

Development Blue Print

Productora Copper
Project, Chile

2nd March 2016



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ASX:**HCH**

Knights Piésold
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ALS Metallurgy



Wood Mackenzie

MineSmith Pty Ltd

SEDGMAN

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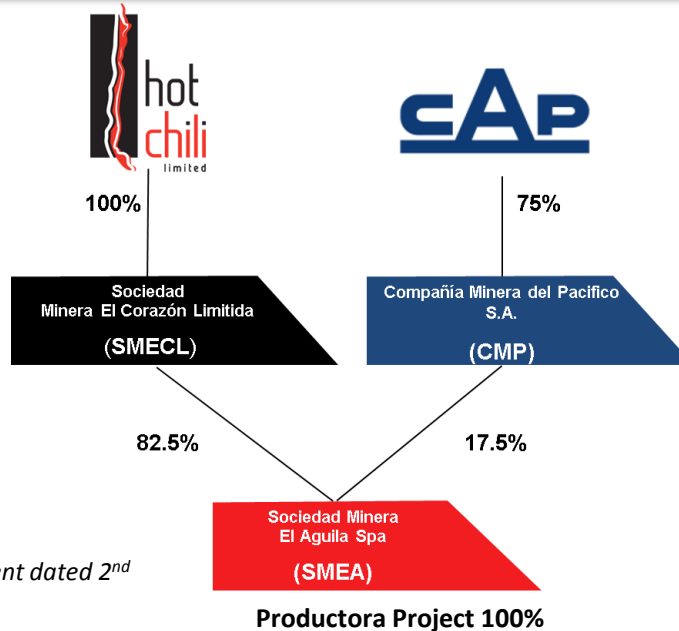
View looking west over Productora central pit area

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Building a Long-term Chilean Copper Business

- **Robust Pre feasibility delivered¹** against one of the best located and infrastructure-rich copper projects in Chile
- **Strong Resource and Reserve foundation** with further growth to come
- **Financially competitive** and well positioned amongst peers
- CMP currently reviewing PFS results



¹Refer to ASX Announcement dated 2nd March 2016

Corporate Overview

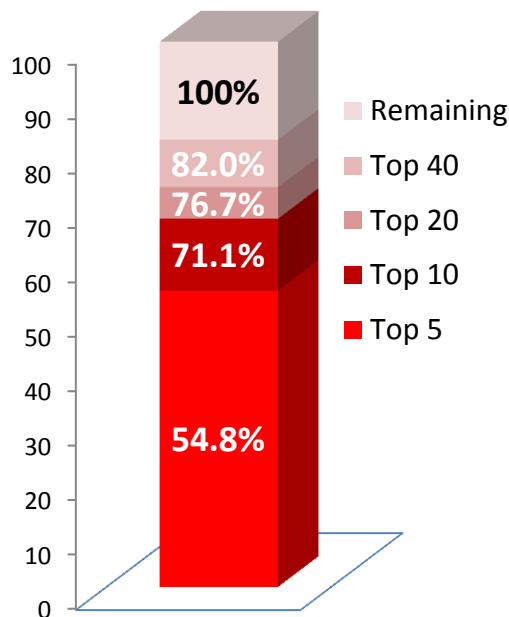


Board of Directors

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

ASX code: **HCH**

Shareholder Concentration



Cash at Hand

Approx. A\$3.6 Million (23rd Feb 2016)
Pending A\$830k subject to CAP Board approval in 7c placement

