Announcement

Date: 29th June, 2011

Higher Grade Resource Drilling Results Add to Productora

- **Wide, higher grade resource drilling results further enhance Productora**
- **Deposit continues to be extended along strike and at depth over 1.4km**
- **Early stage modeling for first resource underway**

Productora Resource Drilling Results

56m grading 1.3% Copper Equivalent* from 88m down-hole
(**0.8% copper**, 207ppm molybdenum, 0.1g/t gold, 24ppm uranium and 251ppm cobalt)

including 8m grading 3.2% Copper Equivalent*
(**2.4% copper**, 421ppm molybdenum, 0.2g/t gold, 39ppm uranium and 257ppm cobalt)

32m grading 1.5% Copper Equivalent* from 189m down-hole
(**0.8% copper**, 316ppm molybdenum, 0.2g/t gold, 30ppm uranium and 306ppm cobalt)

including 14m grading 2.1% Copper Equivalent*
(**1.2% copper**, 386ppm molybdenum, 0.3g/t gold, 29ppm uranium and 321ppm cobalt)

29m grading 1.4% Copper Equivalent* from 62m down-hole
(**0.9% copper**, 170ppm molybdenum, 0.1g/t gold, 67ppm uranium and 75ppm cobalt)

including 7m grading 2.9% Copper Equivalent*
(**2.2% copper**, 322ppm molybdenum, 0.3g/t gold, 87ppm uranium and 17ppm cobalt)

29m grading 1.7% Copper Equivalent* from 135m down-hole
(**0.8% copper**, 411ppm molybdenum, 0.3g/t gold, 78ppm uranium and 121ppm cobalt)

including 10m grading 2.7% Copper Equivalent*
(**1.4% copper**, 754ppm molybdenum, 0.3g/t gold, 124ppm uranium and 148ppm cobalt)

Announcement

Date: 29th June, 2011

A number of higher grade results have been returned from resource drilling being undertaken at Hot Chili's (ASX Code: HCH) flagship Productora project located in Chile. In addition, further wide zones of multi-commodity copper mineralisation continue to be intersected in predicted depth and strike extensions to the deposit within the central area of the project.

Importantly, the new results have supported early–stage resource modelling which is now underway and provided further confidence in the continuity and robust nature of mineralisation within the deposit. The company is very pleased that further resource drilling has continued to enhance the size and grade of the deposit, positively impacting the outcome of the company's first resource due to be released in the coming months.

Activity Up-date

Hot Chili is rapidly progressing its resource drilling programme towards completion as it aims to announce an initial resource from within the central area of Productora project. At present, one RC and four diamond drill rigs are operating at Productora. Prioritised resource in-fill and extensional RC drilling is nearing completion with all RC drilling activities due to finish in the coming week.

Diamond drilling activities within the central area of Productora are progressing well. The diamond drilling programme aims to substantially extend drilling coverage over the deposit to approximately 400m vertical. Diamond drilling will test both the main and eastern vertical breccias which are hosting wide zones of copper, molybdenum, gold, uranium and cobalt mineralisation over 1.4km within the central area.

Higher Grade Resource Drilling Results

Resource drilling has returned several higher-grade multi-commodity copper results from within the central area of the Productora project. The results further add to a growing inventory of higher grade drilling intersection that have been recently returned, enhancing the grade of several areas within the deposit.

Three higher grade intercepts including **56m grading 1.3% Copper Equivalent*** from 88m down-hole, **32m grading 1.5% Copper Equivalent*** from 189m down-hole and **29m grading 1.4% Copper Equivalent*** from 62m down-hole were recorded in the new eastern breccia zone, only recently uncovered by resource drilling. These new results together with previously reported recent drilling intersections indicate the central extent of the eastern breccia hosts higher copper, gold and molybdenum grades at shallow depths within the deposit.

Announcement

Date: 29th June, 2011

Further Wide Resource Drilling Results

In addition to the higher grade resource drilling results, further wide zones of multi-commodity mineralisation have also been intersected in key areas of the deposit. Importantly, these results are being returned from a series of additional resource drill holes that were designed to test depth and strike extensions of the deposit as well as provide further resolution around earlier significant intersections. Recently returned results have been successful in achieving both objectives. Early-stage resource modelling is now underway in the lead-up to producing a preliminary resource at Productora.

Some of the better intersection are summarised below.

