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ASX ANNOUNCEMENT

Friday 28th June 2013

New In-fill Drill Results Continue to Strengthen Productora Resource Upgrade

- **Diamond drilling continues to highlight strong continuity of large tonnage, shallow resource zones at Productora**
- **In-fill drilling aimed towards maximizing first reserve estimations for Pre-feasibility study due in late 2013**
- **Diamond drilling component of 100,000m drilling programme due to be complete in coming weeks.**
- **Second major resource upgrade targeted for late 2H 2013**

Latest intersections increase confidence in key zones

190m grading 0.9% Copper Equivalent*
(**0.7% copper**, 0.2g/t gold, 138ppm molybdenum)

from 44m down-hole

including 12m grading 2.1% Copper Equivalent*
(**1.6% copper**, 0.5g/t gold and 200ppm molybdenum)

96m grading 0.8% Copper Equivalent*
(**0.7% copper**, 0.1g/t gold, 115ppm molybdenum)

from 32m down-hole

87m grading 0.8% Copper Equivalent*
(**0.6% copper**, 0.1g/t gold, 121ppm molybdenum)

from 145m down-hole

79m grading 1.0% Copper Equivalent*
(**0.6% copper**, 0.1g/t gold, 371ppm molybdenum)

from 242m down-hole

ASX Code
HCH

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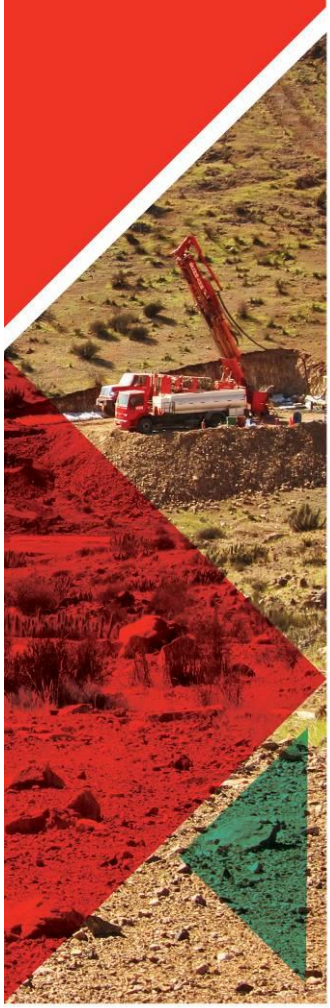

Hot Chili (ASX: HCH) is pleased to announce that the next major resource upgrade for its Productora Copper Project in Chile is set to benefit from another round of strong drilling results.

The latest results further increase the Company's confidence in several of the key zones which will play an important role in the resource upgrade scheduled for later this calendar year.

The results include 190m grading 0.7% copper and 0.2g/t gold from 44m down-hole.

Diamond drilling has been focussed on providing in-fill and QA/QC drilling coverage at Productora as part of Hot Chili's 100,000m drilling programme for 2013.

Diamond drilling, which is due to be completed shortly, has generated a host of outstanding results which have strengthened the definition of key areas of the resource.

As well as underpinning the next resource upgrade, the results will increase the size of the reserve estimate due to be released with the completion of a Pre-feasibility for Productora in late 2013.

Progress of Major Resource Drilling Programme at Productora

Hot Chili has completed more than half of its planned 100,000m Reverse Circulation (RC) and Diamond (DD) Drilling programme at Productora for 2013 with four multi-purpose drill rigs in operation.

While the majority of RC drilling at Productora during 2013 is focussed in achieving substantial resource growth from major extension areas of the deposit, a large component of the DD drilling has been aimed at increasing the Company's inventory of indicated category resources.

DD drilling has focused on providing QA/QC and in-fill coverage across key areas of the planned central pit development area at Productora.

To date, DD drilling at Productora has been successful in delivering several significant intersections and confirmed the size and grade of key areas within the resource. In-particular, diamond drilling has validated the Company's grade shell models which have outlined that the majority of resources at Productora lie within the first 300m from surface and depth extensions generally relate to more discreet "feeder-fault" lodes.

