Announcement

Date: 29th June, 2010

Surface Results Confirm Zoned Deposit at Los Mantos

Hot Chili has confirmed the presence of a zoned copper-uranium-gold deposit outcropping over 2.5km of cumulative strike extent within the company's advanced Los Mantos project in Chile. A programme of detailed mapping and surface radiometric/geochemical sampling has produced the following significant results:

- **Over 2.5km cumulative strike length of mantos and vein hosted copper-gold mineralisation mapped in outcrop and existing surface mine development**
- **Zoned metal distribution showing increasing uranium-molybdenum content with depth**
- **Highest-grade results from various rock-chip samples:**

  17.29 % copper, 710 ppm uranium, 2.0 g/t gold and 6,630 ppm molybdenum

The recently completed works programme has provided the company with greater confidence in respect to the location, widths, grades and commodity distribution at Los Mantos prior to the commencement of a forthcoming confirmation drilling programme.

The Los Mantos project is located in Chile's low-altitude coastal range belt, 60km south of the coastal city of La Serena and 15km west of the large Andacollo copper-gold mine. The project has seen significant small-scale historical surface and underground mining activity but as yet has not been drill tested. Under the terms of Hot Chili's five year purchase-option agreement, the owners of Los Mantos have been granted a concession to continue their small-scale surface and underground copper mining activity limited to a rate of 30,000 tonnes per annum.

Soil Sampling Programme

A programme comprising 998 surface soil samples were collected for multi-element analysis as well as radiometric measurement. The soil samples were collected on 100m spaced sample lines with site sampling every 25m over the main mineralised corridor and every 50m outside of this corridor.

A total of 140 samples recorded results of greater than 0.1% copper. In combination with rock-chip sampling, the distribution of extensive low grade copper results in non-mineralised areas throughout the main zone has provided encouragement for bulk tonnage copper potential at Los Mantos.

Radiometric readings at each of the soil sample sites show an increasing response from north to south that correlates well with decreasing elevation.

Rock-Chip Sampling Programme

To date, a total of 206 rock-chip samples have been collected at Los Mantos as part of detailed litho-structural mapping campaigns by Hot Chili. This sampling mainly focussed on mineralised material from outcrop and exposures in surface mining development areas along the main mineralised trends.

Results indicate that mantos style mineralisation throughout the northern zone of the project (dipping moderately towards the NE) comprises mostly copper and gold. The southern zone of the project exposes shear-vein hosted mineralisation (dipping moderately toward the SW) which is interpreted to lie at a lower structural level to that of the northern zone of the project. In this area, copper and gold mineralisation is also associated with enrichments of uranium and molybdenum. The average grade of rock chip sampling, mainly over mineralised material in these zones, is summarised in table one below. Table two summarises some of the better rock-chip results from recent sampling at Los Mantos.

Table 1. Average Surface Rock-Chip Sample Results from Northern and Southern Zones at Los Mantos

Zone	Samples	Average Grade					Mineralisation Style
		Copper	Uranium	Gold	Molybdenum	Cobalt	
		(%)	(ppm)	(ppm)	(ppm)	(ppm)	
Northern	154	**1.96**	4	**0.16**	56	112	mantos
Southern	52	**2.73**	**61**	**0.19**	**268**	156	vein/shear

The results of detailed mapping, radiometric and geochemical soil and rock-chip sampling have confirmed significant strike length, widths and grades of copper-gold mineralisation at the Los Mantos project. This work has also indicated a zoned enrichment of both uranium and molybdenum in copper-gold mineralisation at depth in the deposit. These results together with ongoing copper mining from the project have provided a sound technical platform from which to base the company's forthcoming drilling programmes.