Sprott Lending Debt Facility

US\$9.53 Million drawn

Capital Structure

433.9 Million shares

11.0 Million unlisted 30c options (exp Jun 2019)

Share Price & Mkt Capitalisation

A\$0.07 (share price – 23rd Feb 2015)
A\$30.3 Million

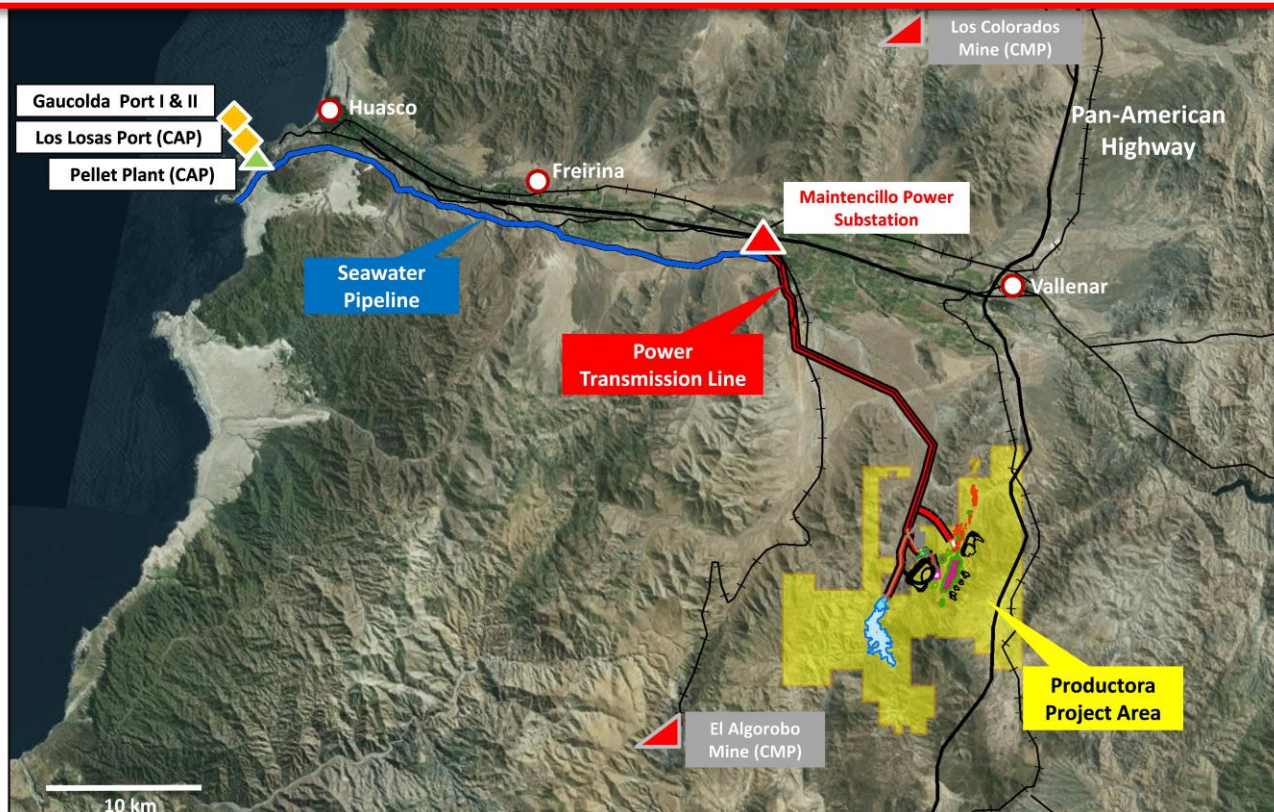
Substantial Shareholders

- 15.4%** K.A.S
- 14.3%** Taurus Funds Management
- 12.4%** CAP S.A. (Port Finance)
- 7.2%** Megeve Fund
- 5.4%** Exploration Capital Partners
(affil Sprott)

Productora Chile's Next Coastal Copper Mine

Competitive Global Copper Development

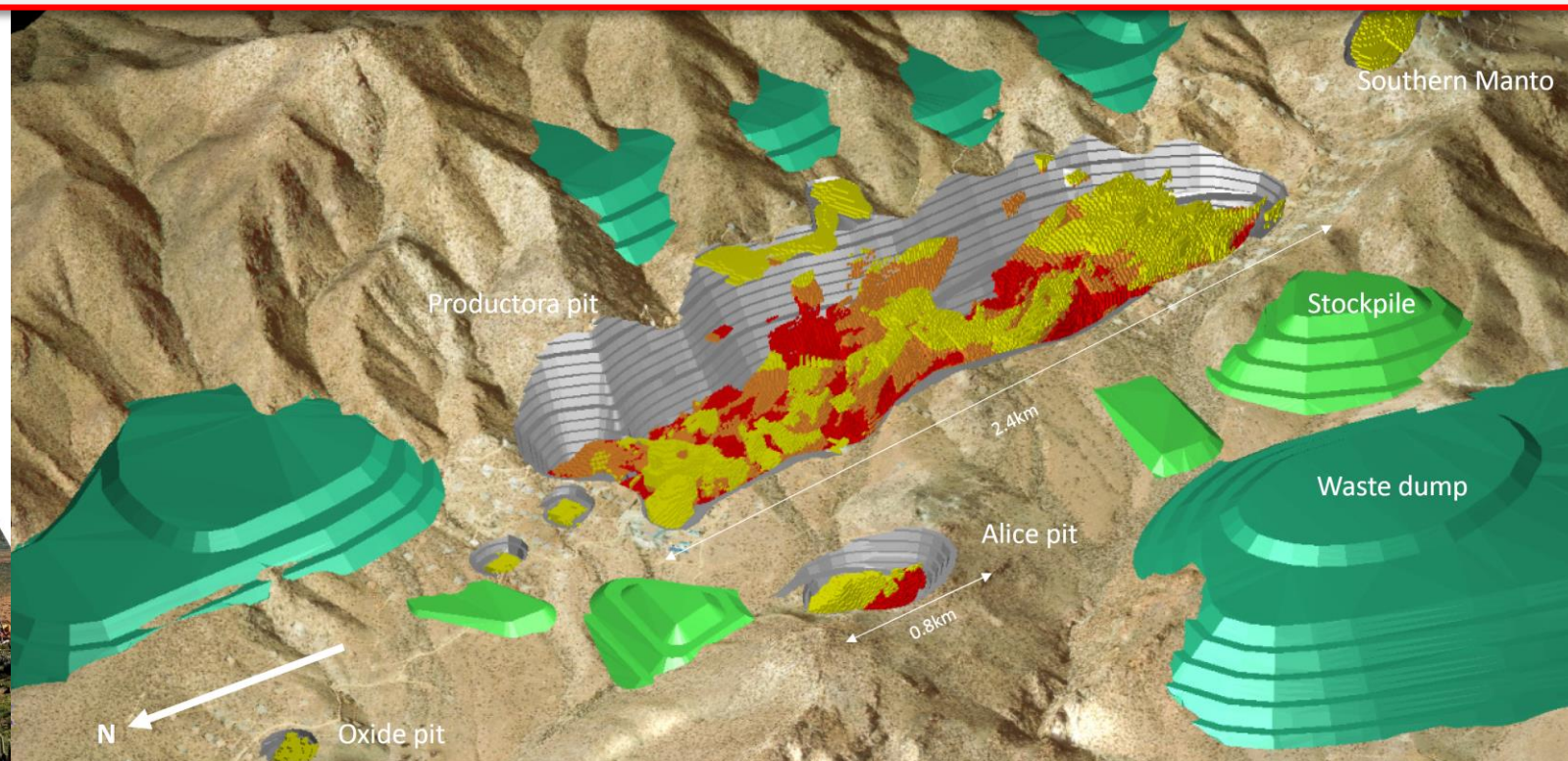
- Low altitude location with significant infrastructure advantage
- Access rights secured to establish key infrastructure
- Large-scale porphyry growth potential adds further scale and mine life upside



