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ASX ANNOUNCEMENT

Friday 21st June 2013

More High-Grade Copper Results to Boost Productora Economics

Extension of shallow, rich zones will help underpin major resource upgrade later this year

- **Drilling returns more high-grade copper results from within the parameters of the proposed open pit at the Productora Project in Chile**
- **This growing zone of high-grade mineralisation will further boost front-end economics of planned central pit development**
- **The zone, located on the eastern flank, was considered a waste area in preliminary pit designs used in the scoping study**
- **Second major resource upgrade targeted for late 2H 2013**

New High-Grade Drill Results at Productora

80m grading 1.1% Copper Equivalent*

(**0.8% copper**, 0.2g/t gold, 293ppm molybdenum)

from 100m down-hole

including 29m grading 1.6% Copper Equivalent*
(**1.2% copper**, 0.2g/t gold and 252ppm molybdenum)

22m grading 2.1% Copper Equivalent*

(**1.5% copper**, 0.4g/t gold, 328ppm molybdenum)

from 171m down-hole

including 15m grading 2.7% Copper Equivalent*
(**2.0% copper**, 0.5g/t gold and 393ppm molybdenum)

32m grading 1.5% Copper Equivalent*

(**1.2% copper**, 0.2g/t gold, 195ppm molybdenum)

from 75m down-hole

including 7m grading 4.5% Copper Equivalent*
(**3.9% copper**, 0.3g/t gold and 395ppm molybdenum)

ASX Code
HCH

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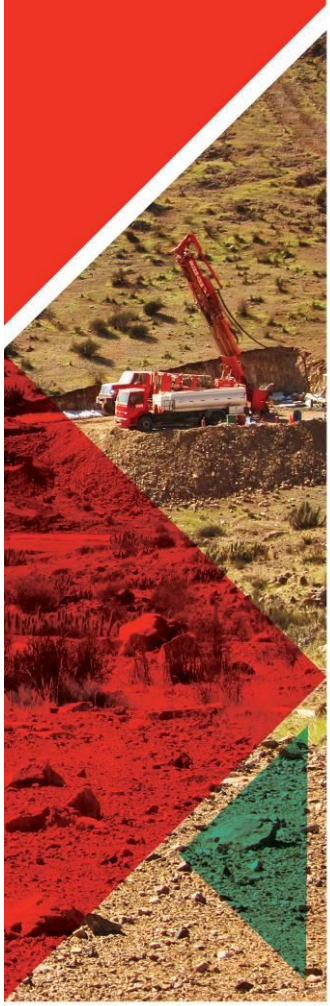

Hot Chili (ASX: HCH) is pleased to announce that the economics of its Productora Copper Project in Chile are set to receive a boost from more high-grade drilling results.

The new results come from the eastern flank of the central resource area within the parameters of the planned central open pit. They include intersections of 2% copper and 0.5g/t gold over 15m down-hole width and 1.2% copper and 0.2g/t gold over 32m down-hole width.

These results are considered important for two reasons. First, they come from an area which was treated as waste in the Productora scoping study. This means the inclusion of this area as ore would reduce the strip ratio and therefore costs, improving the up-front economics of Productora.

Second, they will contribute significantly to the major Productora resource upgrade planned for later this year. Drilling in this area is continuing as part of the current 100,000m programme.

Major Resource Drilling Programme On-Track

A 100,000m Reverse Circulation (RC) and Diamond (DD) Drilling programme underway at Productora is on-track to deliver a major resource upgrade at the project late in the second half of calendar 2013.

Four drill rigs are in operation at Productora, with an expected reduction in drilling over the coming months as the focus shift towards shallow in-pit resource extensions.

Growth in High Grade Copper and Gold Zones at Productora

Resources at Productora stand at 165.2Mt grading 0.6% copper, 0.1g/t gold and 132g/t molybdenum containing 920,000 tonnes of copper, 590,000 ounces of gold and 22,000 tonnes of molybdenum.

The high-grade, shallow resources at Productora currently stand at 53Mt grading 0.8% copper and 0.2g/t gold, enhancing the overall economics of the project.

The current drilling campaign at Productora aims to define potential additional resources from a 2km zone along the eastern flank of the planned central pit development. The zone was previously considered as waste in the company's recently announced positive scoping study.

First drill results returned from the eastern flank in April recorded some impressive intersections including **64m grading 1.5% copper and 0.4g/t gold from 124m down-hole.**

Recent results have continued to define the eastern flank of the central resource area as a very significant addition to Productora's forthcoming resource upgrade. To date, extensions being

defined along the eastern flank have consistently highlighted higher-grade copper and gold mineralisation.

