent of defined mineralisation within this land position.

Hot Chili has also successfully acquired further tenements along the western and southern extension to the Productora project. The new tenements expand the area of the Productora Project, providing further up-side to Hot Chili's plans to delineate and develop significant copper-gold-molybdenum resources at the project.

Hot Chili has established close working relationships with both government and private stakeholders, of particular note is the major local partnership with CMP (Chile's largest iron ore producer).

Note; in Chile, tenements do not have an expiration date.

Licence ID	Holder (1)	% Interest	Licence Type	Area (ha)	Comments
FRAN 1, 1-48	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 2, 1-20	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 3, 1-60	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 4, 1-20	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 5, 1-20	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 6, 1-60	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 7, 1-37	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 8, 1-30	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 12, 1-40	SMEA SpA	100%	Exploitation concession	200	Constituted
FRAN 13, 1-40	SMEA SpA	100%	Exploitation concession	200	Constituted
FRAN 14, 1-40	SMEA SpA	100%	Exploitation concession	200	Constituted
FRAN 15, 1-60	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 18, 1-60	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 21, 1-60	SMEA SpA	100%	Exploitation concession	300	Constituted
FRAN 22	SMEA SpA	100%	Mining Petition	400	Constituted
ALGA 7A, 1-32	SMEA SpA	100%	Exploitation concession	89	Constituted
ALGA VI, 5-24	SMEA SpA	100%	Exploitation concession	66	Constituted

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Licence ID	Holder (1)	% Interest	Licence Type	Area (ha)	Comments
MONTOSA 1-4	SMEA SpA	100%	Exploitation concession	35	Constituted
CHICA	SMEA SpA	100%	Exploitation concession	1	Constituted
ESPERANZA 1-5	SMEA SpA	100%	Exploitation concession	11	Constituted
LEONA SEGUNDA 1-4	SMEA SpA	100%	Exploitation concession	10	Constituted
CARMEN I, 1-60	SMEA SpA	100%	Mining Claim	300	Being processed
CARMEN II, 1-60	SMEA SpA	100%	Mining Claim	300	Being processed
ZAPA 1, 1-10	SMEA SpA	100%	Exploitation concession	100	Constituted
ZAPA 3, 1-23	SMEA SpA	100%	Exploitation concession	92	Constituted
ZAPA 5A, 1-16	SMEA SpA	100%	Exploitation concession	80	Constituted
ZAPA 7, 1-24	SMEA SpA	100%	Exploitation concession	120	Constituted
CABRITO, CABRITO 1-9	SMEA SpA	80%	Exploitation concession	50	Constituted
CUENCA A, 1-51	CMP	65%	Exploitation concession	255	5 Year- 65% JV Earn-in option Agreement executed Expiration date October 5th, 2014
CUENCA B, 1-28	CMP	65%	Exploitation concession	139	
CUENCA C, 1-51	CMP	65%	Exploitation concession	255	
CUENCA D	CMP	65%	Exploitation concession	3	
CUENCA E	CMP	65%	Exploitation concession	1	
CHOAPA 1-10	CMP	65%	Exploitation concession	50	
ELQUI 1-14	CMP	65%	Exploitation concession	61	
LIMARÍ 1-15	CMP	65%	Exploitation concession	66	
LOA 1-6	CMP	65%	Exploitation concession	30	
MAIPO 1-10	CMP	65%	Exploitation concession	50	
TOLTÉN 1-4	CMP	65%	Exploitation concession	70	
CACHIYUYITO 1, 1-60	CMP	65%	Exploitation concession	300	
CACHIYUYITO 2, 1-60	CMP	65%	Exploitation concession	300	
CACHIYUYITO 3, 1-60	CMP	65%	Exploitation concession	300	
LA PRODUCTORA 1-16	SMEA SpA	100%	Exploitation concession	75	Constituted
BUENA SUERTE 1-6	SLM BUENA SUERTE	100%	Exploitation concession	30	5 Year- 100% Purchase-option Agreement executed Expiration date November 18th, 2014. Contract modification date November 13th, 2013
PILAR 1-2	SLM PILAR	100%	Exploitation concession	10	
ORO INDIO I, 1-20	JGT	100%	Exploitation concession	82	5 Year- 100% Purchase-option Agreement executed

