

Widest Drill Results to Date at Productora

- Widest results to date recorded in resource drilling at Productora
- New Eastern Breccia zone further extended
- Intensive diamond and RC resource drilling continuing- 5 drill rigs operating

Productora Resource Drilling Results

167m grading 1.0% Copper Equivalent* from surface

(0.6% copper, 180ppm molybdenum, 0.1g/t gold, 21ppm uranium and 98ppm cobalt)

including 21m grading 1.8% Copper Equivalent*

(1.3% copper, 153ppm molybdenum, 0.2g/t gold, 25ppm uranium and 93ppm cobalt)

102m grading 1.3% Copper Equivalent* from 91m down-hole

(0.7% copper, 301ppm molybdenum, 0.2g/t gold, 40ppm uranium and 131ppm cobalt)

including 8m grading 3.2% Copper Equivalent*

(2.2% copper, 195ppm molybdenum, 0.2g/t gold, 179ppm uranium and 161ppm cobalt)

62m grading 1.0% Copper Equivalent* from 30m down-hole

(0.6% copper, 107ppm molybdenum, 0.1g/t gold, 47ppm uranium and 231ppm cobalt)

including 8m grading 1.8% Copper Equivalent*

(1.1% copper, 115ppm molybdenum, 0.1g/t gold, 101ppm uranium and 305ppm cobalt)

52m grading 1.1% Copper Equivalent* from 75m down-hole

(0.7% copper, 118ppm molybdenum, 0.1g/t gold, 28ppm uranium and 210ppm cobalt)

including 11m grading 1.6% Copper Equivalent*

(1.0% copper, 119ppm molybdenum, 0.1g/t gold, 19ppm uranium and 329ppm cobalt)

Resource drilling being undertaken at Hot Chili's (ASX Code: HCH) flagship Productora project located in Chile has recorded its widest drilling intersections to date. The results add to a growing inventory of wide drill results that have been returned across the 1.4km strike extent of the central area at the project.

The new results highlight the shallow nature of the deposit and clearly demonstrate that a number of potentially large tonnage zones continue from surface. This is important because it indicates only minimal pre-strip of overburden would be required in any potential future open pit development of the deposit. The company is working towards reporting a first resource at Productora which will underpin the commencement of economic studies.

Further Shallow Drilling Results

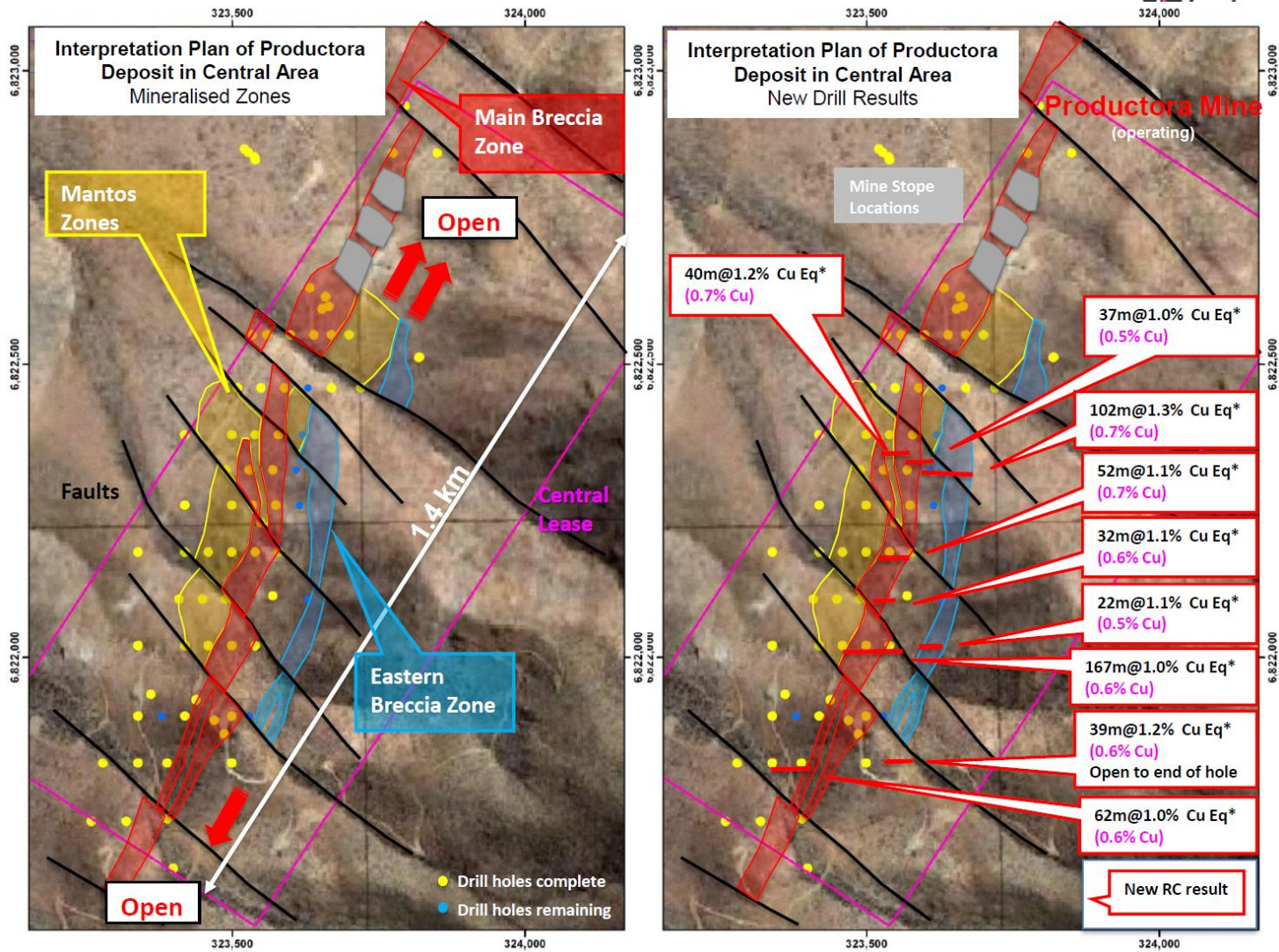
Resource definition drilling has delivered another series of wide results across the southern half of the central area at Productora. Results returned from in-fill RC drilling have increased the extent of wide at-surface mineralisation identified at the deposit and included a result of **167m grading 1.0% copper equivalent* from surface**. This result also included **21m grading 1.3% copper, 0.2g/t gold, 153 molybdenum, 25ppm uranium and 93ppm cobalt**.