DD drilling is anticipated to be completed in coming weeks, when the focus will shift entirely towards the definition of shallow in-pit resource extensions.

Hot Chili Preparing to Assess Larger Potential of Productora in 2014

The Productora copper-gold-molybdenum resource remains open at depth over a strike length of approximately 7.5km with a further 2km of strike extensions remaining.

Hot Chili is in the process of assembling a series of extensive datasets over Productora in order to undertake advanced targeting at the project during the second half of 2013. A large focus for this exercise will be the construction of an integrated predictive targeting model to determine the potential for large-tonnage, higher grade extensions at depth and within the extents of Hot Chili's consolidated project position.

Given the large sulphide metal endowment of Productora, Hot Chili is confident of defining numerous high priority depth extension targets. In addition, shallow along-strike and satellite target positions will be further refined in order to outline a strategy to assess the greater potential of the project for drilling assessment in 2014.

Hot Chili considers the growth opportunities within the Productora copper project to be considerable.

The Company expects results of further RC drilling being directed towards the eastern flank of the central resource area at Productora to be received shortly. Recent results from the eastern flank have been producing higher copper and gold grades from areas previously considered waste in the Company's Scoping Study open pit designs.

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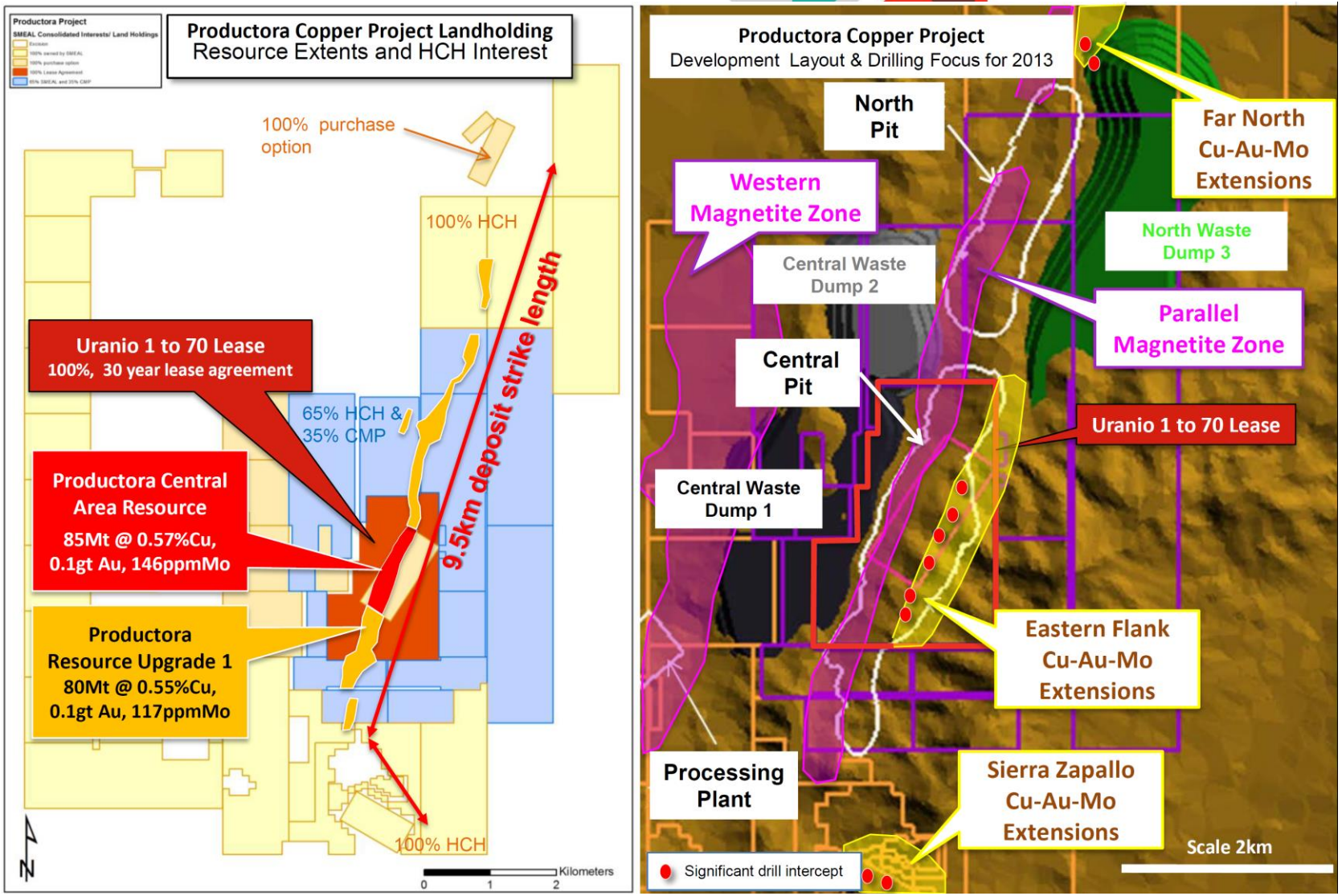

