



Productora

Next Steps

A Golden Future in Chile

1st July 2016



ACN 130 955 725
ASX:**HCH**

/Disclaimer



View looking west over Productora central pit area

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/ Company Strategy

- Productora copper-gold project- US\$90 million invested, **advanced large-scale Chilean copper-gold asset being positioned for Decision to Mine in 2018.**
- Hot Chili and project partner CMP advancing Productora through project level funding. **Recent CMP transaction values HCH interest in Productora at A\$64 million**
- **Hot Chili now evaluating an exciting high-grade gold opportunity at Productora** aimed at generating significant near-term value
- An exciting 12 months of activity is already underway

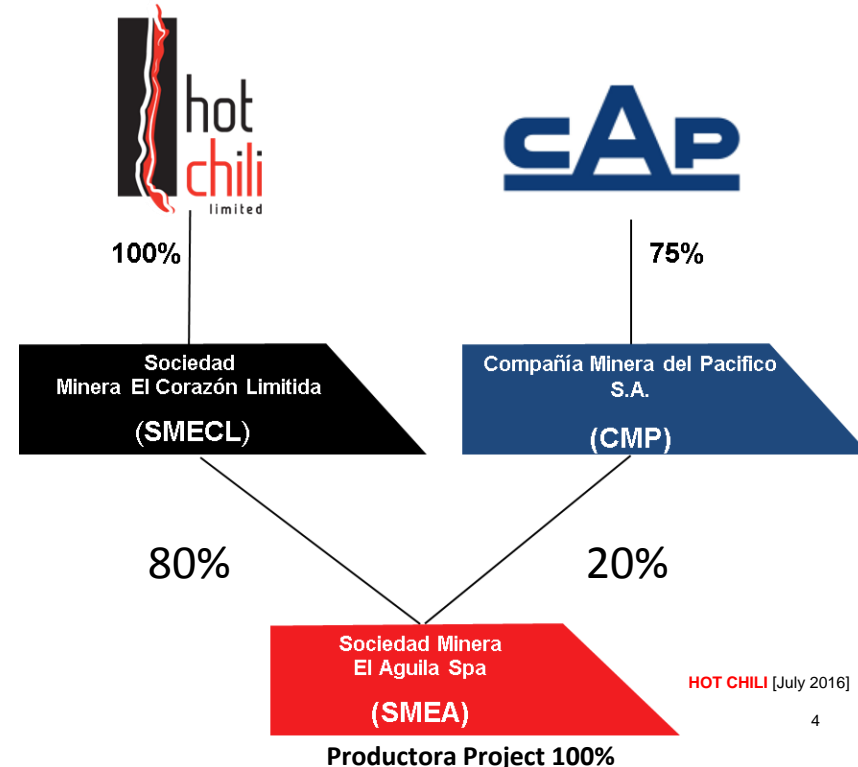


Building a Long-term Chilean Copper Business



Productora Copper-Gold Project

- **Robust Pre feasibility delivered¹** against one of the best located and infrastructure-rich copper projects in Chile
- **CMP move to 20% interest in Productora-** purchase of a further 2.5% for US\$1.5 Million
- **Sprott loan** reduced by US\$3 Million and Extended by 12 months
- **Next steps** - drill testing of large-scale copper porphyry targets and further PFS optimisation planned this year

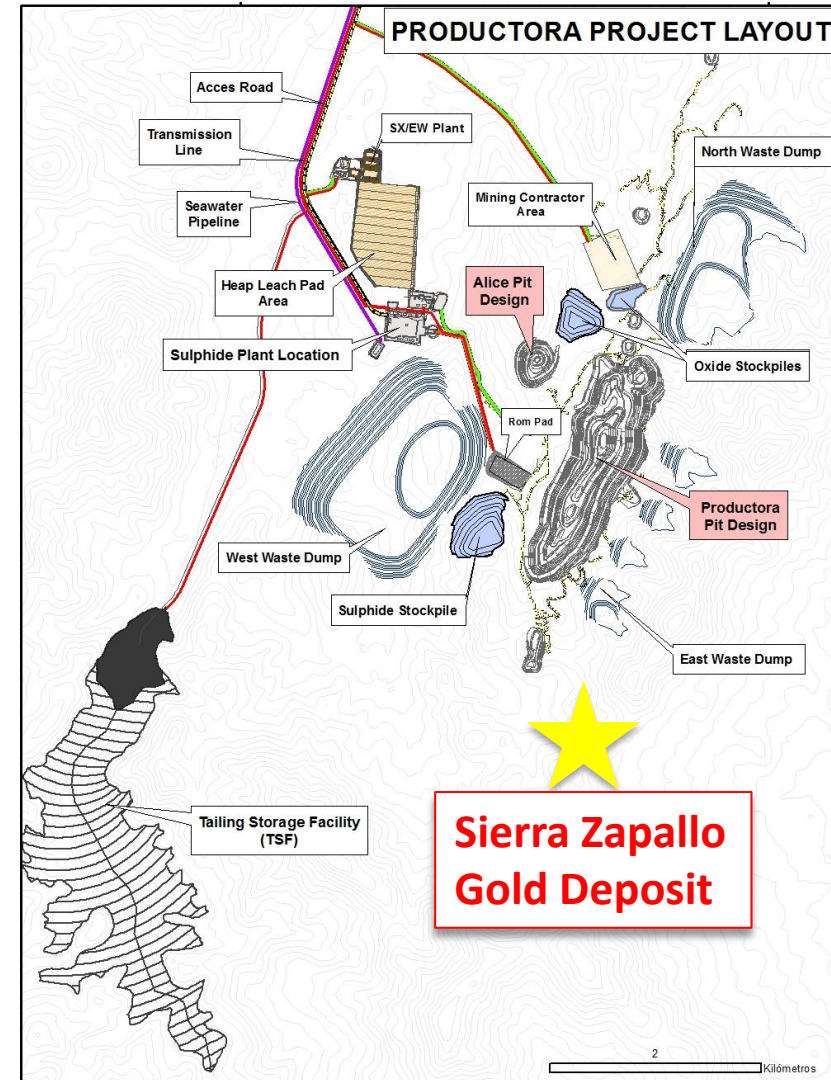


¹Refer to ASX Announcement dated 2nd March 2016

High-Grade Gold Potential Revealed

Sierra Zapallo Gold Deposit

- **Sierra Zapallo-** Significant historical gold production area located in southern extent of Productora project
- Near-term **exciting high-grade gold deposit being advanced**
- Exploration and resource development review and sampling programmes underway- **Strong news flow expected**



Corporate Overview

ASX code: **HCH** 

Board of Directors

Murray Black	Non Exec Chairman
Christian Easterday	Managing Director
Michael Anderson	Non Exec Director
Allan Trench	Independent Non Exec Director
Roberto de Andraca Adriasola	Non Exec Director

Substantial Shareholders

15.0%	K.A.S
14.7%	CAP S.A. (Port Finance)
13.9%	Taurus Funds Management
7.1%	Megeve Fund
5.2%	Exploration Capital Partners (affil Sprott)

Placement Offer

A\$2.5 Million at A\$0.05 per new share*

(HCH reserve the right to accept up to A\$4.4m through over-subscription)