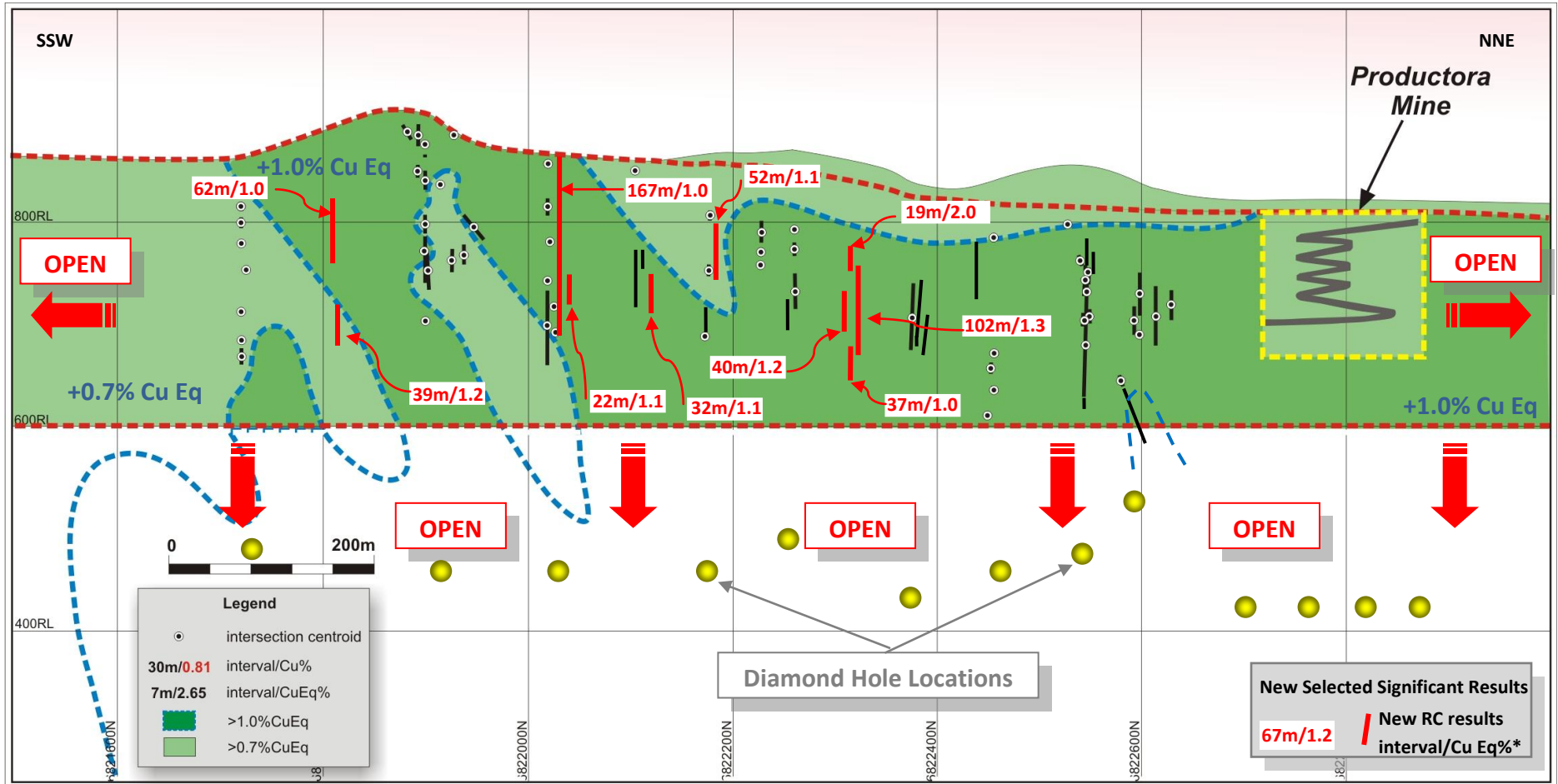
The recent results confirm that the southern extent of the central area contains the majority of at-surface mineralisation which shows little or no depletion of grade within the zone of near-surface leaching. In contrast to this, the grade of mineralisation in the northern extent of the central area is moderately depleted within the near-surface zone of leaching. The average depth of leaching is approximately 70m vertical from surface across the strike of the deposit. Copper mineralisation comprises dominantly malachite within the zone of leaching (oxide) and chalcopyrite +/- bornite below the zones of leaching (sulphide).