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Licence ID	Holder (1)	% Interest	Licence Type	Area (ha)	Comments
AURO HUASCO I, 1-8	JGT	100%	Exploitation concession	35	Expiration date February 13th, 2017
URANIO, 1-70	CCHEN	100%	Exploitation concession	350	5 year (renewable to 30) lease agreement Termination date August 22nd, 2042
JULI 1	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 2	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 3	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 4	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 5	SMEA SpA	100%	Exploration concession	100	Constituted
JULI 6	SMEA SpA	100%	Exploration concession	200	Constituted
JULI 7	SMEA SpA	100%	Exploration concession	200	Constituted
JULI 8	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 9	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 10	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 11	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 12	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 13	SMEA SpA	100%	Exploration concession	100	Constituted
JULI 14	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 15	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 16	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 17	SMEA SpA	100%	Exploration concession	200	Constituted
JULI 18	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 19	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 20	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 21	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 22	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 23	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 24	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 25	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 26	SMEA SpA	100%	Exploration concession	300	Constituted
JULI 27	SMEA SpA	100%	Exploration concession	200	Constituted

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Licence ID	Holder (1)	% Interest	Licence Type	Area (ha)	Comments
JULI 28	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 1	SMEA SpA	100%	Exploration concession	100	Constituted
JULIETA 2	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 3	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 4	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 5	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 6	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 7	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 8	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 9	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 10	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 11	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 12	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 13	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 14	SMEA SpA	100%	Exploration concession	300	Constituted
JULIETA 15	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 16	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 17	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 18	SMEA SpA	100%	Exploration concession	200	Constituted
JULIETA 19	SMEA SpA	100%	Exploration concession	200	Constituted
ARENA 1	SMEA SpA	100%	Mining petition	100	Being processed
ARENA 2	SMEA SpA	100%	Mining petition	200	Being processed

Obs.: (1) CMP= Compañía Minera del Pacífico; SLM Productora= Sociedad Legal Minera La Productora 1 de la Sierra Coyigualles; SLM Buena Suerte= Sociedad Legal Minera Buena Suerte 1 de la Sierra Tamarico; SLM Pilar= Sociedad Legal Minera Pilar 1 de la Sierra Tamarindo; SLM Cabrero= Sociedad Legal Minera Cabrero de la Sierra Zapallo; JGT= Julio Godoy Torres; CCHEN= Comisión Chilena de Energía Nuclear. (2) In accordance with the August 2013 UTM, which amounts 40326 CL. (3) In accordance with an approximate dollar exchange rate (CH\$518). (4) In accordance with the June 2014 UTM, which amounts 42052 CL. (5) In accordance with an approximate dollar exchange rate (CH\$550,6).

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Appendix 2

Hot Chili tenement holding at the Frontera Project, tenement ownership, and type

The Frontera project lies 50km directly south of Productora in Region IV of Chile.

SMEA SpA, Hot Chili's wholly owned Chilean subsidiary, has entered into a 30 month, 100% purchase-option agreement with private Chilean company Compañía Minera Taruca SCM. The agreement was executed with a US\$600,000 payment in June 2012.

Note; in Chile, tenements do not have an expiration date.

Licence ID	Holder	% Interest	Licence Type	Area (ha)	Comments
LA UNION 1-2	Compañía Minera Taruca SCM	100%	Exploitation Concession	10	30 month - 100% Purchase-option Agreement executed Expiration date November 30th, 2014
JOTA 1	Compañía Minera Taruca SCM	100%	Exploration concession	1	
MADRID 2, 1-60	Compañía Minera Taruca SCM	100%	Mining claim	300	

Obs.: (1) In accordance with the August 2013 UTM, which amounts 40326 CL. (2) In accordance with an approximate dollar exchange rate (CH\$518). (3) In accordance with the June 2014 UTM, which amounts 42052CL. (4) In accordance with an approximate dollar exchange rate (CH\$550).

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