A large component of drilling has been focussed on the eastern flank of the central resource area and the company expects to receive further high-priority results from this area over the coming weeks.

The results of the company's DD in-fill and QA/QC drilling programme at Productora are also expected to be released shortly.

For more information please contact:

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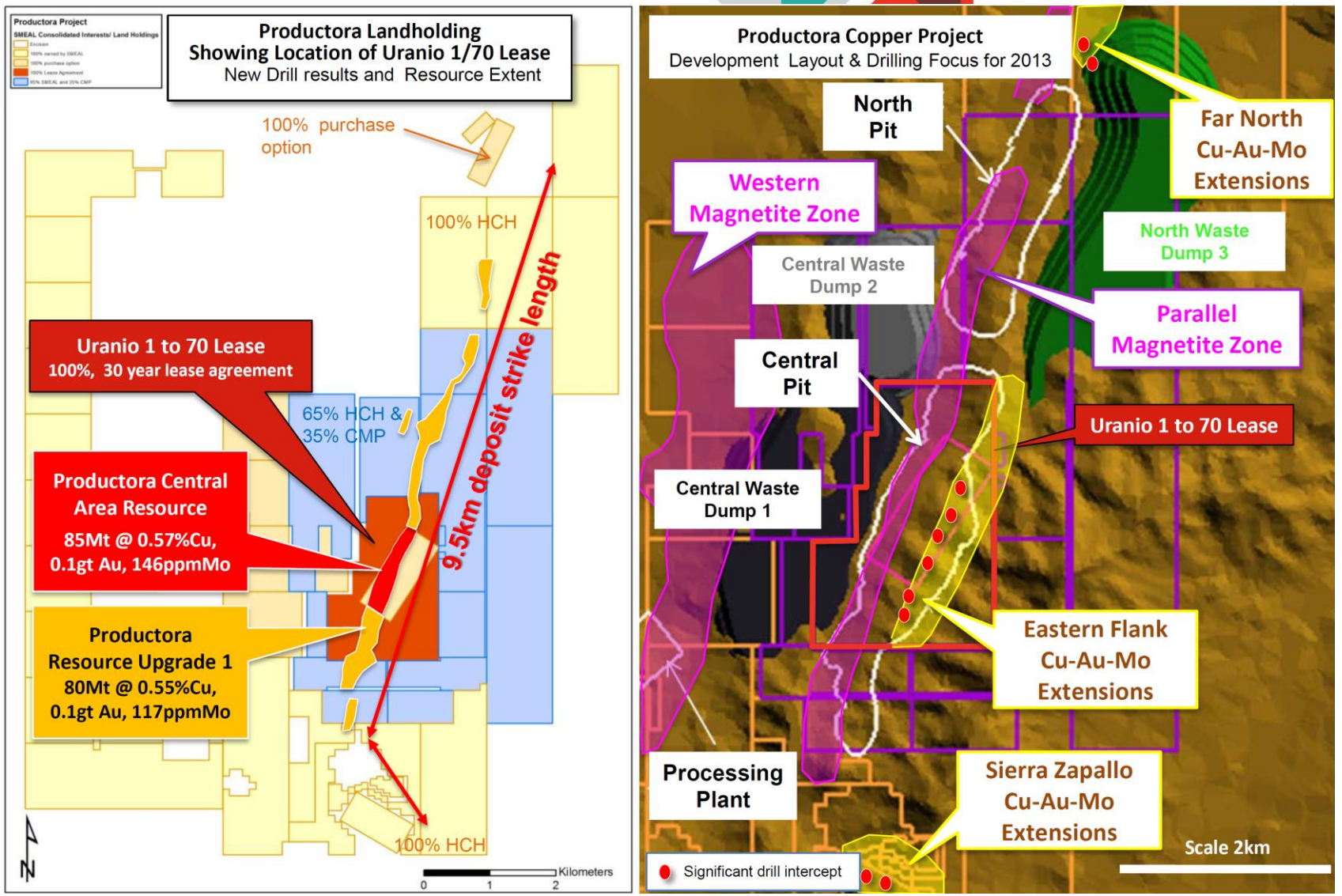

Figure 1. Productora project and Scoping Study development layout in relation to 2013 drilling programme focus

