

Resource Drilling Uncovers Two New Zones at Productora

- Resource In-fill drilling reveals a further two new zones of mineralization in central area of Productora
- Drilling results across the main breccia zone at Productora remain robust
- Maiden drill results for Los Mantos project due shortly

Productora Resource Drilling Results

67m grading 1.2% Copper Equivalent* from 74m down-hole

(**0.7% copper**, 141ppm molybdenum, 0.2g/t gold, 37ppm uranium and 112ppm cobalt)

including 32m grading 1.6% Copper Equivalent*

(**1.0% copper**, 203ppm molybdenum, 0.3g/t gold, 43ppm uranium and 108ppm cobalt)

60m grading 1.0% Copper Equivalent* from 88m down-hole

(**0.5% copper**, 196ppm molybdenum, 0.1g/t gold, 46ppm uranium and 75ppm cobalt)

28m grading 1.3% Copper Equivalent* from 101m down-hole

(**0.7% copper**, 214ppm molybdenum, 0.1g/t gold, 36ppm uranium and 180ppm cobalt)

including 11m grading 1.8% Copper Equivalent*

(**1.0% copper**, 278ppm molybdenum, 0.2g/t gold, 56ppm uranium and 245ppm cobalt)

34m grading 1.0% Copper Equivalent* from 121m down-hole

(**0.5% copper**, 314ppm molybdenum, 0.1g/t gold, 20ppm uranium and 80ppm cobalt)

Hot Chili's (ASX Code: HCH) Productora project in Chile continues to produce robust results across the main breccia zone over 1.4km within the central area of the project. In addition, a further two new zones of mineralisation have been located. A total of three zones of mineralisation have now been identified by resource in-fill drilling within the central area of the project. The company is assessing the up-side impact of these new zones as it progresses towards reporting a first resource at Productora.

A Further Two New Zones of Mineralisation

Resource definition drilling along the eastern extent of the main breccia zone within the central area of Productora has been successful in returning a near-surface wide result of **67m grading 1.2% copper equivalent* from 74m down-hole**. Importantly, the 67m intersection grade of 0.7% copper and 0.2g/t gold included **32m grading 1.0% copper, 0.3g/t gold, 203 molybdenum, 43ppm uranium and 103ppm cobalt**. The result is recorded in a new zone located 200m directly southwest of the operating Productora underground copper-gold mine.

The new zone lies within a parallel vertical breccia (Eastern Breccia), which the company has identified in other RC drill holes along the extent of the current resource drilling pattern. The new results in combination with visual indications from recently completed RC drill holes (results pending) give the company encouragement that an additional potentially large tonnage zone is emerging adjacent to the main breccia zone.

A second additional zone of mineralisation has also been identified by resource drilling in the southern extent of the central area at Productora. The zone is similar in style to two shallow dipping mantos horizons recorded in the northern extent of the central area. All three mantos zones lie in close proximity to the main mineralised vertical breccia zone and in combination represent further potentially large tonnage, near-surface, up-side along the extent of the central area.