Strike Extent of Eastern Breccia Increases

A parallel zone of mineralisation recently uncovered along the eastern extent of the main breccia zone within the central area of Productora has been further extended to the south by drilling. **An end of hole drill result of 39m grading 1.2% copper equivalent*** (PRP0101 from 211m down-hole) was recorded across the southern extension of the eastern breccia, now confirmed by drilling over approximately 800m strike length. Hot Chili has recorded eleven drilling intersections across the new eastern breccia zone.

The plan and long section below display the recently returned drilling results over the central area at Productora.





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

Productora Resource Drilling Up-date

Currently all of the company's drilling activities are being directed towards the definition of the company's first resource at Productora. Hot Chili has one RC and four diamond drilling rigs operating at Productora. Resource drilling activities are now focussed on testing the deeper extensions to mineralisation along the 1.4km strike length of the central area at Productora. The shallow component of the resource drill-out will be completed by RC drilling in the coming month.

A review of drilling operations at Productora has been completed and drill scheduling has been re-optimised to ensure the early completion of resource critical drill holes. Samples from approximately 20 RC holes and 4 diamond holes that have been completed are currently being processed by ALS Chemex laboratories in Chile. The company will release these results once assays have been received.

Further Results from Los Mantos Expected Shortly

Further results are expected from a 10,000m first-pass drilling programme directed over the company's second advanced project Los Mantos. First results released from this drilling have already confirmed moderate widths of multi-commodity copper mineralisation over 1.5km strike length with higher copper grades than Productora. The company expects to release further drilling results from Los Mantos over the coming weeks.

Drilling results from the Productora multi-commodity copper deposit continue to impress the company. The directors of Hot Chili are pleased that assay results from the shallow component of the deposit have exceeded exploration expectations – with a potentially positive impact upon future economic studies aimed at assessing project development options at Productora.