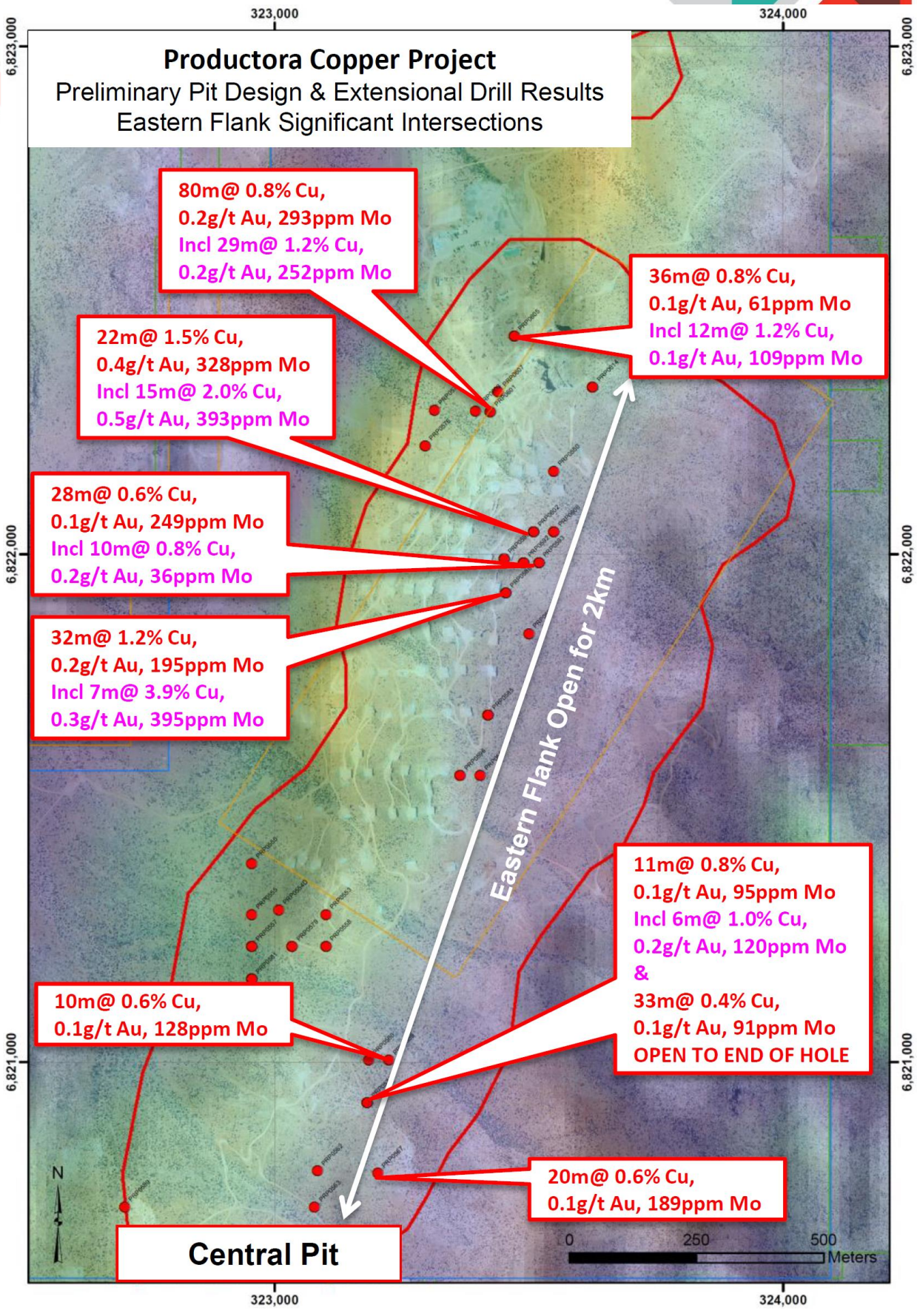

Figure 2. New significant drilling intersections in relation to the planned central pit design at Productora