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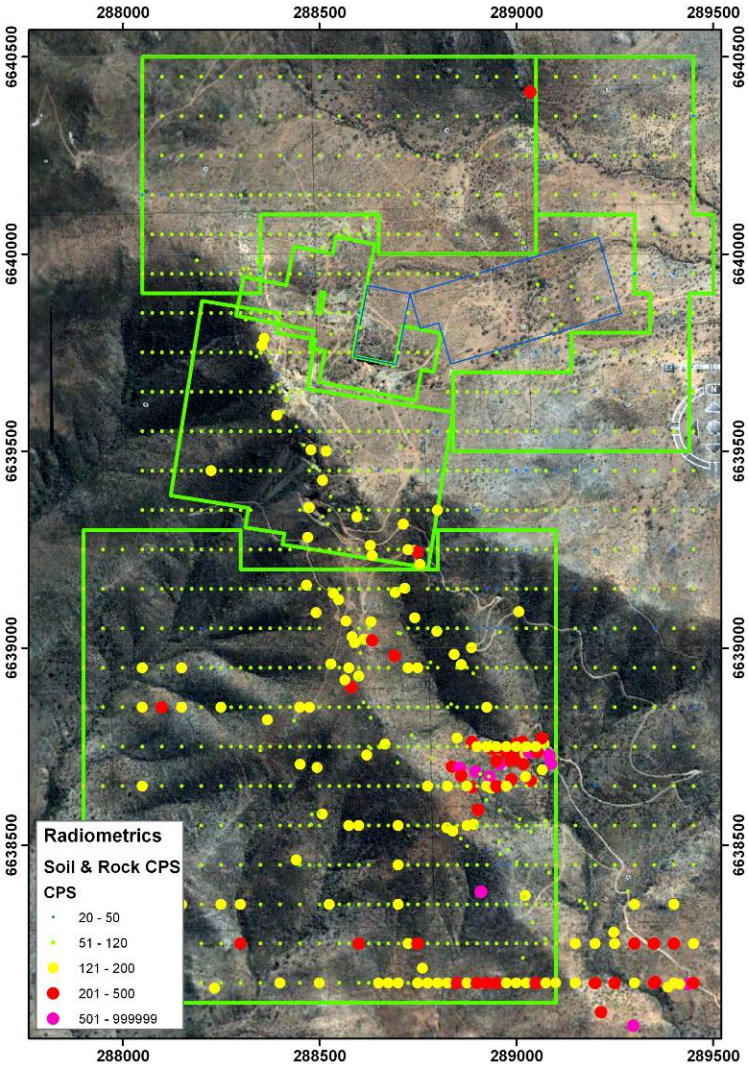
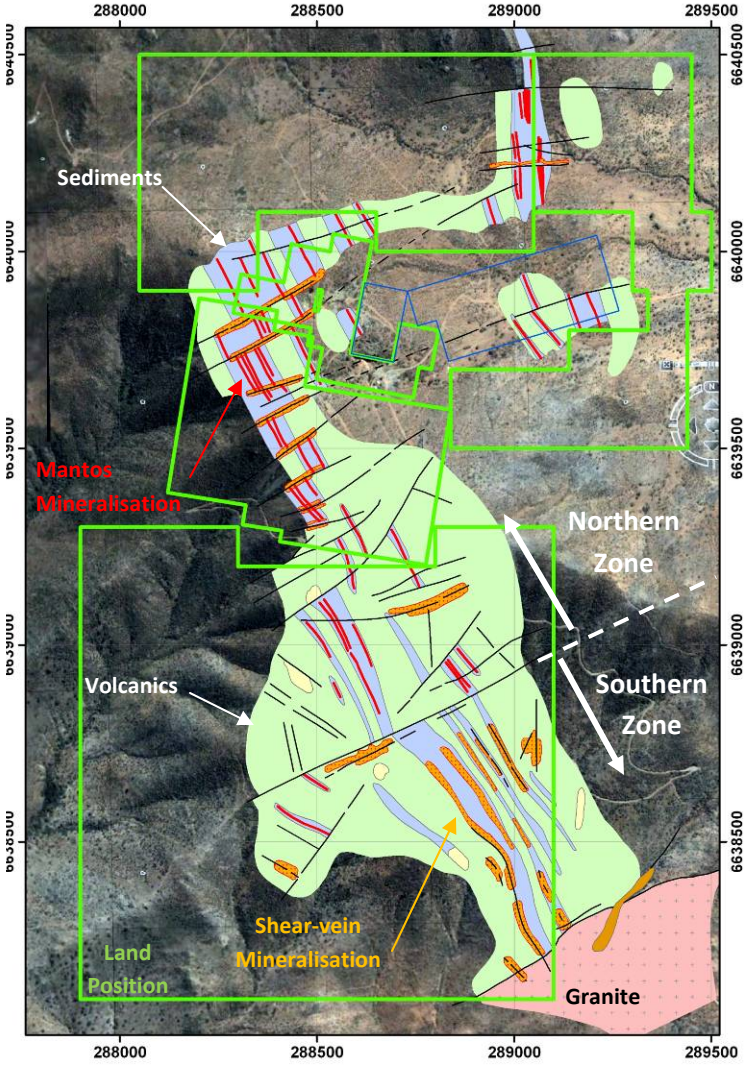


