



# HOT ROCK LIMITED

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13 December 2011

Mr Rohan Abeyewardene  
Senior ASX Advisor  
By email

Dear Mr Abeyewardene

We refer to your letter of 13 December 2011 (copy attached) in relation to the recent increase in the company's share price and volume of trading.

In relation to the specific enquiries you have raised we comment as follows:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.

The Company advised the Market on 29 November 2011 that it has entered into a Heads of Terms (**HOT**) with Energy Development Corporation (**EDC**), which is subject to the satisfaction of certain conditions, including finalisation of farm-in/joint venture documentation and confirmatory due diligence.

The HOT sets the framework and main commercial principles for the acquisition by EDC of a 70% interest in the granted volcanic Calerías and Longavi geothermal projects in Chile and the Quellaapacheta and Chocopata geothermal projects in Peru (**Projects**) through the sole funding of certain resource development costs in respect of each of the Projects. HRL currently holds a 100% interest in the Projects.

HRL and EDC are currently working together to finalise farm-in and joint venture agreements (**FIJVA**), documenting the terms of the proposed acquisition, EDC's funding obligations and the joint venture agreements, as set out in the HOT. The HOT provides for completion of the FIJVA by the 21<sup>st</sup> December 2011, subject to the satisfaction of the prescribed conditions.

In addition to the development funding obligations, EDC will pay consideration of US\$2.6m to HRL upon execution of the FIJVA. A further US\$1.4m is payable to HRL by EDC following the grant of certain geothermal regulatory consents and approvals by the Peruvian government, which currently remain outstanding.

2. Not Applicable
3. The Company is unable to offer any other explanation for the price change and increase in volume in the securities of the Company.



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4. The Company confirms that it is in compliance with the ASX Listing Rules and, in particular, Listing Rule 3.1.

If the Company can be of any further assistance please do not hesitate to contact the writer.

Yours sincerely

Paul Marshall  
Company Secretary



13 December 2011

Mr Paul Marshall  
Company Secretary  
Hot Rock Limited

By email: [pmarshall@rcm.com.au](mailto:pmarshall@rcm.com.au)

Dear Paul

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### Hot Rock Limited (the "Company")

#### PRICE QUERY

We have noted an increase in the price of the Company's securities from a close of 2.6 cents on Monday, 5 December 2011 to an intraday high of 4.3 cents today at the time of writing. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at [rohan.abeyewardene@asx.com.au](mailto:rohan.abeyewardene@asx.com.au). It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, by **2.00pm AEST (3.00pm AEDT) today**.

Under listing rule 18.7A, a copy of this query and your response **will** be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

## Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

## Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

*[sent electronically without signature]*

Rohan Abeyewardene  
**Senior Adviser, Listings (Brisbane)**