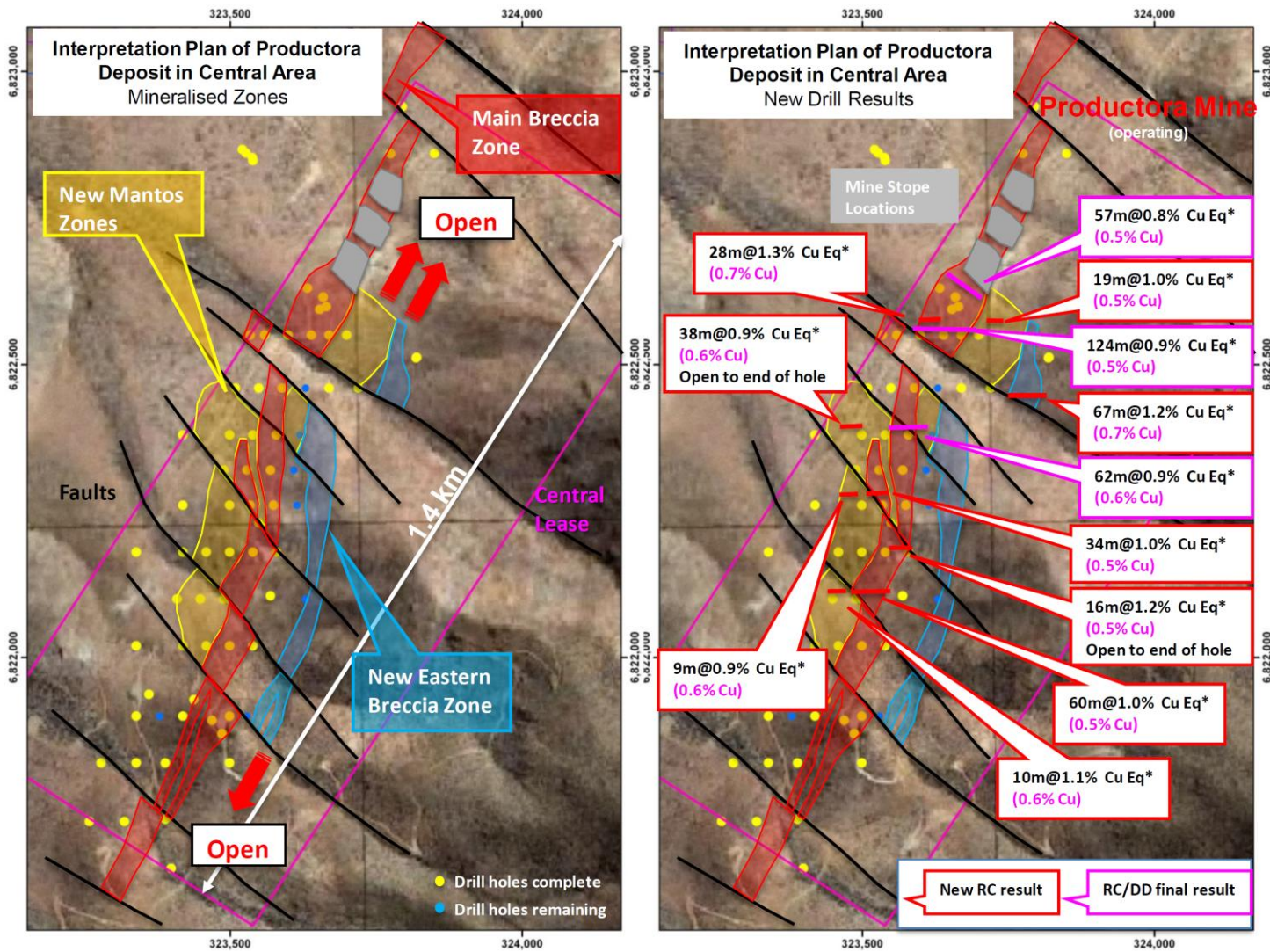
The plan and long section below display the recently returned results over these new zones at Productora.