Sprott Loan Reduced & Extended

US\$6.5 Million balance *(due 30th June 2017)*

Capital Structure

445.7 Million shares *(Pre- Placement)*

495.7 Million shares *(Post- Placement*)*

11.0 Million unlisted 30c options *(exp Jun 2019)*

Share Price & Mkt Capitalisation

A\$0.056 *(share price – 22nd June 2015)*

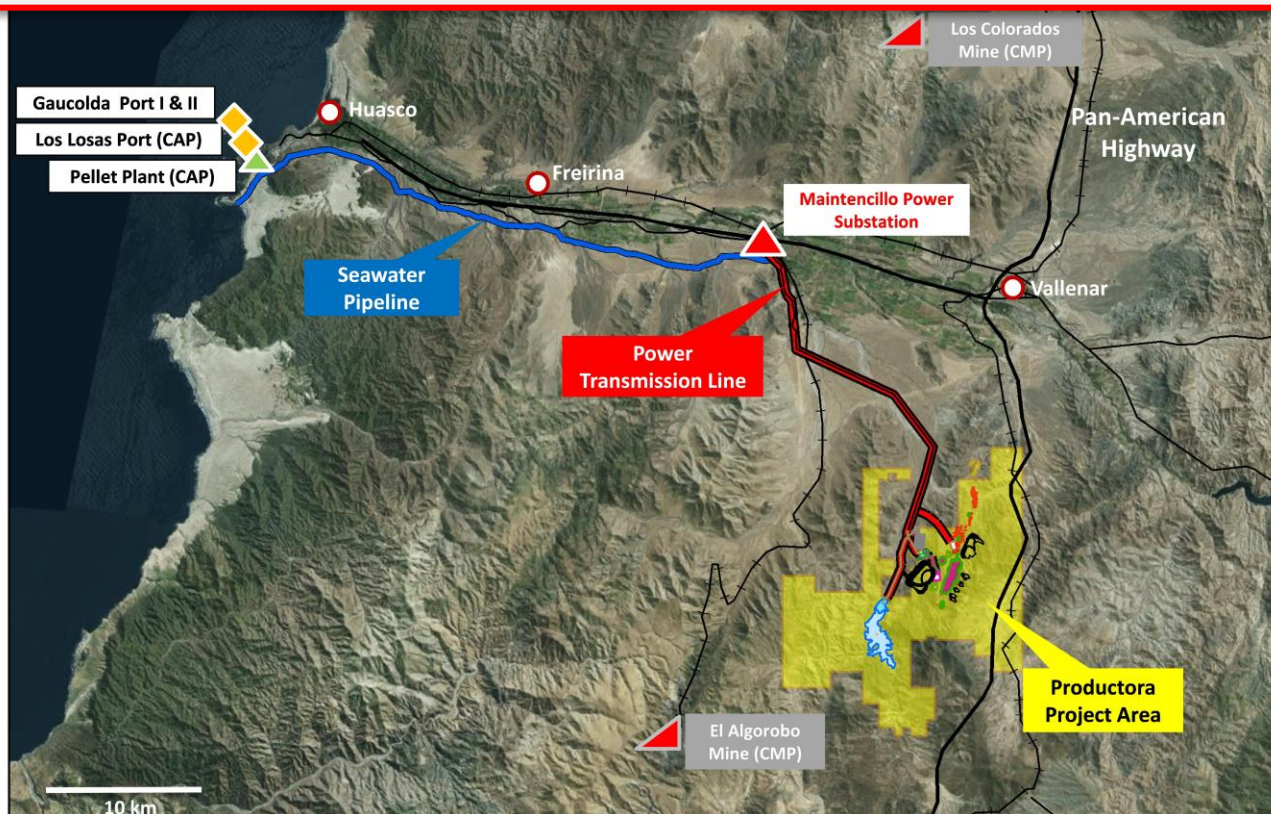
A\$25.0 Million *(Pre-Placement)*



Productora Chile's Next Coastal Copper Mine

Competitive Global Copper Development

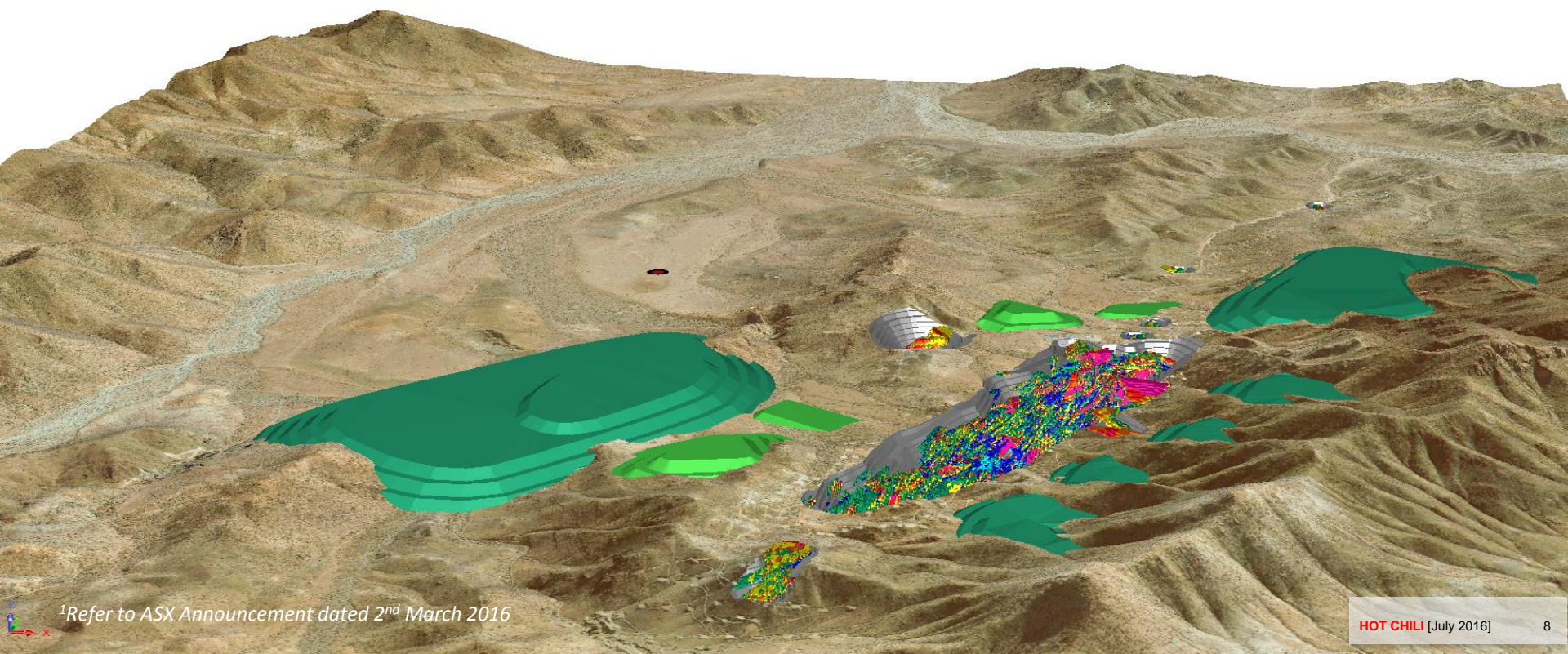
- Low altitude location with significant infrastructure advantage
- Access rights secured to establish key infrastructure
- Large-scale porphyry growth potential adds further scale and mine life upside