Productora Project- New Significant Drilling Intersections

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval	Copper	Gold	Molybdenum	Copper Eq*
	North	East			From	To	(m)	(% Cu)	(g/t Au)	(ppm Mo)	(% Cu)
PRP0550	6822164	323548	90	-60	60	73	13	0.4	0.0	30	0.5
PRP0553	6821291	323100	90	-60	216	223	7	0.6	0.1	210	0.9
PRP0555	6821291	322954	90	-60	**92**	**107**	**15**	**0.6**	**0.1**	**199**	**0.8**
PRP0556	6821391	322954	90	-60	210	214	4	0.7	0.1	209	1.0
PRP0557	6821228	322954	90	-60	94	100	6	0.5	0.1	22	0.6
					149	**198**	**49**	**0.5**	**0.1**	**420**	**0.9**
					202	225	23	0.4	0.1	221	0.6
PRP0558	6821228	323100	90	-60	**206**	**246**	**40**	**0.3**	**0.1**	**149**	**0.5**
					268	275	7	0.4	0.1	305	0.7
PRP0559	6821004	323224	90	-60	218	228	10	0.6	0.1	128	0.7
PRP0560	6821005	323184	90	-60	76	88	12	0.5	0.2	499	1.0
PRP0562	6820786	323083	90	-60	4	12	8	0.4	0.1	25	0.5
PRP0563	6820715	323078	90	-60	76	80	4	0.9	0.2	60	1.1
PRP0567	6820782	323202	90	-60	**273**	**293**	**20**	**0.6**	**0.1**	**189**	**0.9**
PRP0571	6820920	323181	90	-60	36	43	7	0.9	0.0	116	1.0
					60	72	12	0.4	0.2	91	0.6
					223	**234**	**11**	**0.8**	**0.1**	**95**	**0.9**
				including	**227**	**233**	**6**	**1.0**	**0.2**	**120**	**1.2**
	open to end of hole				255	288	33	0.4	0.1	91	0.5
PRP0573	6822284	323313	90	-60	105	108	3	0.6	0.2	56	0.8
PRP0576	6822214	323295	90	-60	215	227	12	0.5	0.2	54	0.7
				including	*225*	*227*	*2*	*1.3*	*0.7*	*74*	1.8
PRP0579	6821228	323034	90	-60	**92**	**125**	**33**	**0.6**	**0.1**	**258**	**0.9**
	open to end of hole				264	276	12	0.4	0.1	53	0.5
PRP0581	6821164	322954	90	-60	114	125	11	0.4	0.1	16	0.4
					136	146	10	0.4	0.1	457	0.8
					214	**230**	**16**	**0.5**	**0.1**	**230**	**0.7**
					255	267	12	0.4	0.1	206	0.6
PRP0585	6821684	323419	270	-60	144	147	3	1.2	0.2	205	1.5
					176	185	9	0.6	0.1	257	0.9
					218	228	10	0.6	0.1	159	0.8
				including	*224*	*228*	*4*	*1.0*	*0.2*	*246*	1.4
PRP0588	6821924	323454	90	-60	**75**	**107**	**32**	**1.2**	**0.2**	**195**	**1.5**
					75	**82**	**7**	**3.9**	**0.3**	**395**	**4.5**
				including	*103*	*107*	4	0.9	*0.2*	*194*	1.2

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval	Copper	Gold	Molybdenum	Copper Eq*
	North	East			From	To	(m)	(% Cu)	(g/t Au)	(ppm Mo)	(% Cu)
					182	190	8	0.9	0.2	126	1.1
PRP0589	6820715	322704	90	-60	84	88	4	0.8	0.1	88	0.9
PRP0590	6821991	323450	90	-60	**86**	**100**	**14**	**0.7**	**0.1**	**130**	**0.9**
					131	**135**	**4**	**2.5**	**0.5**	**144**	**2.9**
					190	198	8	0.7	0.2	120	0.9
					241	248	7	0.5	0.2	182	0.8
PRP0592	6821984	323489	90	-60	80	83	3	0.8	0.1	64	0.9
					158	**186**	**28**	**0.6**	**0.1**	**249**	**0.9**
				including	***168***	***178***	***10***	***0.8***	***0.2***	***36***	**1.0**
					202	208	6	0.5	0.1	137	0.7
					221	224	3	0.7	0.1	153	0.9
PRP0593	6821984	323519			162	168	6	0.5	0.1	84	0.7
					175	179	4	0.6	0.1	122	0.8
					246	250	4	0.7	0.2	32	0.8
PRP0601	6822281	323423	90	-60	**100**	**180**	**80**	**0.8**	**0.2**	**293**	**1.1**
				including	**100**	**129**	**29**	**1.2**	**0.2**	**252**	**1.6**
PRP0602	6822044	323509	90	-60	78	95	17	0.5	0.1	117	0.7
					129	**152**	**23**	**0.9**	**0.3**	**97**	**1.1**
				including	***130***	***136***	***6***	***1.6***	***0.5***	***151***	***2.1***
					171	**193**	**22**	**1.5**	**0.4**	**328**	**2.1**
				including	***172***	***187***	***15***	***2.0***	***0.5***	***393***	***2.7***
PRP0603	6822283	323394	90	-60	**92**	**102**	**10**	**0.9**	**0.1**	**192.8**	**1.2**
open to end of hole (intersected UG workings											
PRP0605	6822430	323470	90	-60	**8**	**44**	**36**	**0.8**	**0.1**	**61**	**0.9**
				including	***20***	***32***	***12***	***1.2***	***0.1***	***109***	***1.4***
PRP0606	6822044	323549	90	-60	**80**	**109**	**29**	**0.7**	**0.2**	**109**	**0.9**
				including	**100**	**107**	**7**	**1.3**	**0.3**	**185**	**1.7**