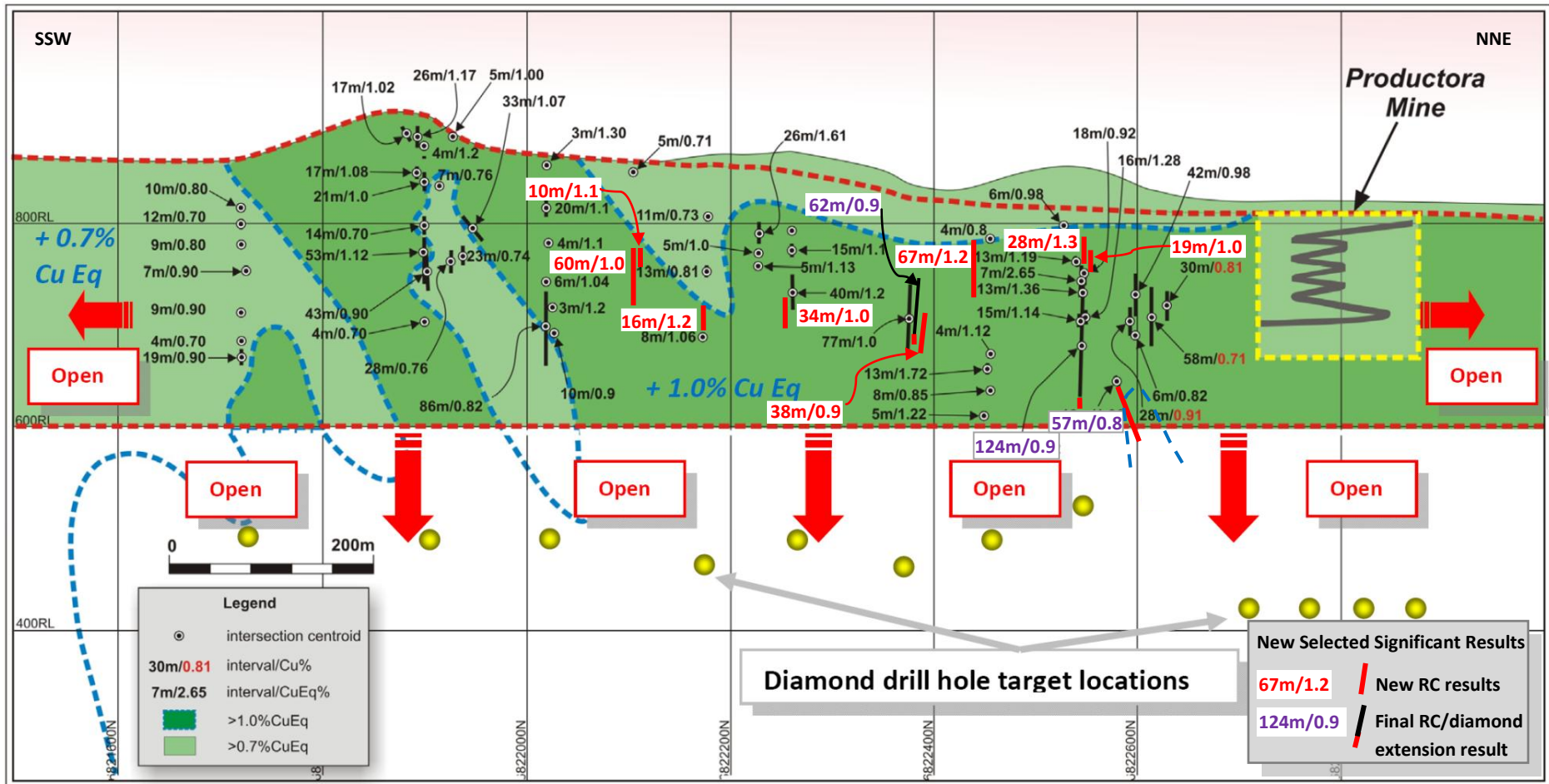
Productora Resource Drilling Up-date

Resource in-fill drilling activities are continuing at Productora with one RC drill rig currently in operation and a further two RC drill rigs due to commence shortly. The company is also in the process of securing a second diamond drilling rig to accelerate the completion of the concurrent resource diamond drilling programme.

The current resource drilling programme comprises approximately 8,000m of RC drilling and 6,000m of diamond drilling. The company has now completed approximately 6,000m of RC and 2,000m of diamond drilling and is in the process of planning additional RC drill holes to further test the new zones of identified mineralisation.

Drilling activities at Productora are focussed on defining a large at-surface multi-commodity copper resource over an initial 1.4km within the central area of project. Extensional drilling results released along strike from the central area have recorded wide zones of multi-commodity mineralisation in drilling over some 2.5km within land holdings the company controls at the project, and further remains open along strike. Hot Chili controls over 12.5km of strike extent over the Productora iron-oxide-copper-gold-uranium (IOCGU) trend.





Long Section of Productora Central Area- Previous and new selected drilling results and diamond hole locations.

Los Mantos First-Pass Drilling Nearing Completion

A first-pass 10,000m RC drilling programme is nearing completion at the company's second advanced project Los Mantos, located 240km to the south of Productora. Two RC drill rigs which have been dedicated to the project will be mobilised to Productora upon completion of drilling activities. Approximately 9,000m of RC drilling has been completed at Los Mantos.

Drilling at the project has targeted multiple zones of shear and mantos-hosted copper-gold mineralisation which have been historically exploited by small-scale surface and underground mining over some 2.5km strike length.

The company looks forward to releasing results from this drilling once assays have been received and compiled.

Results flowing from the Productora resource drilling programme are continuing to perform strongly and the discovery of additional zones of mineralisation has exceeded the company's expectations. The directors look forward to receiving further drilling results over these new zones to more accurately determine the impact on the future size of any potential resource delineated at the project.

Hot Chili is pursuing a two project development strategy, where successful results at Los Mantos will under-pin the definition and assessment of two large-scale multi-commodity copper resources amenable to multi-km scale open pit operations in Chile.