Los Mantos Surface Radiometric Survey
(All Soil and Rock-Chip Data)



Los Mantos Project Surface Litho-Structural Map
Mapping competed by Hot Chili to date

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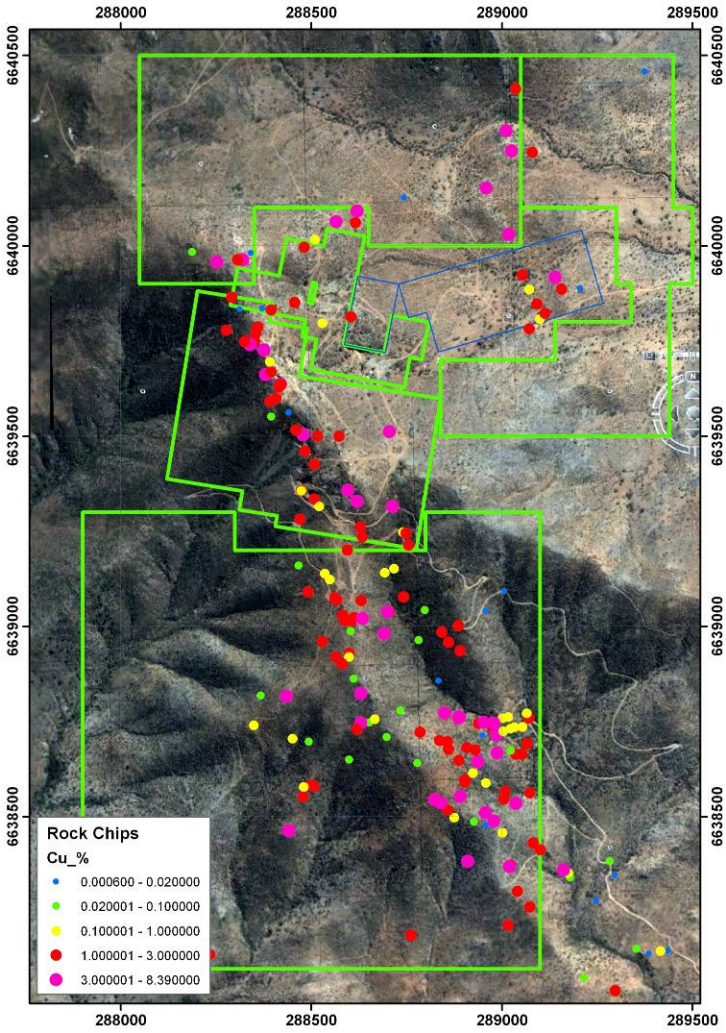
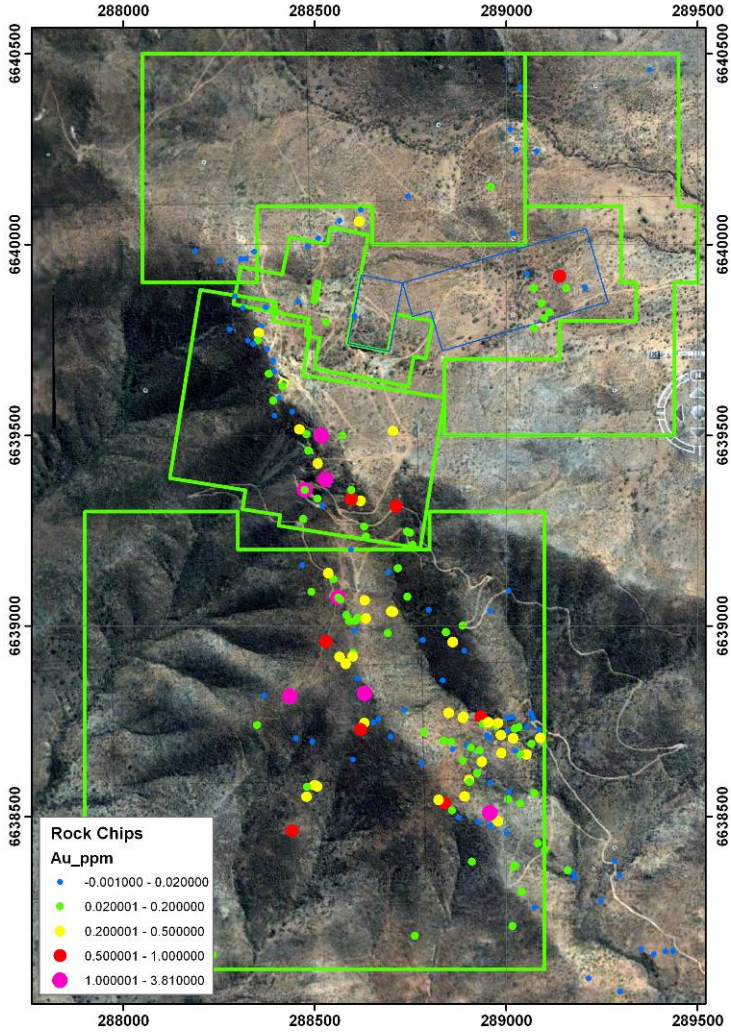