Productora Chile's Next Coastal Copper Mine

Strengthening Asset

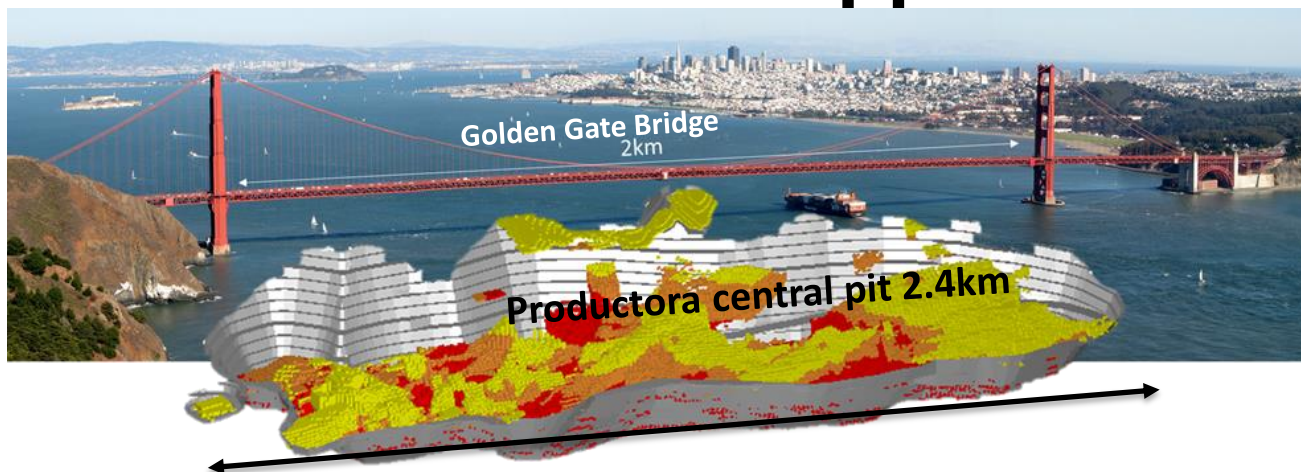
- Mineral Resource of 1.47Mt contained copper and 0.98Moz gold and growing
- Ore Reserve increased to 0.72Mt contained copper and 0.47Moz of gold¹
- 10 year mine life with total production of 0.59Mt copper and 0.21Moz of gold¹
- First 8 years of annual production averages 66kt copper and 25koz gold



¹Refer to ASX Announcement dated 2nd March 2016

Productora

Chile's Next Coastal Copper Mine



Financially Competitive Against Global Peers

- Pre-production 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)

Pre-feasibility Study Basis



	Project management
	Mineral Resources
MineSmith Pty Ltd	Mine Studies & Ore Reserves
	Metallurgy
	Metallurgy and ore processing
	Process design
	Infrastructure (On & Offsite)
<i>Knight Piésold</i> CONSULTING	Operating & Capital Cost Estimate
	Tailings Storage Facility (TSF)
	Financial, Market & Benchmark analysis
SEDGMAN	Independent Review

- Productora PFS developed in accordance with **JORC Code (2012 Edition)**
- Dedicated owners team and hand-selected consulting team
 - Internationally recognised independent consultants

Ore Reserve Near Doubles

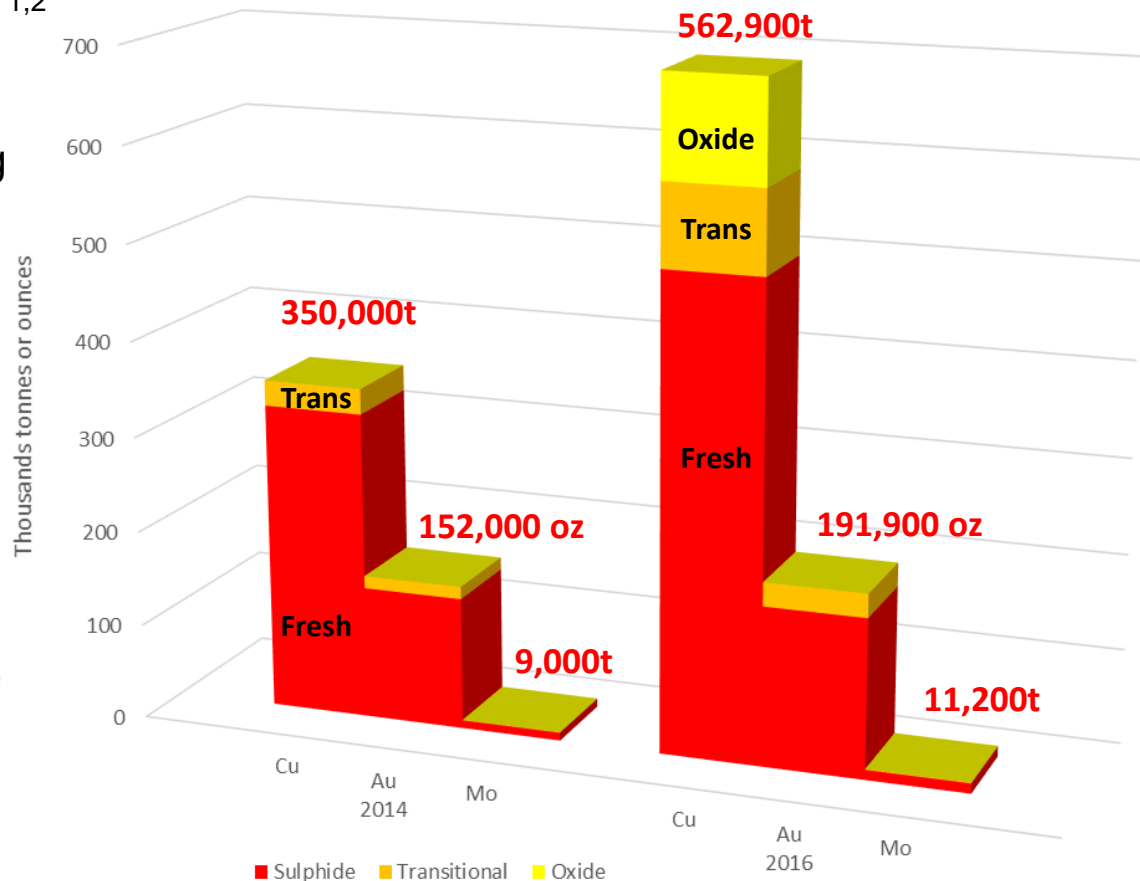
- **Strip ratio** (waste:ore) significantly reduced to **2.7:1**^{1,2} (previously 4.1:1)
- **Bulk tonnage** open cut mining
- **2 major sulphide pits** (Productora and Alice)
- **5 minor oxide pits** (Southern Mantos and Northern Oxides)
- **Leading Independent Consultants**