Productora Chile's Next Coastal Copper Mine

Strengthening Asset

- Mineral Resource of **1.47Mt contained copper and 0.98Moz gold and growing**
- **Ore Reserve increased** to 0.72Mt contained copper and 0.47Moz of gold¹
- **10 year mine life** with total production of 0.59Mt copper and 0.21Moz of gold¹
- **First 8 years** of annual production averages **66kt copper and 25koz gold**

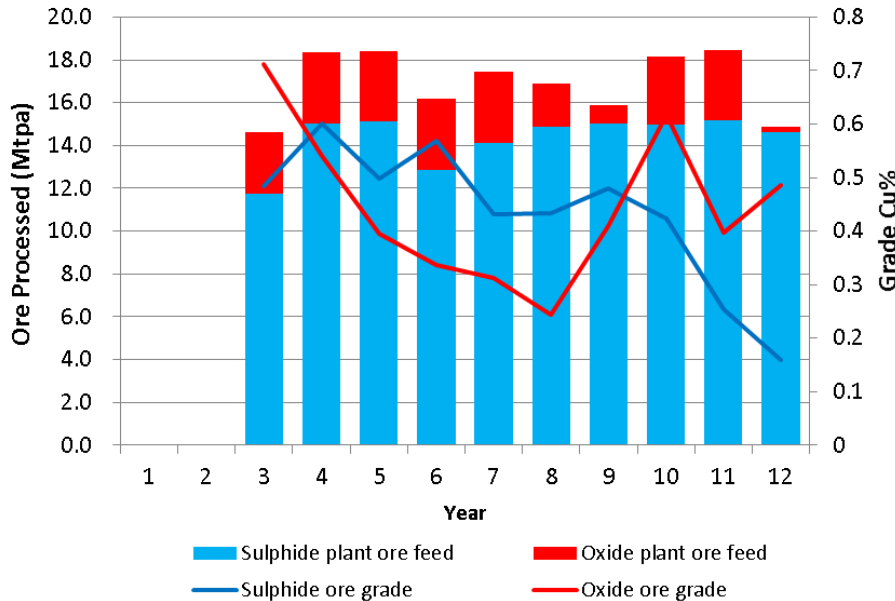


¹Refer to ASX Announcement dated 2nd March 2016

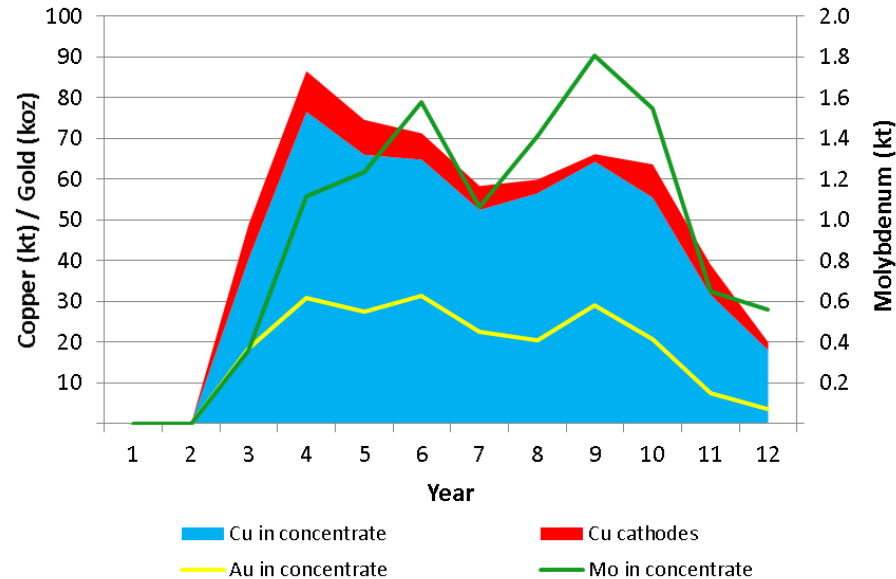
Processing & Metal Production Profile



Ore Feed & Head Grade



Metal Production

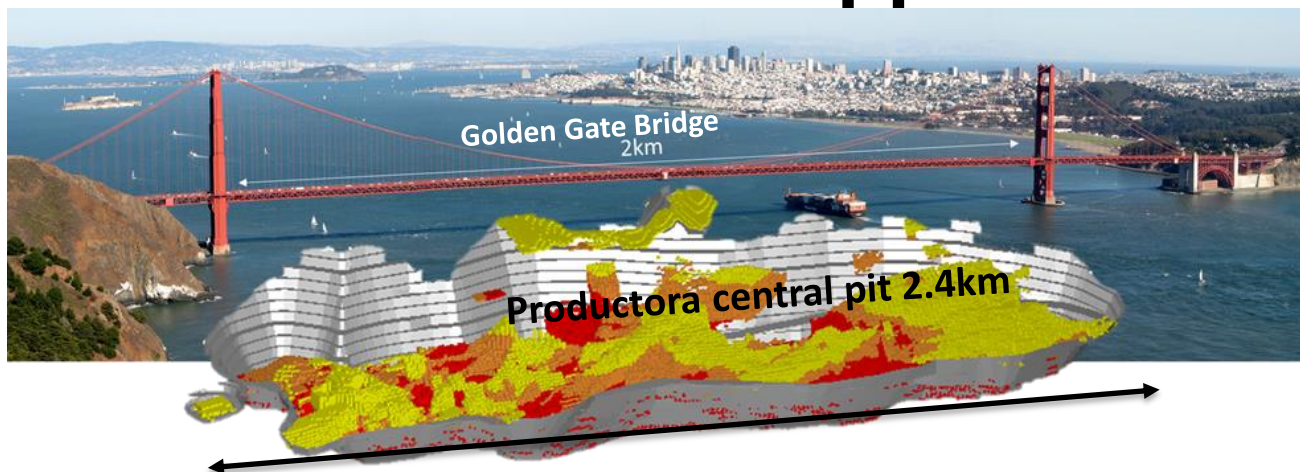


- Average throughput of **14.7Mtpa sulphide & 2.8Mtpa oxide over first 8 years**
 - **Average annual copper production of 66kt over first 8 years of production** (60 kt of Cu in concentrate and 6 kt of Cu cathode)
 - **Peak copper and gold metal production** occurs in year 4, where **87kt copper metal is produced** (combined concentrate and cathode)