Productora Resource Drilling Results
83m grading 0.8% Copper Equivalent* from 132m down-hole (**0.5% copper**, 187ppm molybdenum, 0.1g/t gold, 9ppm uranium and 124ppm cobalt) **including 7m grading 1.6% Copper Equivalent*** (**1.1% copper**, 329ppm molybdenum, 0.2g/t gold, 15ppm uranium and 166ppm cobalt)
64m grading 0.9% Copper Equivalent* from 110m down-hole (**0.6% copper**, 186ppm molybdenum, 0.1g/t gold, 6ppm uranium and 73ppm cobalt)
62m grading 0.8% Copper Equivalent* from 64m down-hole (**0.5% copper**, 133ppm molybdenum, 0.1g/t gold, 6ppm uranium and 93ppm cobalt)
32m grading 1.2% Copper Equivalent* from 101m down-hole (**0.6% copper**, 242ppm molybdenum, 0.2g/t gold, 62ppm uranium and 144ppm cobalt)
35m grading 1.1% Copper Equivalent* from 92m down-hole (**0.6% copper**, 366ppm molybdenum, 44ppm uranium and 154ppm cobalt) **including 5m grading 3.6% Copper Equivalent*** (**1.7% copper**, 1,760ppm molybdenum, 0.1g/t gold, 106ppm uranium and 131ppm cobalt)

The plan and long section later in this announcement display the recently returned drilling results over the central area at Productora

Announcement

Date: 29th June, 2011

The latest results continue to add to the company's successful phase of discovery and resource definition in the lead-up to reporting a first resource at Productora. The directors are pleased that the decision to expand the resource drilling programme has resulted in an increase in grade and size of near-surface mineralisation being delineated within the central 1.4km of the project. The company's resource development drilling programme is on-track and the announcement of a first resource before early September will mark a significant milestone for the company as it transitions from explorer to project developer in Chile.

For more information please contact:

