



Date: 20th December, 2011

Hot Chili Closes \$5.4 Million Tranche 1 Placement Of \$22.3 Million Capital Raise

Hot Chili Limited (ASX Code: HCH) is pleased to announce that it has closed the first tranche of a AUD\$22.3 million private placement capital raising announced on the 14th of December. The first tranche, comprising 9,015,668 shares and 3,005,226 AUD\$0.75 cent, 1 year options, were issued following the receipt of approximately AUD\$5.4 million in funds today.

Remaining shares and options from the AUD\$22.3 million raising are expected to be issued as a second tranche following shareholder approval at a general meeting expected to be held on the 1st of February 2012.

The funds raised under the placement secure the company's ability to rapidly expand the size of the Productora resource and immediately commence scoping studies.

The company looks forward to a strong flow of news over the coming months in relation to results from a major extensional drilling programme at Productora which commenced in early October 2011. The appointment of a scoping study team for Productora is expected to be announced shortly.

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