Refer to ASX Announcement dated 2nd March 2016

Productora

Chile's Next Coastal Copper Mine



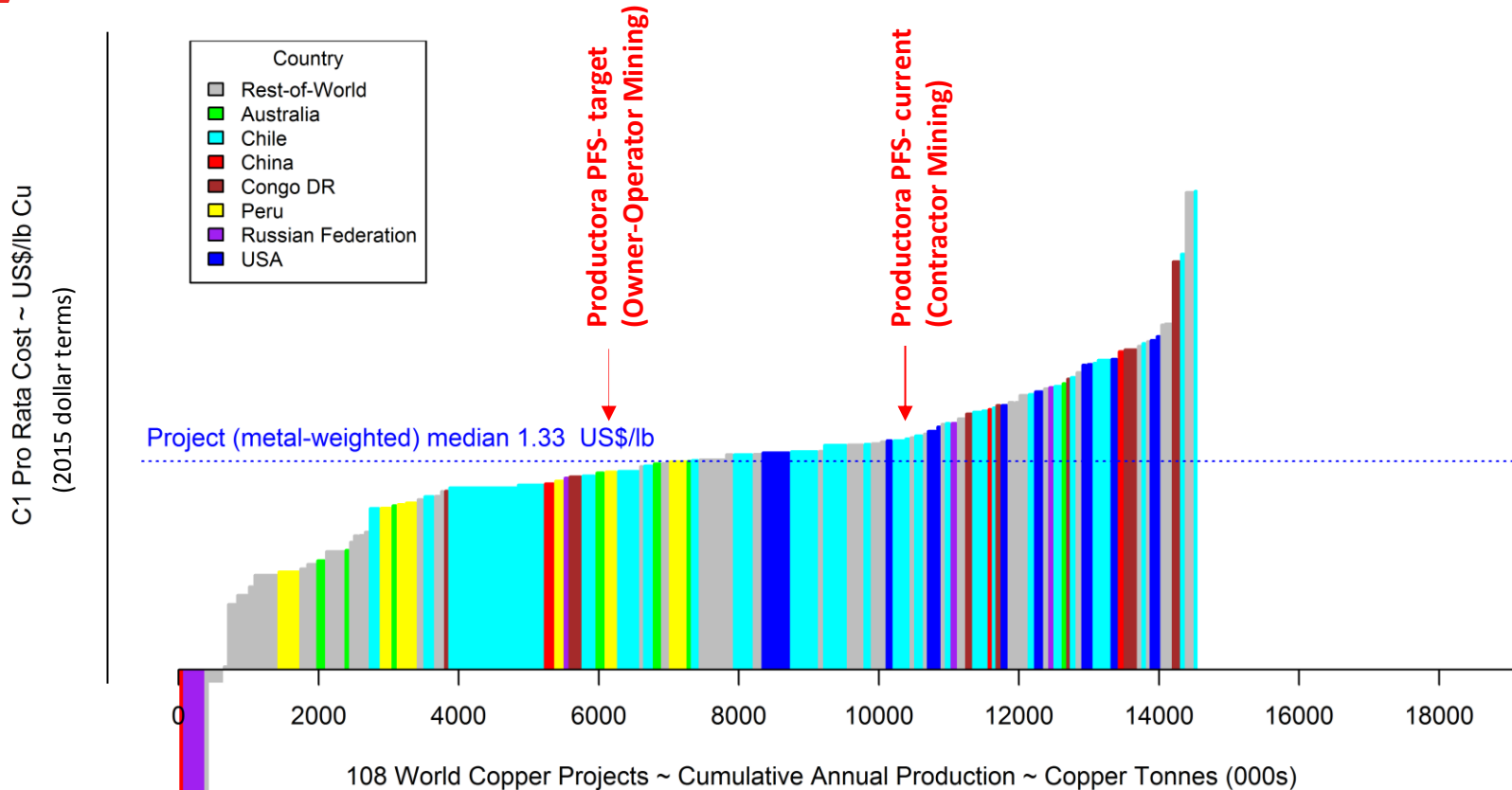
Financially Competitive Against Global Peers

- **Capital cost of US\$725 million**^{1,2}
- **Project revenue of US\$4.3 billion** (Long term prices of US\$3.00/lb Cu, US\$1,250/oz Au & US\$14/lb Mo)
- **C1 cash cost of US\$1.47/lb paid metal** (including Au, Mo credits)
- **Post-tax NPV of US\$220 million** (at 7% real discount rate)
- Payback period 3.9 years (from start of production)
- Post-tax IRR 15%
- **Benchmarking demonstrates outstanding financial metrics for return on investment and capital intensity**
- **Highly leveraged** to copper price, resource growth and operating cost improvements

¹Refer to ASX Announcement dated 2nd March 2016

²Quoted costs or revenues referenced at Q4 2015 (1USD : 0.718AUD : 689.7CLP)

C1 Cost (Normal) Benchmark

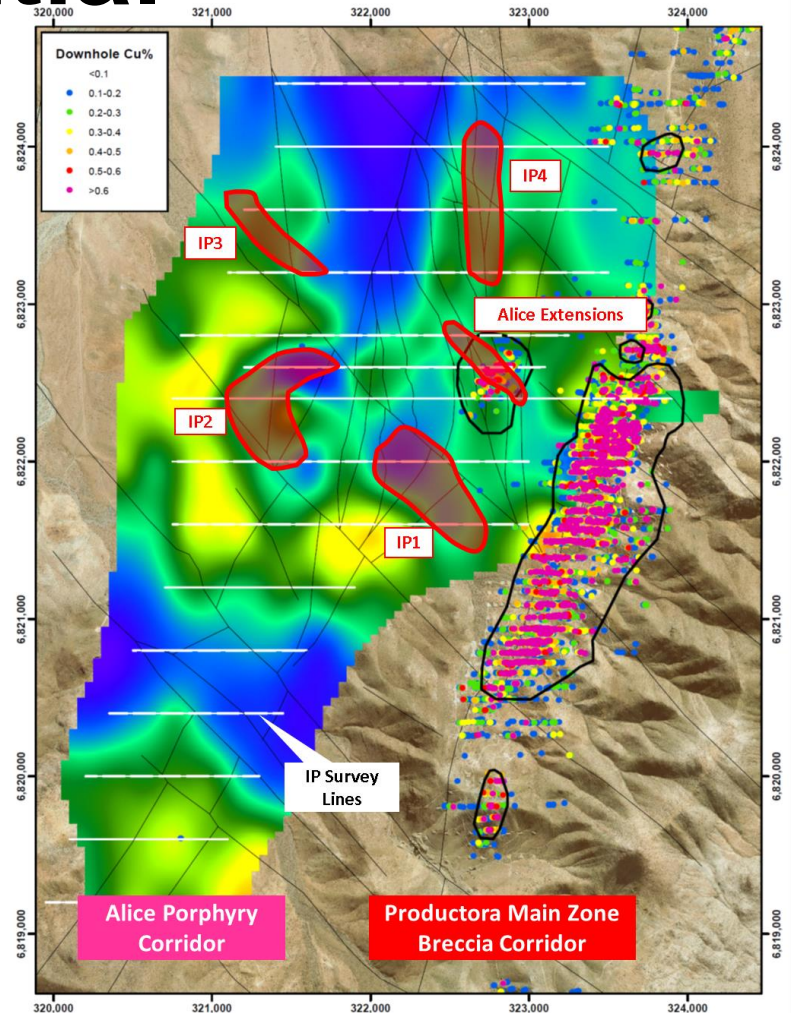


- **Currently- Productora C1 Cost (Normal) is US\$1.47/lb** (Mid 3rd Quartile)
- **Productora C1 Cost Target (Normal) is US\$1.27/lb** (Upper 2nd Quartile)
- Median C1 Cost (Normal) of Producers (>80Mlb/y) is US\$1.33/lb.
- Normal cost includes credits (Au and Mo)