MineSmith Pty Ltd



Productora Project Reserve Growth - Payable Metal



¹2016 in chart refers to ASX Announcement dated 2nd March 2016

²2014 in chart refers to ASX Announcement dated 31st March 2014

Ore Reserve Growth On-track

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%.

- **84% increase in Ore Reserve tonnage²**
- **61% increase in payable copper**
- **26% increase in payable gold**
- **24% increase in payable molybdenum**



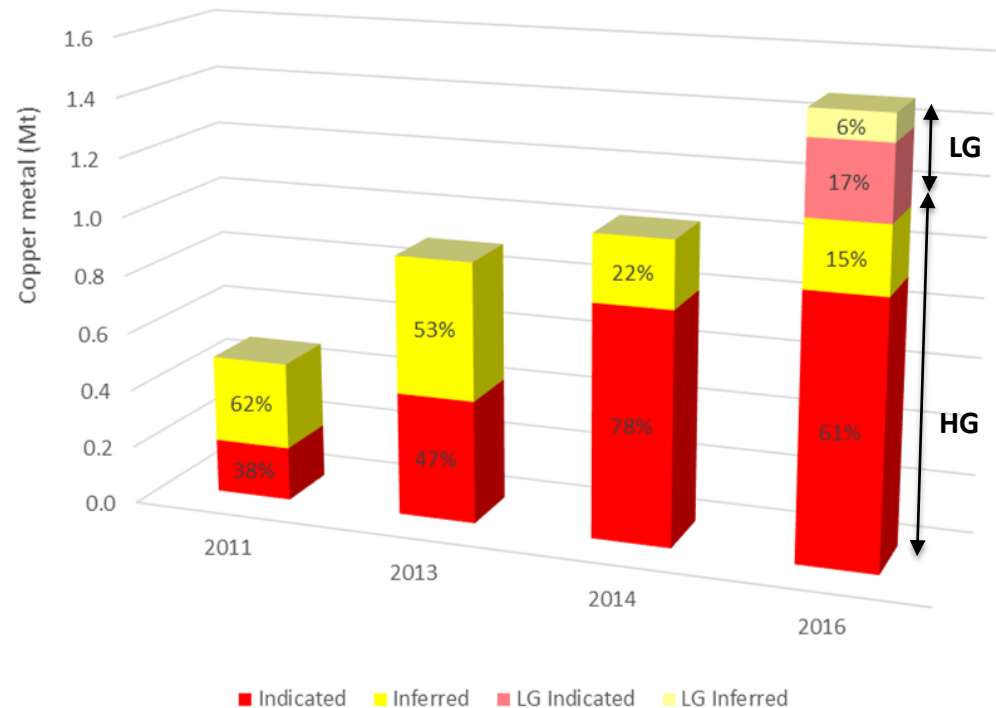
¹Refer to ASX Announcement dated 2nd March 2016

²Comparison between ASX Announcement dated 2nd March 2016 and ASX Announcement dated 31st March 2014

Productora Project Resources Continue to Grow

- **1.13 Mt of “higher grade” contained copper + 0.34 Mt of “low grade” contained copper¹** (additional new resource)
- Productora project now has **1.47 Mt contained copper, 0.98M oz gold, and 45kt of contained molybdenum**
- New combined HG and LG resource has **increased by:**
 - **43% contained copper²**
 - **45% contained gold**
 - **55% contained molybdenum**

Resource Growth in Copper metal (Mt)
- including 'low grade' component



¹Refer to ASX Announcement dated 2nd March 2016

²Comparison between ASX Announcement dated 2nd March 2016 and ASX Announcement dated 31st March 2014

