



ASX Announcement

18 November 2013

Sale of South American Projects

The Board of Hot Rock Limited (HRL or Company) has now completed the sale agreement as foreshadowed in the announcement made to the market on 15 October 2013.

On 15 October 2013, the Company announced that it had entered into a binding Letter of Offer with its joint venture partner, Energy Development Corporation (EDC) for the sale of its geothermal assets, consisting of granted exploration concessions and authorisations (tenements) and applications it holds in both Peru and Chile. A contract for the sale of the shares in Hot Rock Chile Limited (BVI) and Hot Rock Peru Limited (BVI) (being the subsidiary entities that hold the geothermal assets through further subsidiary entities) has now been signed with EDC.

Through the acquisition of the Company's overseas subsidiaries as described above, EDC will acquire:

- all of the geothermal authorisation and application interests (including HRL's 30% interest in the Quellaapacheta joint venture Project) and other assets held by Hot Rock Peru S.A in Peru except for the Chocopata Project; and
- all of the geothermal concession and application interests and other assets held by Hot Rock Chile S.A and Hemisferio Sur SpA, in Chile except for the Longavi and Calerías Projects.

The parties have agreed to a sale price for the Chilean and Peruvian Assets of US\$3,000,000. Under the sale agreement a deposit of US\$500,000 of the purchase price is payable by EDC within 5 Business Days of execution of the sale contract. The balance of the purchase price of US\$2,500,000 will be payable by EDC upon completion of the sale of the companies in accordance with the sale contract. An amount of US\$230,000 is subject to retention pending the resolution of a tax dispute in Peru.

The contract is subject to the shareholders of HRL, under ASX Listing Rules, approving the proposed divestment involved in the implementation of the sale. As such the parties are targeting completion in late December 2013 or early January 2014.

The anticipated net proceeds of A\$3,100,000 will provide working capital that will enable the Company to focus on how to progress with its remaining geothermal assets in Australia, Chile and Peru while also considering other alternatives that may be open to the Company.

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