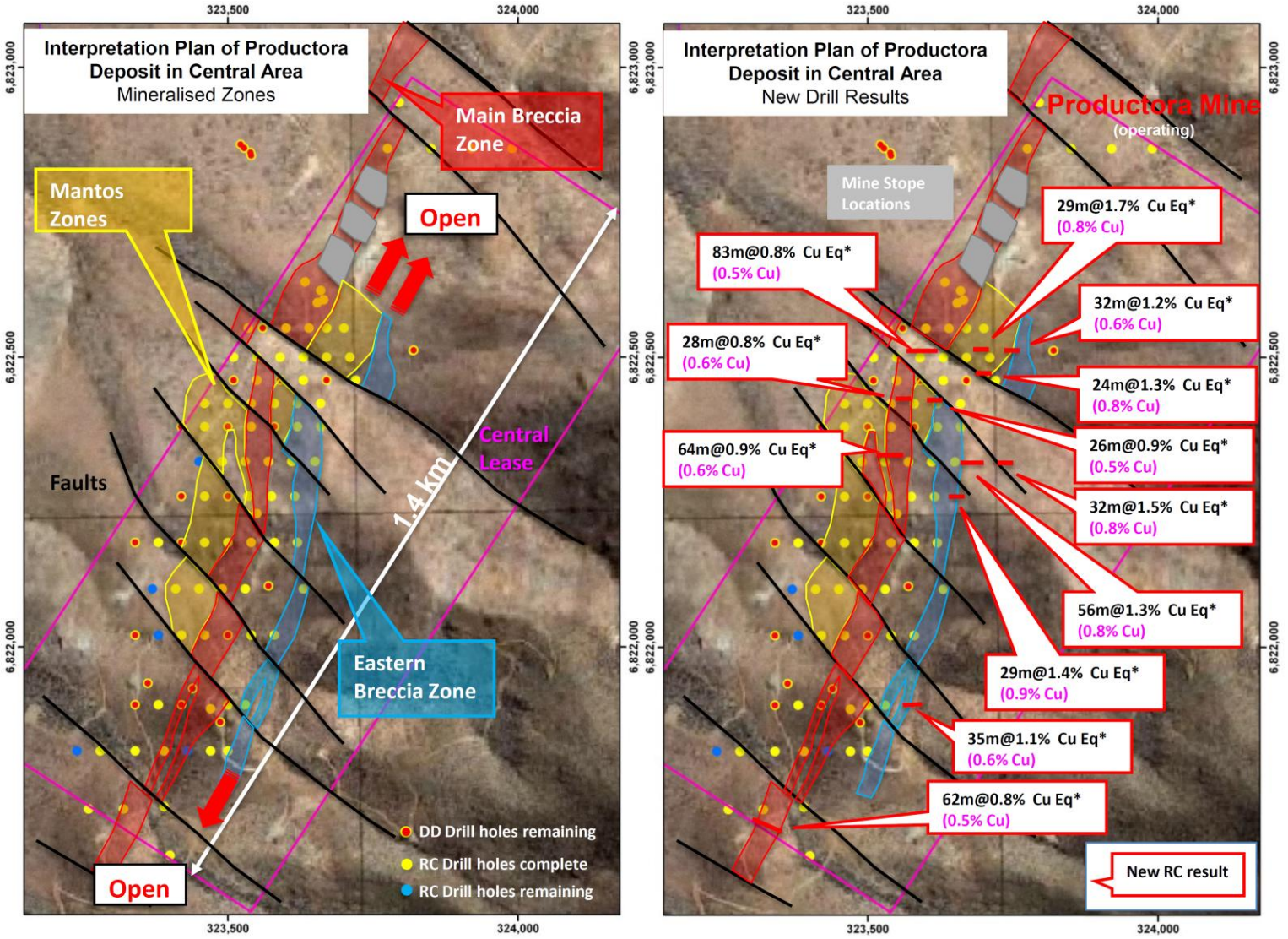
Christian Easterday +61 8 9021 3033

Managing Director Email: christian@hotchili.net.au

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

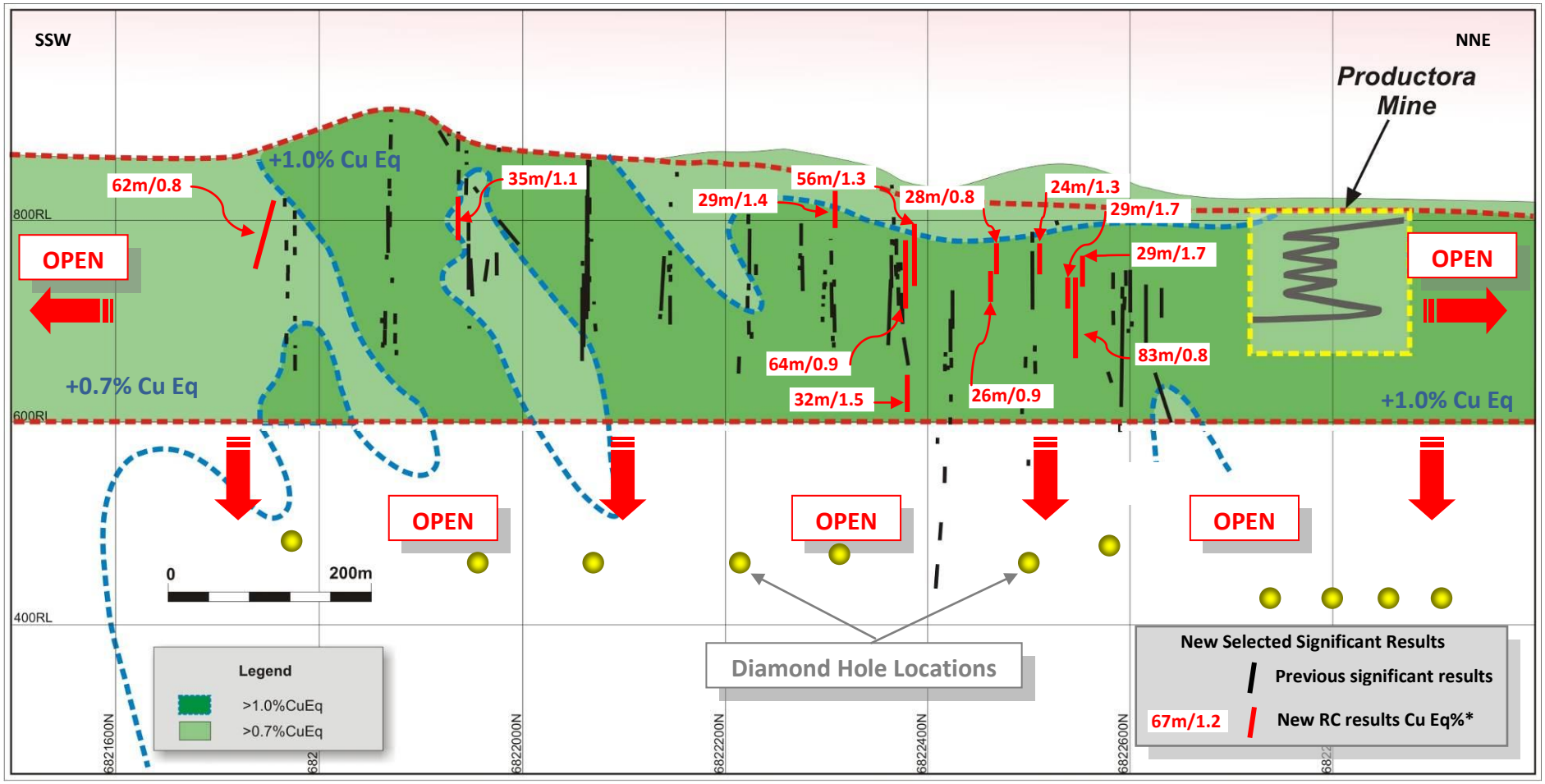
Announcement

Date: 29th June, 2011



Announcement

Date: 29th June, 2011



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

Announcement

Date: 29th June, 2011

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval	Copper	Gold	Cobalt	Molybdenum	Uranium	Copper Eq*
	North	East			From	To	(m)	(% Cu)	(g/t Au)	(ppm Co)	(ppm Mo)	(ppm U)	(% Cu)
PRP0102	6821946	323508	90	-60	24	29	5	0.7	0.2	428	76	30	1.3
					35	40	5	0.5	0.0	256	10	9	0.7
					92	127	35	0.6	0.0	154	366	44	1.1
			including		116	121	5	1.7	0.1	131	1,760	106	3.6
					189	193	4	0.5	0.1	168	420	108	1.3
PRP0103	6821946	323369	90	-60	24	60	36	0.4	0.0	195	31	33	0.7
					85	98	13	0.7	0.1	120	148	15	1.0
					114	132	18	0.5	0.1	86	273	11	0.9
					160	164	4	0.4	0.1	68	113	5	0.6
					176	208	32	0.5	0.1	85	188	8	0.8
PRP0104	6822365	323601	90	-60	88	144	56	0.8	0.1	251	207	24	1.3
			including		88	96	8	2.4	0.2	257	421	39	3.2
Open to end of hole					189	221	32	0.8	0.2	306	316	30	1.5
			including		196	210	14	1.2	0.3	321	386	29	2.1
PRP0108	6822471	323480	90	-60	40	56	16	0.4	0.0	194	36	8	0.6
					112	140	28	0.6	0.1	56	72	8	0.8
					152	160	8	0.7	0.1	47	51	6	0.9
PRP0109	6822311	323616	90	-60	62	91	29	0.9	0.1	75	170	67	1.4
			including		76	83	7	2.2	0.3	17	322	87	2.9
					102	117	15	0.6	0.1	171	108	15	1.0
					123	127	4	0.5	0.1	144	151	24	0.9
					149	152	3	0.7	0.1	120	82	20	1.0
					181	188	7	0.7	0.1	191	590	71	1.6
PRP0110	6821866	323229	90	-60	60	64	4	0.4	0.0	126	1	5	0.5
PRP0111	6822365	323435	90	-60	110	174	64	0.6	0.1	73	186	6	0.9