³2016 in chart refers to ASX Announcement dated 19th February 2016

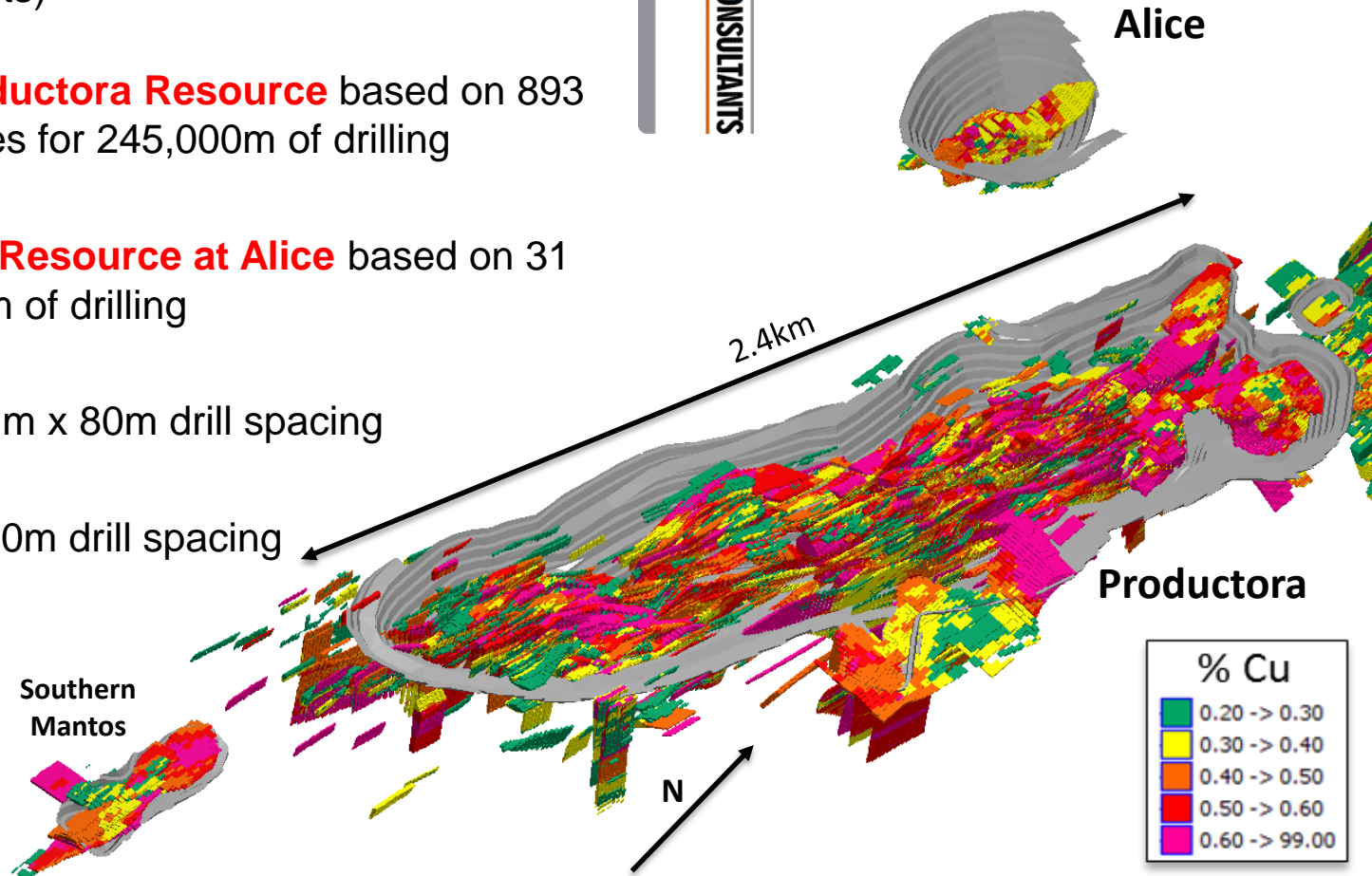
⁴2014 in chart refers to ASX Announcement dated 31st March 2014

⁵2013 in chart refers to ASX Announcement dated 13th February 2013

⁶2011 in chart refers to ASX Announcement dated 6th September 2011

Porphyry Resource Growth Commences

- **Independently audited** resource estimate (AMC Consultants)
- **Expanded Productora Resource** based on 893 RC and DD holes for 245,000m of drilling
- **First porphyry Resource at Alice** based on 31 holes for 9,593m of drilling
- Productora - 40 m x 80m drill spacing
- Alice ~ 50 m x 80m drill spacing



Oblique view of Productora and Alice block model coloured by copper grade

Productora Resource Revision 3

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.

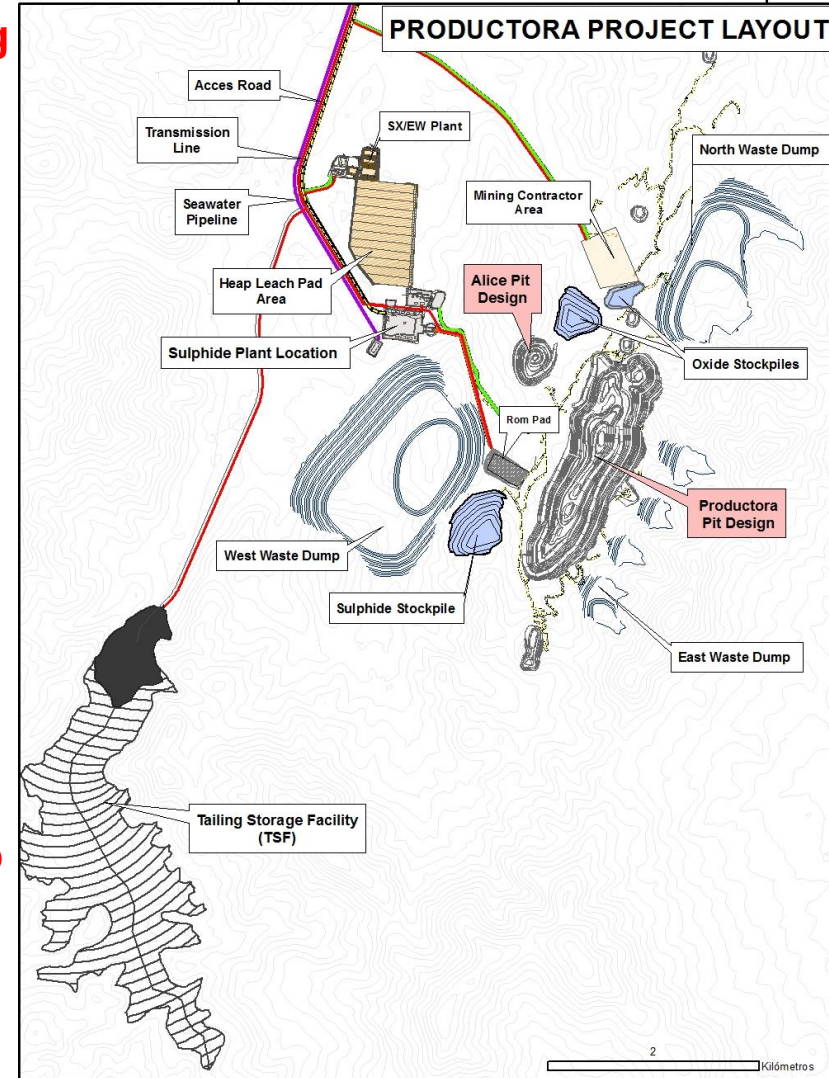
Productora Project Low Grade Resource, March 2016

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.