Los Mantos Project Surface Rock Chip Results
Copper



Los Mantos Project Surface Rock Chip Results
Gold

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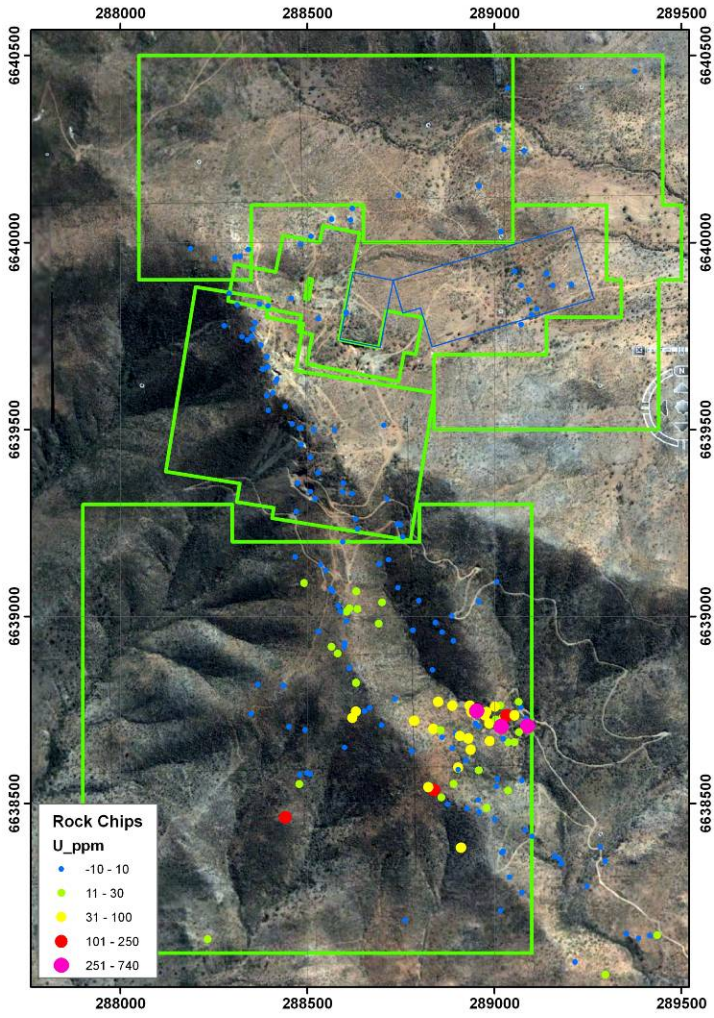
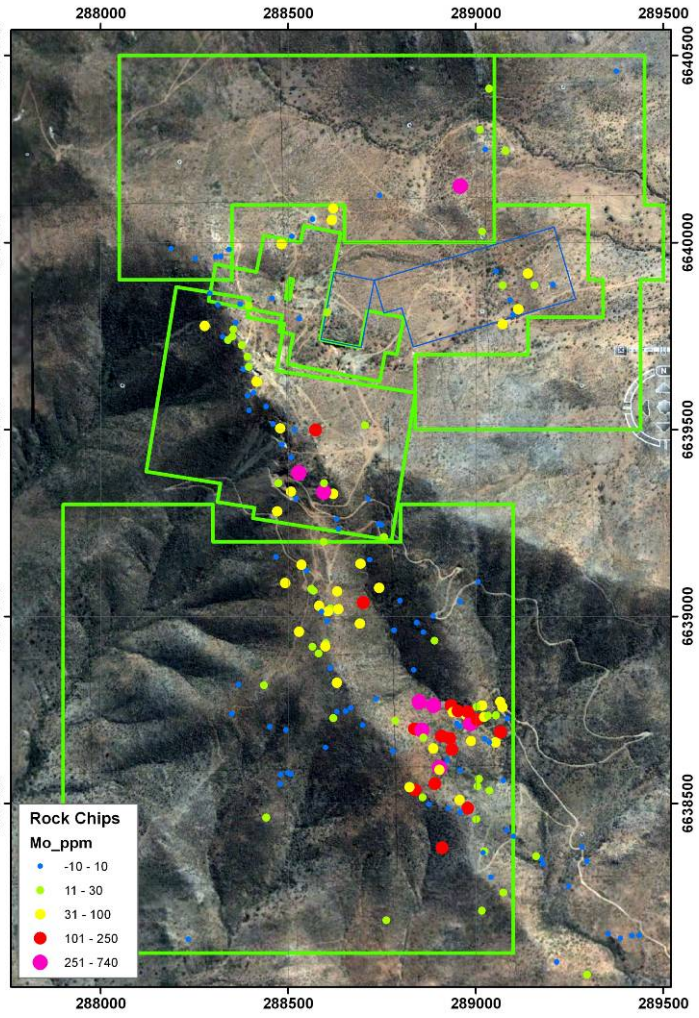