Sources: Wood Mackenzie, Q4–2015 Producers; Hot Chili, Productora; Amec Foster Wheeler, excluded producers <80Mlb/a

Large-scale Copper Porphyry Potential

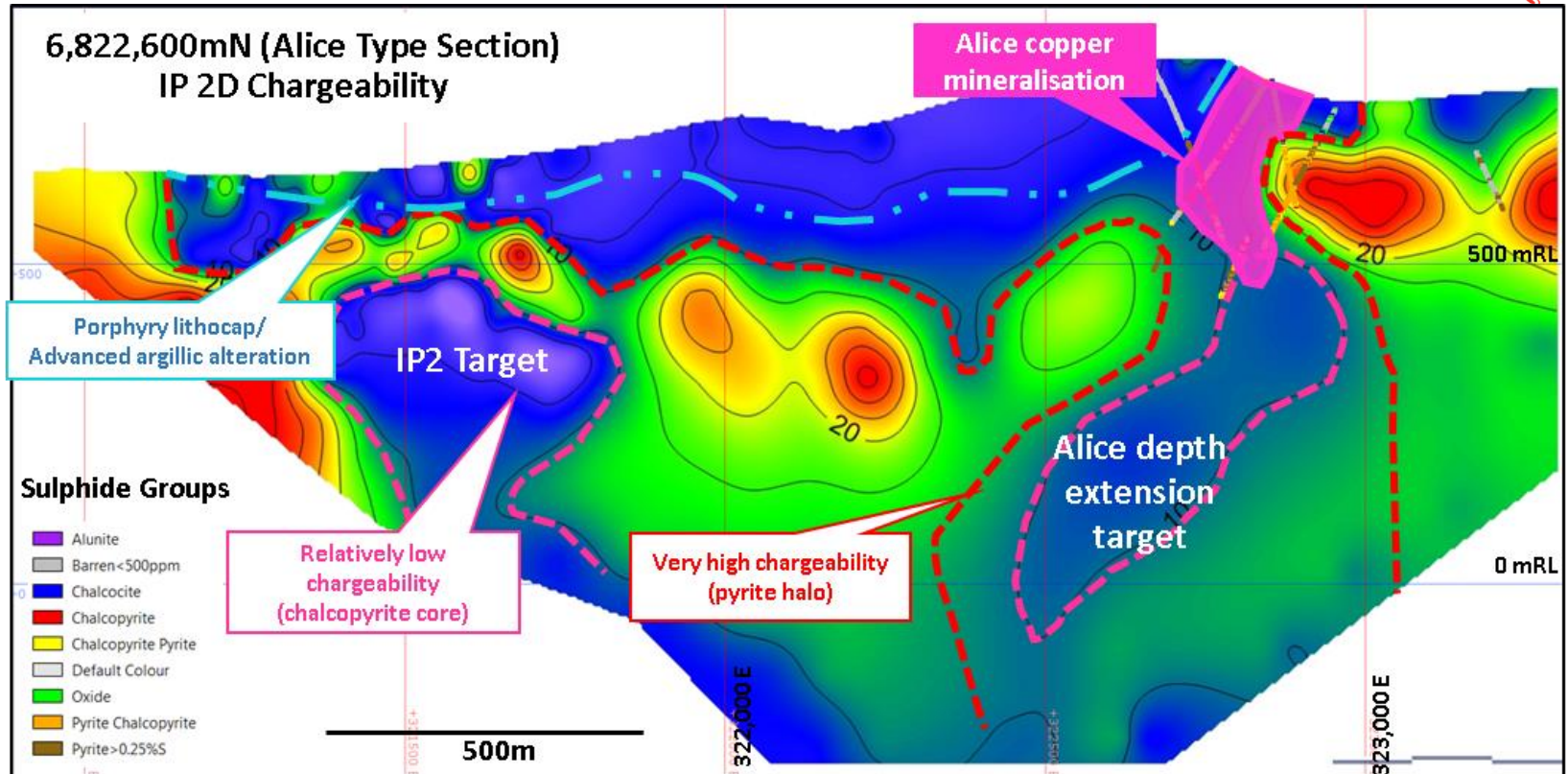
- **Game changing resource growth potential confirmed**
- **Initial Alice Resource reveals future porphyry resource growth**
- **Four large porphyry targets identified**
- New porphyry targets identified from cutting-edge IP/MT geophysical survey



Productora IP chargeability depth slice displaying location of major porphyry targets