Notes to Significant Drilling Intersections

- *All drill holes with pre-fix "PRP" are reverse circulation (RC) and all drill holes with suffix "D" are diamond holes.*
- *Results comprise ICP analysis (ME-ICP61) of all 1m whole core samples (D); 1m selective cone split samples (RC) and 4m composite samples (RC).*
- *Priority AAS analysis (CU-AA62 ore grade analysis) results were utilised where analysis was undertaken for copper results greater than 1.0%.*
- *Priority MS analysis (ME-MS61) results were utilised where analysis was undertaken for uranium results greater than 50ppm.*
- *Gold analysis only undertaken over copper results greater than 0.2%. All gold results comprise ICP analysis (Au-ICP21). Gold significant intersections may in some instances represent the average of gold results within the zone of intersection. In these instances generally gold analysis has been undertaken over 90 percent of the samples taken within the length of the intersection.*
- *All results were analysed by ALS Chemex (La Serena) laboratories.*

*** Copper Equivalent Calculation**

Copper Equivalent (also Cu Eq*) Calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. However it is the Company's opinion that elements considered here have a reasonable potential to be recovered as evidenced in similar multi-commodity natured mines elsewhere in the world. Copper equivalent conversion factors and long-term price assumptions used follow:

Copper Equivalent Formula= Cu % + Mo(ppm)x0.0008 + Au(ppm)x0.6832
Price Assumptions- Cu (US$1.80/lb), Mo (US$15/lb), Au (US$850/oz)

JORC Compliant Resource Statement- Reported 13th February 2013

Classification	Resource Series (+0.3% Cu)	Tonnage	Grade				Contained Metal			
			Cu %	Au g/t	Mo g/t	Cu Eq* %	Copper (Tonnes)	Gold (Oz)	Molybdenum (Tonnes)	Copper Eq* (Tonnes)
INDICATED	Res Upgrade 1	39,400,000	0.6	0.1	124	0.8	230,000	150,000	5,000	310,000
	Central Resource	31,200,000	0.6	0.1	159	0.8	190,000	110,000	5,000	250,000
	Total	**70,600,000**	**0.6**	**0.1**	**140**	**0.8**	**420,000**	**260,000**	**10,000**	**560,000**
INFERRED	Res Upgrade 1	40,600,000	0.5	0.1	110	0.7	200,000	130,000	4,000	270,000
	Central Resource	54,000,000	0.6	0.1	138	0.7	300,000	180,000	8,000	400,000
	Total	**94,600,000**	**0.5**	**0.1**	**126**	**0.7**	**500,000**	**310,000**	**12,000**	**670,000**
TOTAL	Res Upgrade 1	80,000,000	0.5	0.1	117	0.7	440,000	290,000	9,000	580,000
	Central Resource	85,200,000	0.6	0.1	146	0.8	480,000	290,000	13,000	650,000
	Total	**165,200,000**	**0.6**	**0.1**	**132**	**0.7**	**920,000**	**580,000**	**22,000**	**1,230,000**

Note: Figures in the above table are rounded and are reported to one significant figure in accordance with Australian JORC code 2004 guidance on mineral resource reporting.

Competent Person's Statement

The information in this report that relates to the Central Mineral Resource, Productora is based on information compiled by Alf Gillman, who is a fellow of the Australasian Institute of Mining and Metallurgy. Alf Gillman is a director of Odessa Resources Pty Ltd, and has sufficient experience in mineral resource estimation, which is relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Alf Gillman consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resource estimates outside of the Central Mineral Resource is based on information compiled by Aloysius Voortman and Fleur Muller. Aloysius Voortman is a Fellow of the Australasian Institute of Mining and Metallurgy, and Fleur Muller is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Aloysius Voortman is an employee of Coffey Mining, and Fleur Muller is an employee of Hot Chili Ltd, and both have sufficient experience in mineral resource estimation, which is relevant to the style of mineralisation and type of deposit under consideration. Mr Voortman and Mrs Muller are qualified as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Both Mr Voortman and Mrs Muller consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.