Los Mantos Project Surface Rock Chip Results
Uranium



Los Mantos Project Surface Rock Chip Results
Molybdenum

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Table 2. Selected Significant Surface Rock-Chip Sample Results from Los Mantos

Sample ID	Easting	Northing	Copper	Uranium	Gold	Molybdenum	Cobalt	Zone
			(%)	(ppm)	(ppm)	(ppm)	(ppm)	
LM0046	288903	6638596	1.26	40	0.3	**412**	**243**	Southern
LM0050	288986	6638714	**3.35**	70	0.3	**653**	**457**	Southern
LM0051	289089	6638707	**9.44**	**710**	0.4	**2,230**	**299**	Southern
LM0055	288934	6638762	**17.29**	60	**1.0**	**222**	77	Southern
LM0077	288839	6638536	**3.14**	**106**	0.8	**244**	**325**	Southern
LM0078	288824	6638544	**3.22**	49	0.2	40	42	Southern
LM0085	288891	6638553	**6.19**	11	0.3	141	**293**	Southern
LM0086	288937	6638644	**5.98**	95	0.2	162	**603**	Southern
LM0088	288930	6638674	1.71	57	0.1	158	110	Southern
LM0097	288988	6638667	**4.19**	48	0.3	44	169	Southern
LM0103	288979	6638745	**4.73**	81	0.4	**239**	157	Southern
LM0106	288953	6638747	**7.65**	**266**	0.4	**237**	**287**	Southern
LM0109	288888	6638762	**4.09**	44	0.2	**274**	160	Southern
LM0110	288850	6638772	**3.46**	32	0.4	**280**	**378**	Southern
LM0113	289033	6638735	0.78	**108**	0.1	24	76	Southern
LM0115	289018	6638706	**9.6**	**450**	0.3	**6,630**	136	Southern
LM0131	289090	6637900	**3.83**	**126**	0.2	13	146	Southern
LM0264	288441	6638463	**5.94**	**101**	0.6	11	142	Southern
LM0270	288630	6638746	**3.16**	45	0.4	8	**607**	Southern
LM0271	288620	6638729	2.06	38	0.7	11	**593**	Southern
LM0124	288630	6638823	**3.81**	29	**1.1**	92	140	Northern
LM0125	288529	6638960	2.28	7	0.9	49	74	Northern
LM0201	288959	6640151	**7.21**	7	0.1	**344**	**519**	Northern
LM0255	288595	6639333	**8.42**	9	0.8	**471**	104	Northern
LM0257	288528	6639384	**10.05**	10	**1.3**	**621**	82	Northern
LM0021	288419	6639636	**6.36**	*bd*	0.4	**751**	**1,560**	Northern
LM0027	288474	6639357	**10.25**	*bd*	**1.5**	5	35	Northern
LM0031	288562	6639074	**12.05**	10	**2.1**	**3,390**	184	Northern
LM0033	288436	6638816	**3.75**	10	**1.2**	26	**362**	Northern
LM0072	288979	6638488	**3.22**	17	0.5	**203**	87	Northern

Note: bd represents below detection limit

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Competent Person's statement

Information in this announcement that relates to exploration results or mineral resources is based on information compiled by Mr Bernard Roland Mountford, a Director, who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mountford 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 Mountford consents to the inclusion in this announcement of the statements based on his information in the form and context in which they appear.