Figure 1. Productora project and Scoping Study development layout in relation to 2013 drilling programme focus

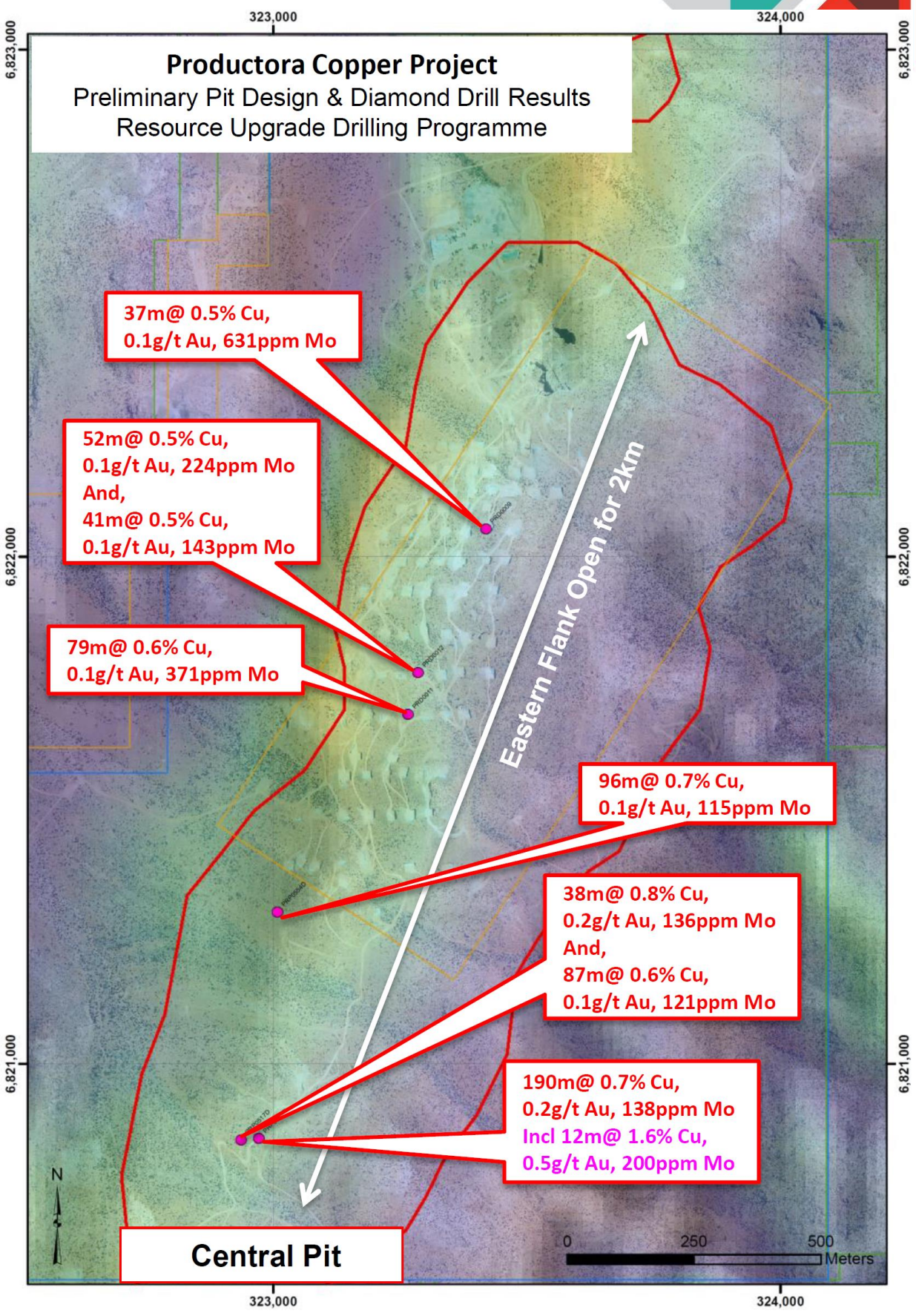

Figure 2. New significant drilling intersections in relation to the planned central pit design at Productora

Productora Project- New Significant Drilling Intersections

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval	Copper	Gold	Molybdenum	Copper Eq*	Comments
	North	East			From	To	(m)	(% Cu)	(g/t Au)	(ppm Mo)	(% Cu)	
PRD0009	6822056	323419	83	-60	118	129	11	0.5	0.1	147	0.7	
					145	152	7	0.4	0.0	108	0.5	
					287	**324**	**37**	**0.5**	**0.1**	**631**	**1.1**	
PRD0011	6821690	323265	90	-60	222	231	9	0.7	0.2	241	1.0	
					242	**321**	**79**	**0.6**	**0.1**	**371**	**1.0**	
					345	353	8	0.7	0.1	322	1.0	
PRD0012	6821773	323285	90	-60	**94**	**146**	**52**	**0.5**	**0.1**	**224**	**0.8**	
					159	**200**	**41**	**0.5**	**0.1**	**143**	**0.7**	
					216	233	17	0.4	0.1	68	0.5	
					240	253	13	0.5	0.1	167	0.7	
					263	282	19	0.5	0.1	188	0.8	
					336	342	6	0.5	0.1	418	0.9	
PRP0517D	6820851	322936	90	-60	16	21	5	0.5	0.0	56	0.6	