For more information please contact:

Christian Easterday

+61 8 9021 3033

Managing Director

Email: christian@hotchili.net.au

or visit Hot Chili's website at www.hotchili.net.au

Significant Intersections Table - RC Drill Results

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval (m)	Copper (% Cu)	Gold (g/t Au)	Cobalt (ppm Co)	Molybdenum (ppm Mo)	Uranium (ppm U)	Copper Eq* (% Cu)
	North	East			From	To							
PRP0067	6822423	323401	90	-60	124	162	38	0.6	0.1	52	85	14	0.9
	Open to end of hole												
PRP0068	6822223	323444	90	-60	63	79	16	0.5	0.1	103	83	29	0.7
			including		73	75	2	1.7	0.1	171	301	39	2.4
					109	116	7	0.4	0.1	72	34	14	0.5
					123	138	15	0.3	0.1	96	61	14	0.5
	Open to end of hole				153	169	16	0.5	0.1	81	435	52	1.2
PRP0069	6822143	323436	90	-60	88	148	60	0.5	0.1	75	196	46	1.0
			including		130	132	2	0.5	0.1	52	2910	336	4.4
					152	155	3	0.6	0.1	91	74	10	0.8
PRP0070	6822144	323395	90	-60	93	103	10	0.6	0.1	82	307	12	1.1
PRP0073	6822305	323400	90	-60	93	102	9	0.6	0.1	108	162	10	0.9
					121	155	34	0.5	0.1	80	314	20	1.0
					166	172	6	0.6	0.2	77	209	27	1.0
PRP0074	6823908	323958	90	-60	140	146	6	0.5	0.1	224	23	10	0.8
PRP0076	6822904	323838	90	-60	145	148	3	1.2	0.2	560	3	5	1.8
PRP0077	6822460	323720			52	64	12	0.4	0.1	87	86	16	0.7
					74	141	67	0.7	0.2	112	141	37	1.2
			including		105	137	32	1.0	0.3	108	203	43	1.6
PRP0078	6822550	323670			86	105	19	0.5	0.1	155	94	68	1.0
PRP0079	6822550	323600			101	129	28	0.7	0.1	180	214	36	1.3
			including		101	112	11	1.0	0.2	245	278	56	1.8
					138	148	10	0.4	0.1	130	36	12	0.6
					168	172	4	0.3	0.1	92	65	96	0.8

See Notes on following pages for result details

Significant Intersections Table – Final RC/Diamond Drill Results

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval (m)	Copper (% Cu)	Gold (g/t Au)	Cobalt (ppm Co)	Molybdenum (ppm Mo)	Uranium (ppm U)	Copper Eq* (% Cu)
	North	East			From	To							
PRP0018D	6822595	323545	90	-60	103	219	116	0.51	0.12	125	181	18	0.9
					219	227	8	0.4	0.1	113	64	22	0.7
					103	227	124	0.5	0.1	126	175	18	0.9

PRP0021AD	6822558	323796	300	-60	245	258	13	0.7	0.2	132	85	12	1.1
					258	302	44	0.4	0.1	95	110	16	0.8
					245	302	57	0.5	0.1	103	104	15	0.8

PRP0066D	6822380	323500	90	-60	98	154	56	0.6	0.1	72	185	30	1.0
					154	160	6	0.5	0.0	77	112	8	0.7
					98	160	62	0.6	0.1	72	178	21	0.9

Explanation

Original RC result

+

Diamond extension result

=

Final RC/Diamond result

Note:

- All drill holes are reverse circulation (RC)
- Results comprise ICP analysis (ME-ICP61) of all 1m selective (riffle split samples) and 4 composite samples.
- 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.
- Significant intersections are a combination of both 1m selective sample intervals as well as 4m composite intervals.
- 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)x0.0009 + Au(ppm)x0.7808 + U(ppm)x0.0031 + Co(ppm)x0.0008
 Price Assumptions- Cu (US\$1.60/lb), Mo (US\$15/lb), Au (US\$850/oz), U (US\$50/lb), Co (US\$12/lb)

Competent Person's statement

Information in this announcement that relates to exploration results or mineral resources is based on information compiled by Mr Christian Easterday, a Director, who is a Member of The Australian Institute of Geoscientists. Mr Easterday has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Easterday consents to the inclusion in this announcement of the statements based on his information in the form and context in which they appear.