PRP0112	6822548	323531	90	-60	132	215	83	0.5	0.1	124	187	9	0.8
			including		133	140	7	1.1	0.2	166	329	15	1.6
PRP0113	6822504	323615	90	-60	104	128	24	0.8	0.2	235	186	29	1.3
			including		108	116	8	1.1	0.3	280	187	31	1.7
PRP0114	6822548	323577	90	-60	177	188	11	0.4	0.1	100	231	20	0.8
					194	200	6	0.4	0.1	157	75	10	0.7
PRP0115	6821770	323236	90	-60	44	52	8	0.5	0.0	105	48	35	0.8
					64	126	62	0.5	0.1	93	133	6	0.8
PRP0116	6822431	323603	90	-60	103	109	6	0.4	0.1	125	34	5	0.6
					117	131	14	0.5	0.1	198	122	6	0.8

Announcement

Date: 29th June, 2011

Hole_ID	Coordinates		Azim.	Dip	Intersection		Interval	Copper	Gold	Cobalt	Molybdenum	Uranium	Copper Eq*
	North	East			From	To	(m)	(% Cu)	(g/t Au)	(ppm Co)	(ppm Mo)	(ppm U)	(% Cu)
					197	200	3	1.1	0.5	116	149	170	2.1
PRP0117	6822542	323607	90	-60	135	164	29	0.8	0.3	121	411	78	1.7
			including		145	155	10	1.4	0.3	148	754	124	2.7
PRP0118	6822472	323520	90	-60	52	56	4	0.6	0.0	218	49	10	0.8
					80	85	5	0.4	0.1	110	32	20	0.6
					132	158	26	0.5	0.1	139	166	41	0.9
					167	172	5	0.6	0.0	152	322	40	1.1
PRP0119	6822545	323663	90	-60	80	89	9	0.4	0.1	155	102	33	0.8
					101	133	32	0.6	0.2	144	242	62	1.2
					142	150	8	0.5	0.1	43	171	89	1.0
					184	188	4	0.4	0.1	214	565	88	1.3
					245	249	4	0.6	0.2	97	433	50	1.3
PRP0120	6822472	323556	90	-60	128	136	8	0.6	0.1	226	131	13	1.0
					143	154	11	0.6	0.1	135	191	24	1.0
PRP0121	6822543	323693	90	-60	64	80	16	0.4	0.1	94	138	30	0.7
					106	110	4	0.4	0.1	19	134	25	0.7
					152	155	3	0.6	0.2	168	212	33	1.0
Open to end of hole					212	217	5	0.7	0.3	325	315	54	1.5

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 and 4m 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.

Announcement

Date: 29th June, 2011

*** 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