Project Description

- Owner-Operator Management & **Contract Mining**
- Vallenar, Freirina and Huasco township centres nearby to house **residential workforce**
- 285 Personnel, and +500 contractors when in operation
- **Conventional** drill & blast, load & haul **open pit mining**
- **Sulphide** comminution selected **primary crush and SABC milling** (SAG and ball crush)
 - **Oxide** treatment selected conventional **heap leach and SX-EW**
 - **Sea water** processing of oxide and sulphide ore - **optimal recovery**



Productora PFS Sulphide Fundamentals

Sulphide Concentrator ¹	
Mining Method	Open Pit – 11 years
Peak Mining Rates	Total 89 Mt/y & Sulphide Ore 21.6 Mt/y
Project Construction	Years 1 & 2 (2 year construction period)
First Production	Year 3
Processing Rate ²	14.4Mt/y – 10 years
Metallurgical Recovery	Cu Average = 86% Au Average = 53% Mo Average = 53%
Average Annual Concentrate Production (25% Cu Content)	Average 211 kt/y (Max 306 kt Year 4, Min 72 kt Year 12)
Sulphide Copper Production (LOM)	527 kt – 1.2 Blb
Sulphide Gold Production (LOM)	212 koz
Sulphide Molybdenum Production (LOM)	11 kt – 25 Mlb

¹Refer to ASX Announcement dated 2nd March 2016

²The throughput rate is variable. An average of throughput without ramp-up or ramp-down is shown.

Productora PFS Oxide Fundamentals



Heap Leach ¹	
Mining Method	Open Pit – 11 years
Peak Mining Rate	Total 89 Mt/y & Oxide Ore 6.4 Mt/y
Project Construction	Years 1 & 2 (2 year construction period)
First Production	Year 3
Processing Rate ²	3.3 Mt/y – 10 years
Metallurgical Recovery	Cu Average = 54%
Average Annual Cathode Production	Average 6.2 kt/y (Max 10 kt in Year 2, Min 1.9 kt in Year 9)
Payable Oxide Copper Production (LOM)	62 kt – 140 MIb

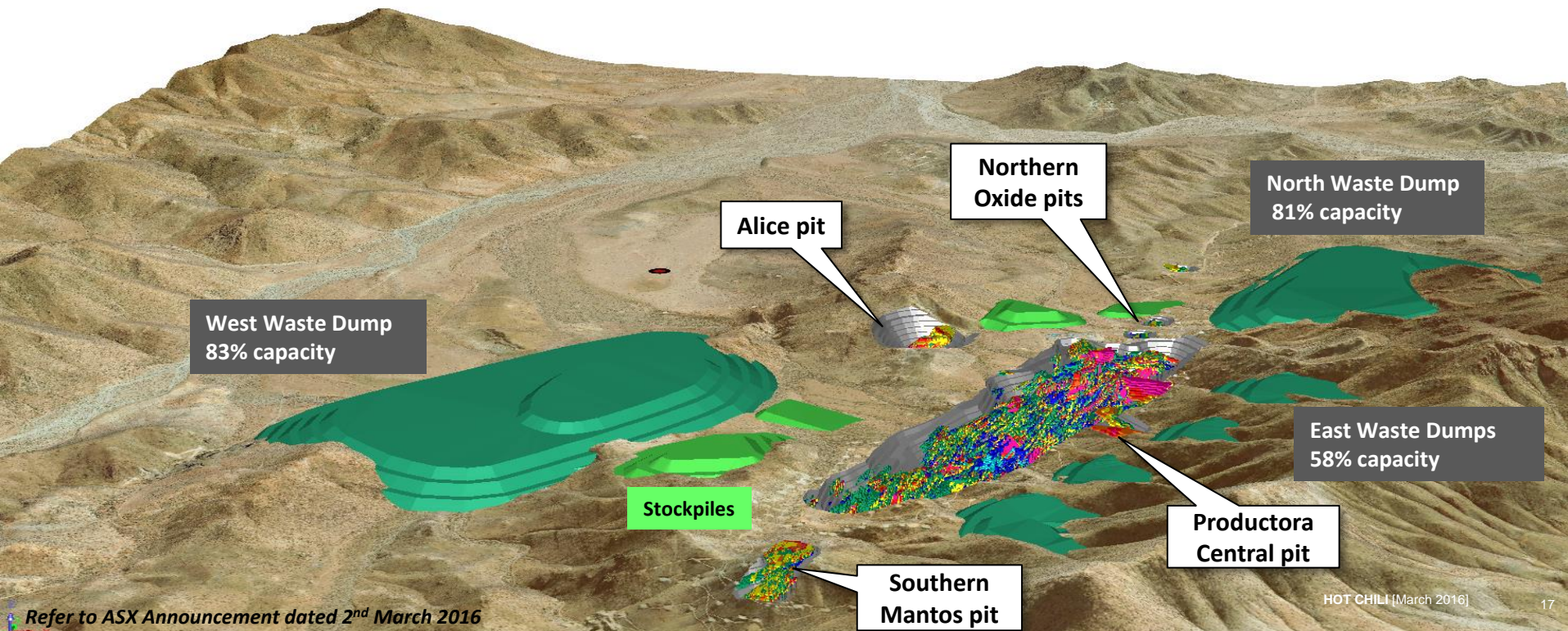
¹Refer to ASX Announcement dated 2nd March 2016

²The nominal throughput rate is fixed. Throughput is below nominal for 3 years due to ore availability.