Refer to ASX Announcement dated 12th October 2015

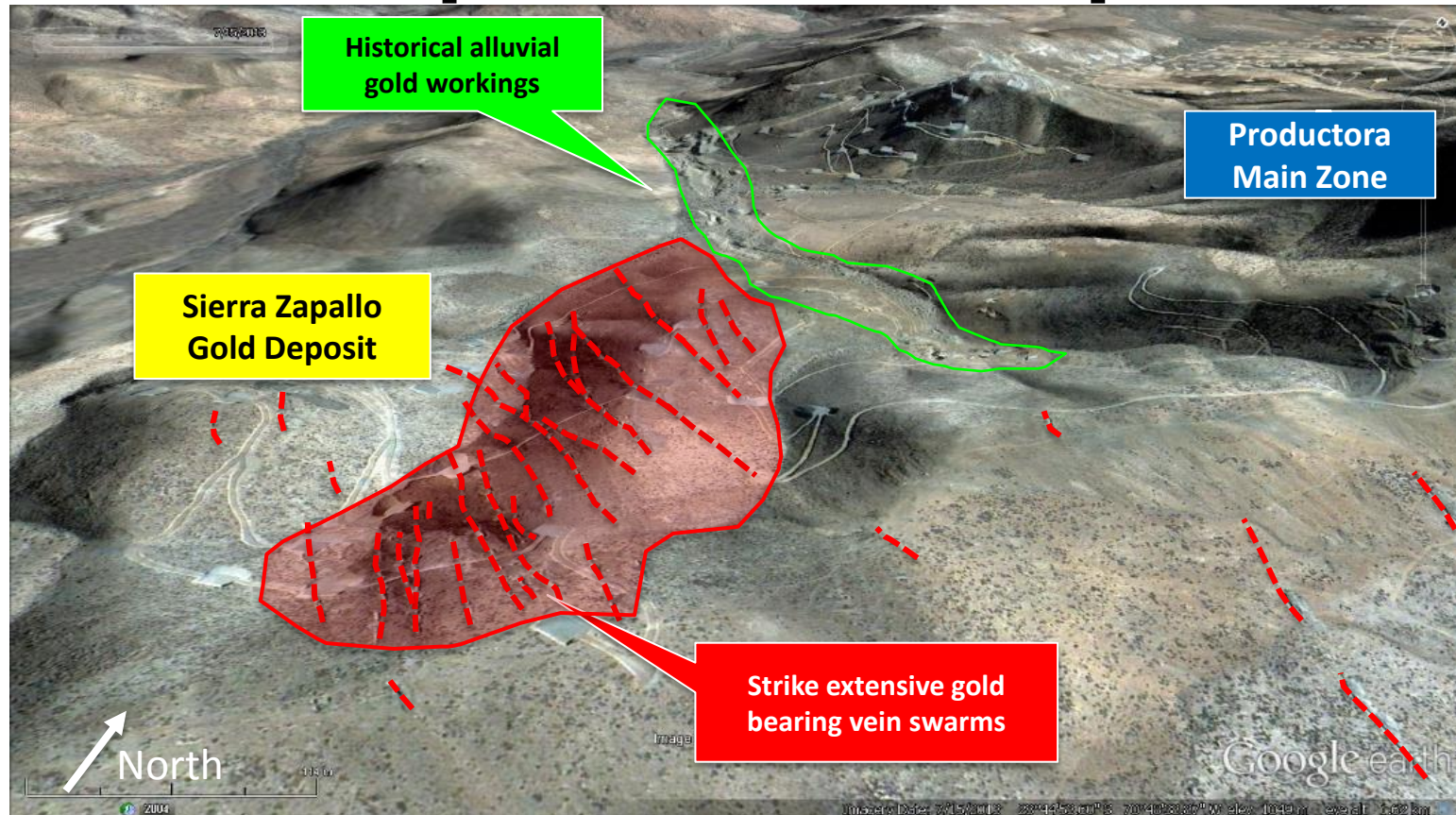
Porphyry Target IP2



Drillholes displaying sulphide alteration

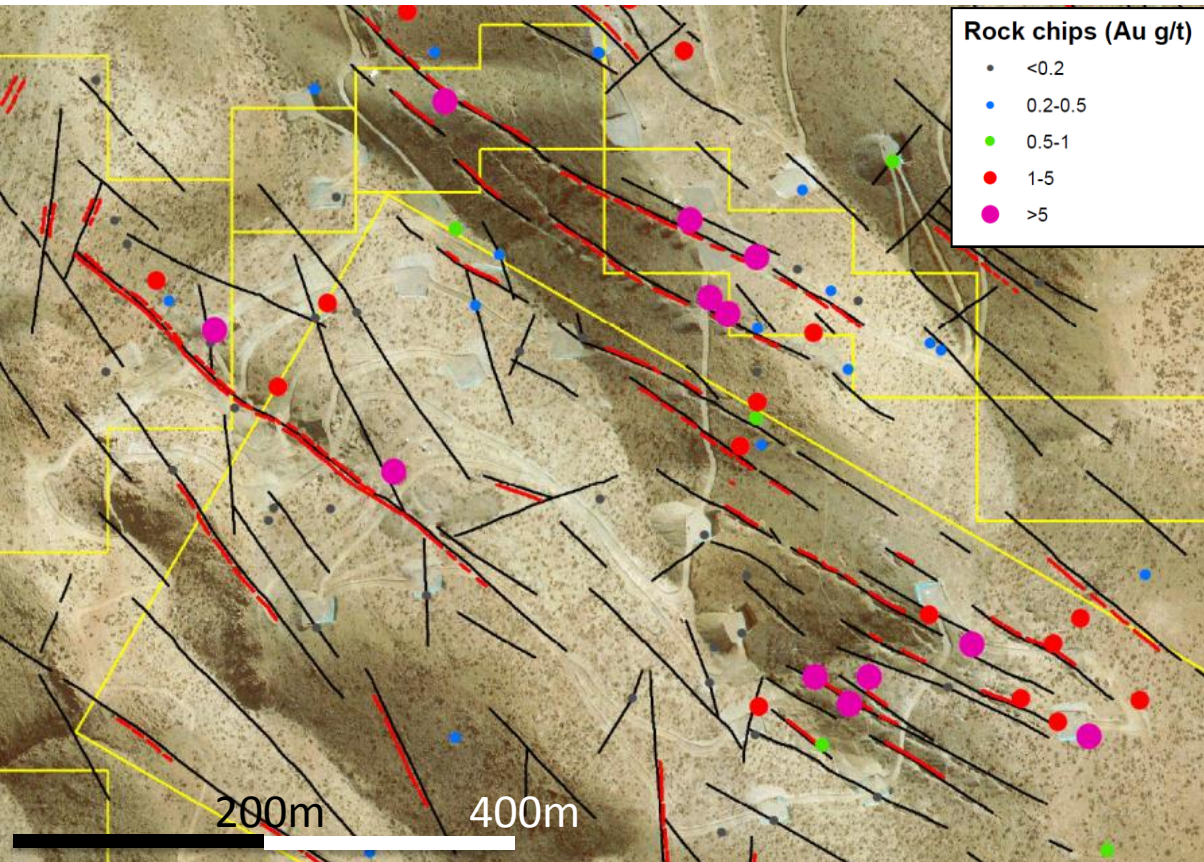
- Large IP porphyry targets, immediately west of planned central pit
- Very strong chargeable haloes and advanced technical assessment by leading global porphyry experts

Sierra Zapallo Gold Deposit



- **Exciting new gold growth opportunity**, immediately south of planned Productora central pit
- Potential to delineate a **high-grade, open pitable significant gold deposit** in a short period of time.
- **Boasting ~900m in strike extent** of primary high-grade, gold-bearing quartz veins (**gold reefs**).

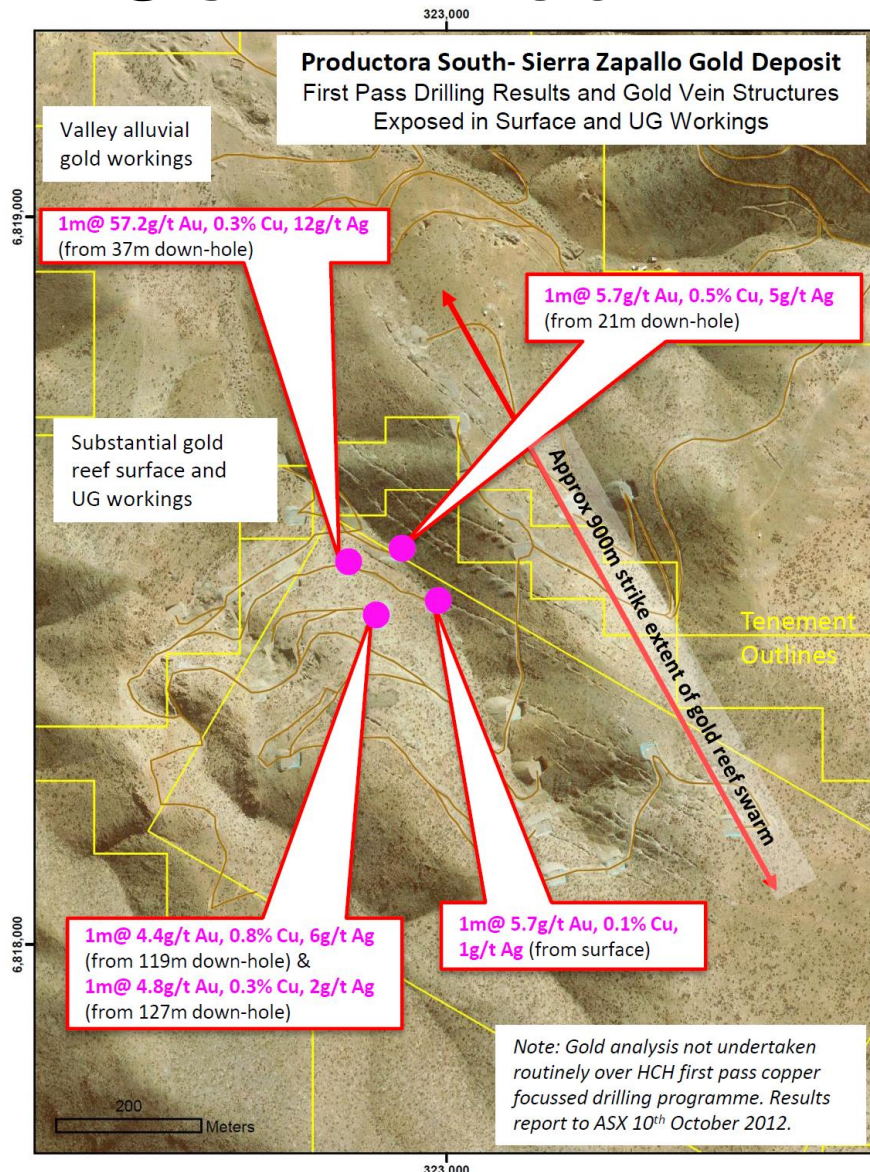
Previously Focused on Copper- Not Gold!