					30	**70**	**40**	**0.5**	**0.1**	**47**	**0.6**	
					87	**125**	**38**	**0.8**	**0.2**	**136**	**1.0**	
					145	**232**	**87**	**0.6**	**0.1**	**121**	**0.8**	
PRP0528D	6820853	322971	90	-60	9	19	10	0.7	0.1	73	0.9	
					44	**234**	**190**	**0.7**	**0.2**	**138**	**0.9**	
			including		79	91	12	1.6	0.5	200	2.1	
			including		108	124	16	1.1	0.3	300	1.6	
			including		138	151	13	1.4	0.4	396	1.9	
			including		174	191	17	1.3	0.3	61	1.5	
PRP0554D	6821300	323007	90	-60	32	96	64	0.8	0.1	168	1.0	Pre-collar
					96	128	32	0.6	0.1	61	0.7	DD tail
					32	**128**	**96**	**0.7**	**0.1**	**115**	**0.8**	Final
			including		111	123	12	0.8	0.1	69	1.0	
					131	139	8	0.5	0.1	166	0.6	
					162	169	7	0.4	0.1	107	0.6	
					256	263	7	0.4	0.1	378	0.5	
					264	286	22	0.7	0.2	277	0.9	
	open to end of hole		***including***		**271**	**281**	**10**	**1.0**	**0.2**	**240**	**1.2**	
PRP0453D	6821014	323102	90	*-60*	321	326	5	0.6	0.1	45	0.7	
					342	350	8	0.5	0.1	14	0.6	

Notes to Significant Drilling Intersections (next page)

Notes to Significant Drilling Intersections (previous page)

- *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.