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Significant Intersections Table – Diamond and 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							
PRP0027D	6822380	323580	90	-60	191	194	3	0.4	0.1	42	77	205	1.2
					204	213	9	0.7	0.2	74	263	143	1.7
					287	292	5	0.4	0.1	47	174	5	0.7
PRP0074D	6823908	323958	90	-60	181	200	19	0.3	0.1	105	71	17	0.6
PRP0080D	6822593	323518	90	-70	255	258	3	0.9	0.2	134	57	17	1.2
PRP0081	6822366	323476	84	-58	65	73	8	0.5	0.0	257	38	5	0.8
					85	97	12	0.3	0.1	136	183	39	0.7
	Open to end of hole				121	161	40	0.7	0.1	107	254	30	1.2
PRP0082	6822364	323549	90	-60	11	15	4	0.4	0.0	60	6	10	0.5
					73	80	7	0.6	0.1	133	148	27	1.0
					91	193	102	0.7	0.2	131	301	40	1.3
				<i>including</i>	92	100	8	2.2	0.2	161	195	179	3.2
				<i>including</i>	181	192	11	1.0	0.2	140	1107	32	2.4
PRP0083	6822427	323524	90	-60	158	168	10	0.4	0.1	130	117	36	0.7
					197	200	3	0.9	0.3	123	621	8	1.8
PRP0084	6822366	323516	90	-60	37	46	9	0.6	0.1	218	71	20	1.0
					63	82	19	1.2	0.1	355	340	25	2.0
					93	111	18	0.4	0.1	124	202	64	1.0
					121	146	25	0.6	0.1	150	263	23	1.1
					183	220	37	0.5	0.1	74	166	45	1.0
					231	234	3	0.4	0.1	96	387	10	0.9
PRP0085	6822503	323539	90	-60	169	175	6	0.3	0.1	100	25	6	0.5
					187	202	15	0.4	0.1	120	104	18	0.7
PRP0086	6821868	323370	90	-60	12	23	11	0.6	0.0	100	105	52	0.9
					48	59	11	0.5	0.1	81	32	159	1.1
					64	82	18	0.2	0.1	44	139	188	1.0
					82	95	13	0.3	0.1	141	128	29	0.7
PRP0087	6821867	323271	90	-60	40	56	16	0.6	0.0	222	4	20	0.8
					109	114	5	0.3	0.0	321	20	7	0.6
					151	163	12	0.4	0.1	290	28	11	0.7
					174	187	13	0.3	0.1	179	35	12	0.6

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								
	Open to end of hole				195	200	5	0.4	0.1	158	57	8	0.6	
PRP0089	6821764	323308	90	-60	53	61	8	0.3	0.0	172	39	80	0.7	
					98	108	10	0.2	0.0	185	72	201	1.1	
					130	143	13	0.3	0.1	271	181	76	0.9	
					156	162	6	0.8	0.1	344	244	22	1.4	
	Open to end of hole				201	214	13	0.4	0.1	182	73	29	0.8	
PRP0090	6821868	323327	90	-60	12	19	7	0.5	0.0	258	28	101	1.1	
					30	92	62	0.6	0.1	231	107	47	1.0	
					including	57	65	8	1.1	0.1	305	115	101	1.8
					156	162	6	0.6	0.1	132	17	9	0.9	
PRP0091	6820632	323047	90	-60	68	76	8	0.6	0.2	225	6	10	1.0	
PRP0092	6820634	322796	90	-60	133	138	5	1.3	0.4	67	61	10	1.7	
PRP0094	6822063	323525	90	-57	97	119	22	0.5	0.1	284	207	47	1.1	
					162	167	5	0.5	0.1	112	199	84	1.1	
PRP0096	6822224	323525	90	58.8	75	127	52	0.7	0.1	210	118	28	1.1	
					including	103	114	11	1.0	0.1	329	119	19	1.6
PRP0098	6822305	323526	95	-56	140	144	4	0.5	0.1	81	73	18	0.8	
					157	169	12	0.5	0.1	84	265	23	1.0	
					177	182	4	0.5	0.1	141	189	16	1.0	
					191	194	3	0.6	0.1	132	139	43	1.0	
					210	218	8	0.4	0.1	80	161	49	0.9	
PRP0099	6822145	323470	90	-60	28	32	4	2.1	0.9	2	171	5	3.0	
					83	86	3	0.9	0.1	133	61	33	1.3	
					97	103	6	0.4	0.1	171	785	75	1.6	
					109	117	8	0.6	0.2	146	152	24	1.1	
					132	164	32	0.6	0.2	163	246	16	1.1	
PRP0100	6822065	323449	90	-60	0	167	167	0.6	0.1	98	180	21	1.0	
					including	67	88	21	1.3	0.2	93	153	25	1.8
					206	217	11	0.5	0.0	105	116	9	0.7	
PRP0101	6821869	323486	90	-60	4	7	3	0.4	0.0	227	21	20	0.7	
					20	36	16	0.5	0.1	203	62	48	0.9	
					152	155	3	0.5	0.0	293	39	33	0.9	
	Open to end of hole				211	250	39	0.6	0.2	264	169	39	1.2	
					including	224	231	7	1.3	0.3	398	196	47	2.2

Note:

- 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 selective (riffle split samples for RC and half-core samples for diamond) and 4 composite samples (RC only).
- 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.