Robust Mining Approach

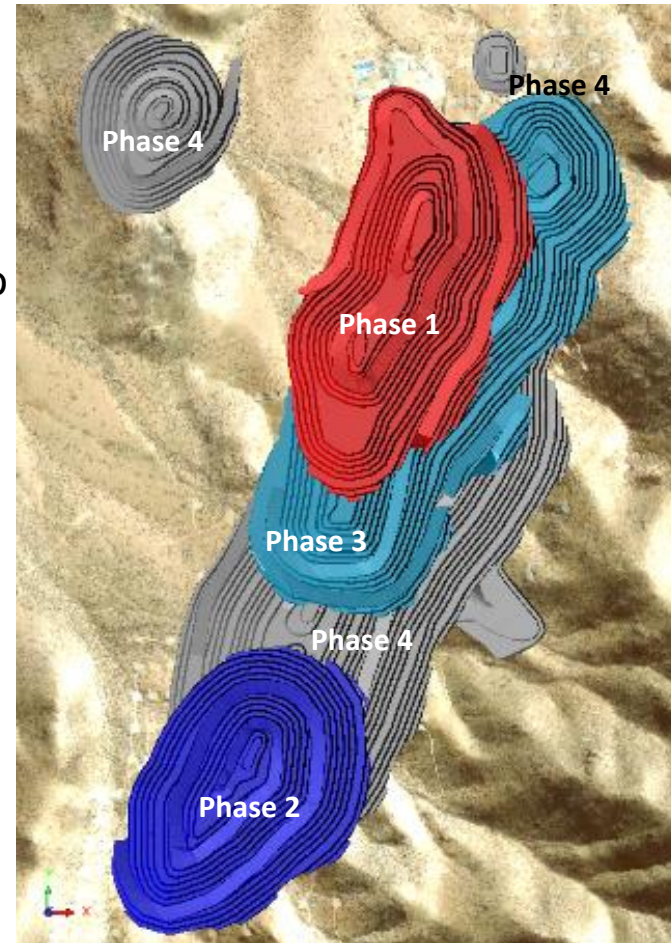
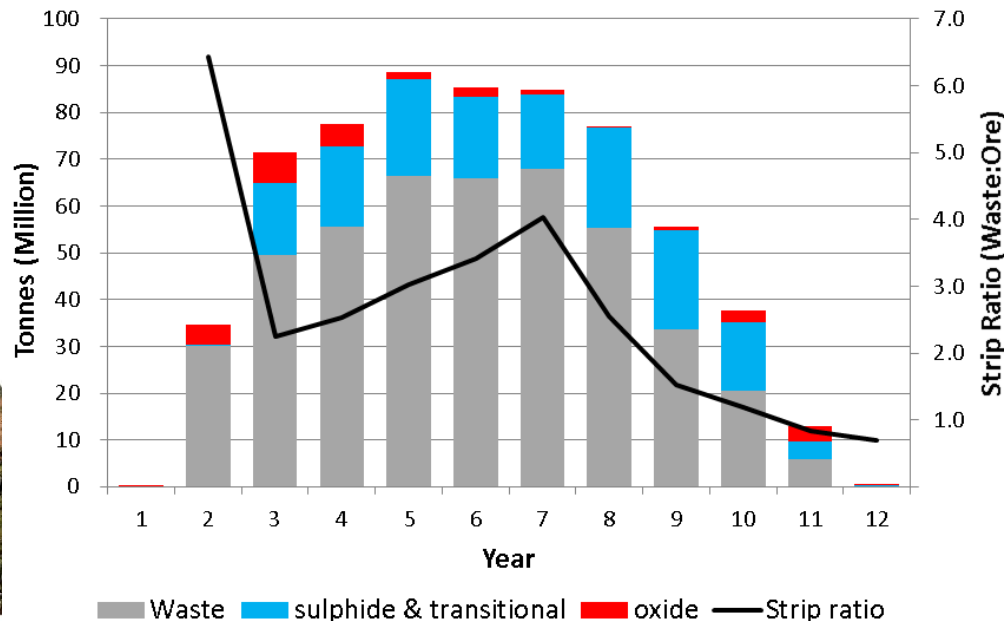
- **Conventional open cut** mining- well established in Chile
- **Mining contractor**, mining operating cost estimate based on mining contractor quote
- **Pit designs optimised conservatively** (higher energy cost US\$9.5c/kwhr, higher diesel cost US\$64c/l and including sustaining capital costs)



Mine Schedule Profile

- **Average contract mining cost US\$1.80/t moved**(excl pre-strip), owner-operator study to be completed prior to DFS kick-off
- **Low strip ratio of 2.7:1** achieved
- Cut-off strategy and transport cost modelling completed to optimise early copper production and material movements