Productora South- Sierra Zapallo Gold Deposit
Faults, Gold Reef Structures and Gold Rock Chip Results in relation
to Surface and UG Workings

- During 2012, Hot Chili undertook **copper focused mapping**, surface sampling and **first ever drilling** at Sierra Zapallo.
- **+13 major NW-trending high-grade gold reefs**, with individual reef strike extents of ~300-400m.
- **Small-scale extensive surface and underground workings** historically exploited for gold.
- Surface rock chip results indicate **average grades of +5g/t Au** (where sampled).

High-grade Gold Drill Confirmed in 2012



- First-pass drilling by Hot Chili in 2012, **where limited gold analysis was undertaken**, included:
 - **1m grading 57.2g/t gold**, 0.3% copper and 12g/t silver from 37m down-hole, and
 - **1m grading 5.7g/t gold**, 0.5% copper and 5g/t silver from 21m down-hole.

- A recent review has highlighted the **potential for definition of a substantial at-surface gold deposit**

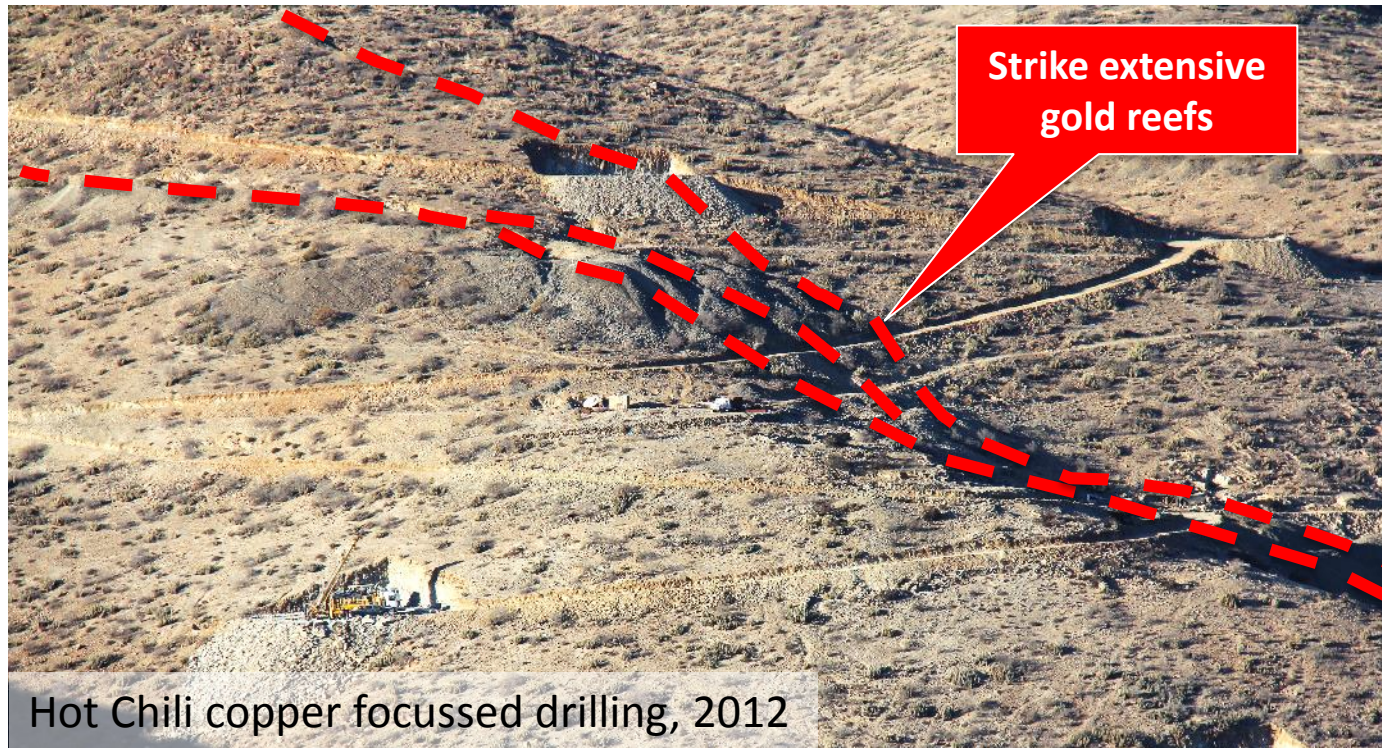
Significant Density of Gold Reefs Exposed

- **High-grade gold** is associated with a swarm of narrow (0.5 - 2m true width), quartz-pyrite veins enriched in silver +/- copper, displaying **strong along-strike continuity**.
- The majority of **gold reefs are densely clustered** across a hill (Sierra) indicating potential for **favourable strip ratios**.
- **Gold was not systematically assayed** in the first drilling undertaken over Sierra Zapallo.
- **Drilling re-directed to Productora Main Zone** prior to the completion of first-pass drilling **in 2012** (Sierra Zapallo overshadowed by Main Zone discovery phase)



Systematic Gold Exploration Set To Commence

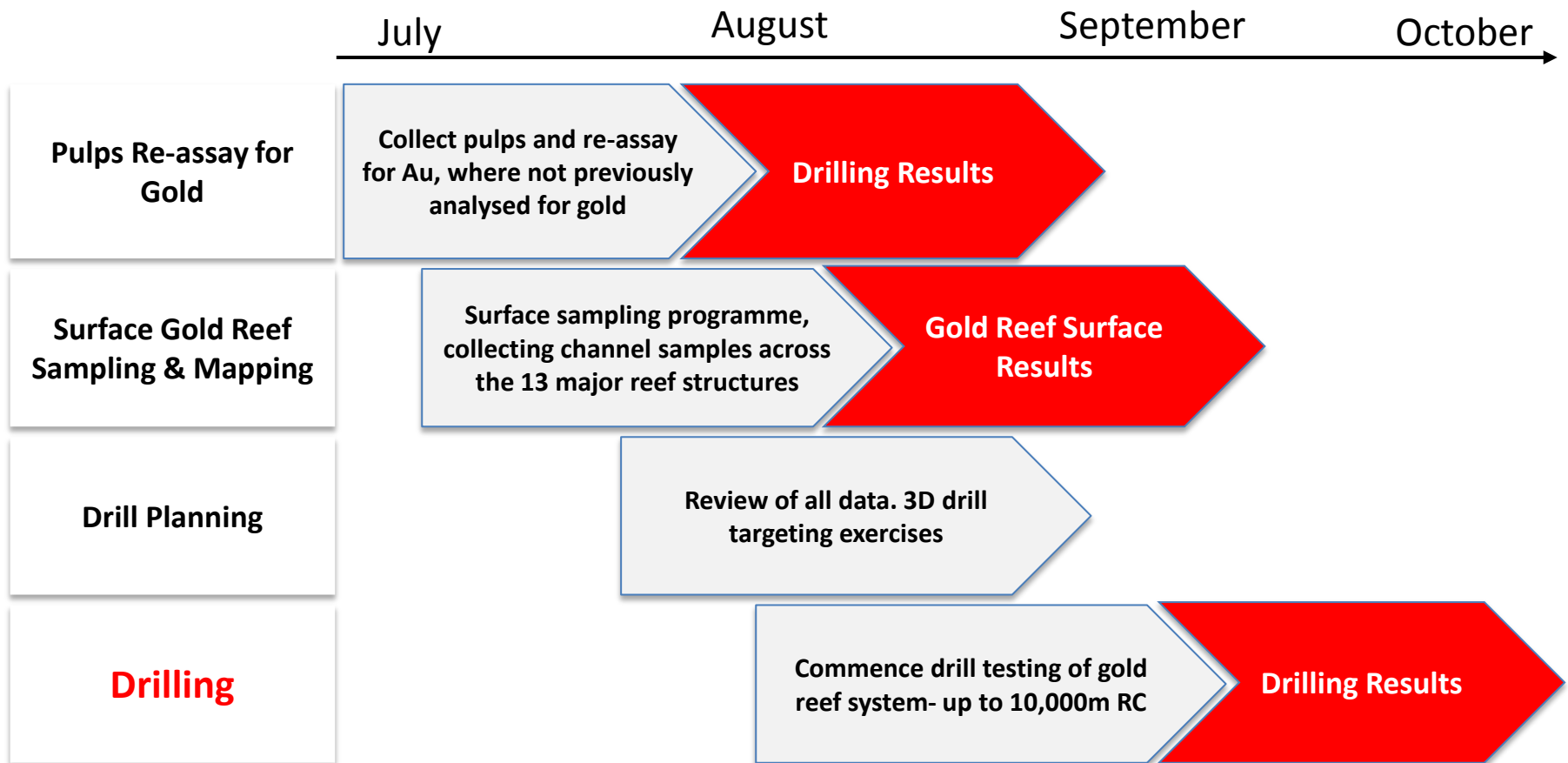
- Hot Chili has commenced **re-analysis of drilling pulp samples for gold** (2012 drilling).
- A **systematic sampling programme** is planned for each gold reef at Sierra Zapallo.
- **Drill testing of gold targets to follow receipt of results.**



Hot Chili copper focussed drilling, 2012

News Flow & Catalysts

- A low-cost review and sampling programme at Sierra Zapallo is underway with **a very strong pipeline of news flow over the coming 12 months**



Accelerating Value Generation

- **Productora already a robust copper-gold project being positioned for a rising future copper price**
- **Exciting catalysts** immediately and over the coming 12 months
- **Productora perfectly placed to substantially enhance value** through the rapid addition and definition of a high-grade gold deposit



Productora JORC Compliant Ore Reserve



Productora Project Ore Reserve Statement, March 2016 ¹

Ore Type	Reserve Category	Tonnage (Mt)	Grade			Contained Metal			Payable Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Oxide	Probable	24.1	0.43	0.08	49	103,000	59,600	1,200	55,600		
Transitional		20.5	0.45	0.08	92	91,300	54,700	1,900	61,500	24,400	800
Fresh		122.4	0.43	0.09	163	522,500	356,400	20,000	445,800	167,500	10,400
Total	Probable	166.9	0.43	0.09	138	716,800	470,700	23,100	562,900	191,900	11,200

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Note 2: Price assumptions: Cu price - US\$3.00/lb; Au price US\$1200/oz; Mo price US\$14.00/lb. Note 3: Mill average recovery for fresh Cu - 89%, Au - 52%, Mo - 53%. Mill average recovery for transitional; Cu 70%, Au - 50%, Mo - 46%. Heap Leach average recovery for oxide; Cu - 54%. Note 4: Payability factors for metal contained in concentrate: Cu - 96%; Au - 90%; Mo - 98%. Payability factor for Cu cathode - 100%.

Productora JORC Compliant Mineral Resource



Productora Project Higher Grade Resource, March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	166.8	0.50	0.11	151	841,000	572,000	25,000
	Inferred	51.9	0.42	0.08	113	219,000	136,000	6,000
	Sub-total	218.7	0.48	0.10	142	1,059,000	708,000	31,000
Alice	Indicated	15.3	0.41	0.04	42	63,000	20,000	600
	Inferred	2.6	0.37	0.03	22	10,000	2,000	100
	Sub-total	17.9	0.41	0.04	39	73,000	23,000	700
Combined	Indicated	182.0	0.50	0.10	142	903,000	592,000	26,000
	Inferred	54.5	0.42	0.08	109	228,000	138,000	6,000
	Total	236.6	0.48	0.10	135	1,132,000	730,000	32,000

Reported at or above 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Productora Project Low Grade Resource, March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	150.9	0.15	0.03	66	233,000	170,000	10,000
	Inferred	50.7	0.17	0.04	44	86,000	72,000	2,000
	Sub-total	201.6	0.16	0.04	60	320,000	241,000	12,000
Alice	Indicated	12.3	0.14	0.02	29	17,000	7,000	400
	Inferred	4.1	0.12	0.01	20	5,000	2,000	100
	Sub-total	16.4	0.13	0.02	27	22,000	9,000	400
Combined	Indicated	163.2	0.15	0.03	63	250,000	176,000	10,000
	Inferred	54.8	0.17	0.04	43	91,000	74,000	2,000
	Total	218.0	0.16	0.04	58	341,000	250,000	13,000

Reported at or above 0.1% Cu and below 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Qualifying Statements Competent Person's Statement



Exploration Results

Exploration information in this Presentation is based upon work undertaken by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears..

Mineral Resources

The information in this Presentation that relates to the Productora Project Mineral Resources, is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is a full-time employee of Hot Chili Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Both Mr Macdonald and Mr Kirchner consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Ore Reserves-

The information in this Presentation that relates to Productora Project Ore Reserves, is based on information compiled by Mr Carlos Guzmán, Mr Boris Caro, Mr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA (NCL). Mr Caro is a full-time employee of Hot Chili Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Member of the Chilean Mining Commission. Mr Lorenzen is employed by Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr King is employed by AMEC Foster Wheeler (AMEC FW) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). NCL, Mintrex and AMEC FW have been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Ore Reserve estimate. Mr. Guzmán, Mr Caro, Mr Lorenzen and Mr King have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Guzmán, Mr Caro, Mr Lorenzen and Mr King consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



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