Material Movement & Strip Ratio

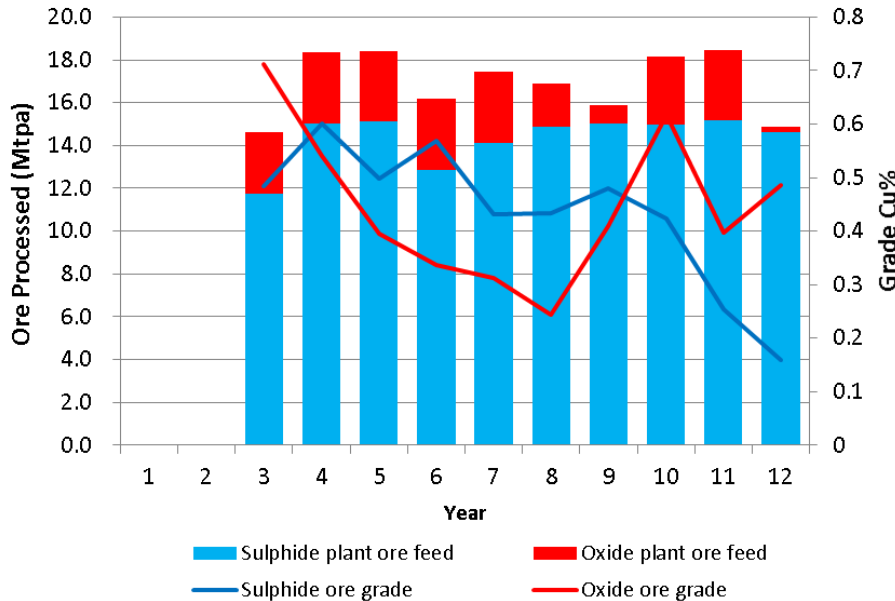


Productora open pit mine development phases
Refer to ASX Announcement dated 2nd March 2016

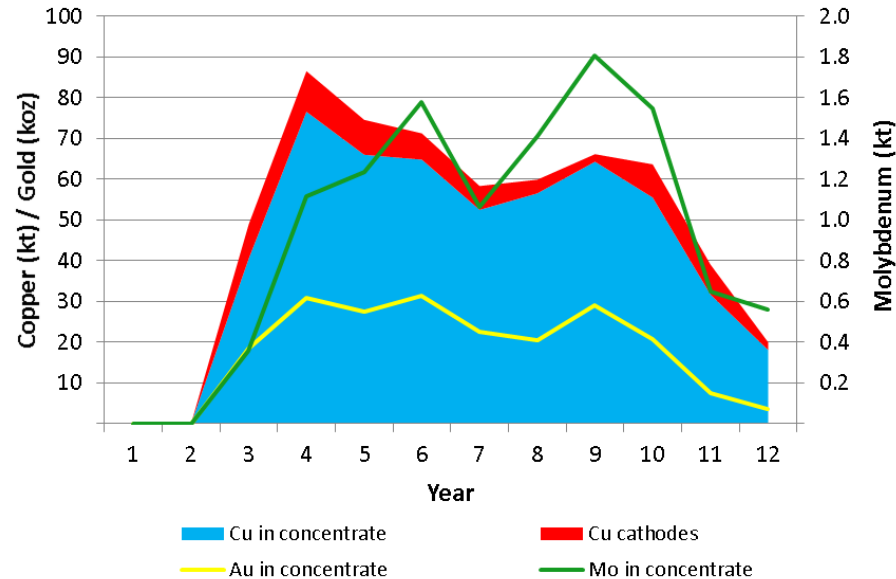
Processing & Metal Production Profile



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

Metallurgy & Processing

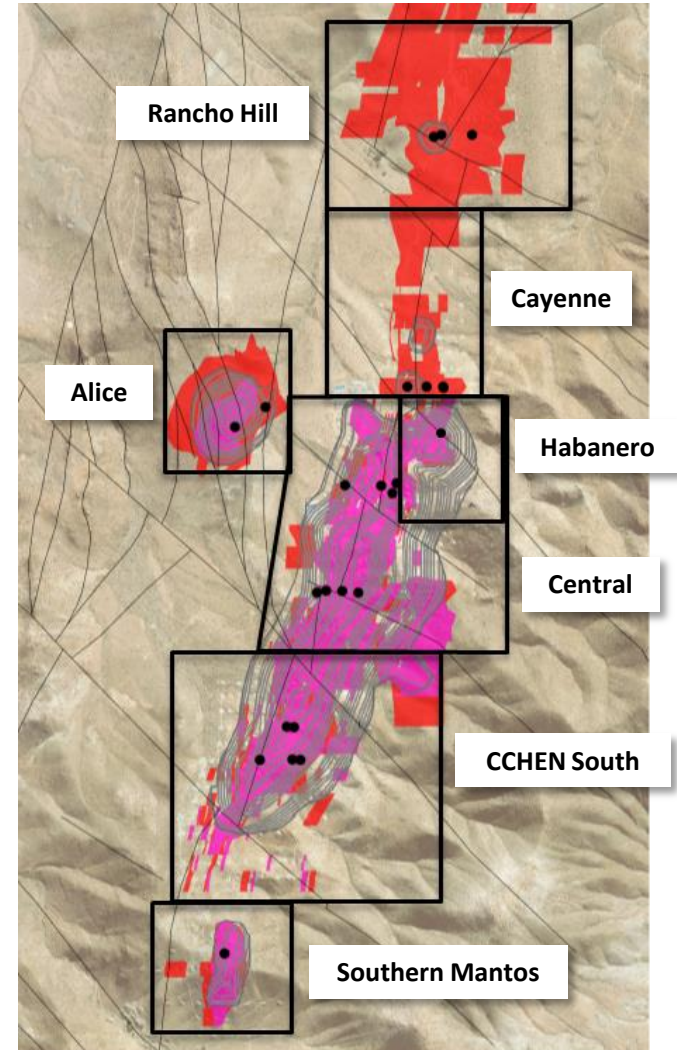
Sulphide Metallurgy (Cu & Au)

- **Seawater** provided **Optimal** recoveries
- **optimum primary grind** of P80 = **150µm** (Productora) **and 180µm** (Alice)
- Rougher + 2 stages of cleaning
- **25% Cu & 3.5g/t Au** average concentrate grade
- High spec concentrate - **no penalties**
- **+50% molybdenum** concentrate produced

Oxide Metallurgy (Cu)

- Leaching in **seawater improved recoveries**
 - Favourable percolation for heap leaching confirmed
 - **Average acid consumption ~ 17.1kg/ t**
(7 -54 kg/t)

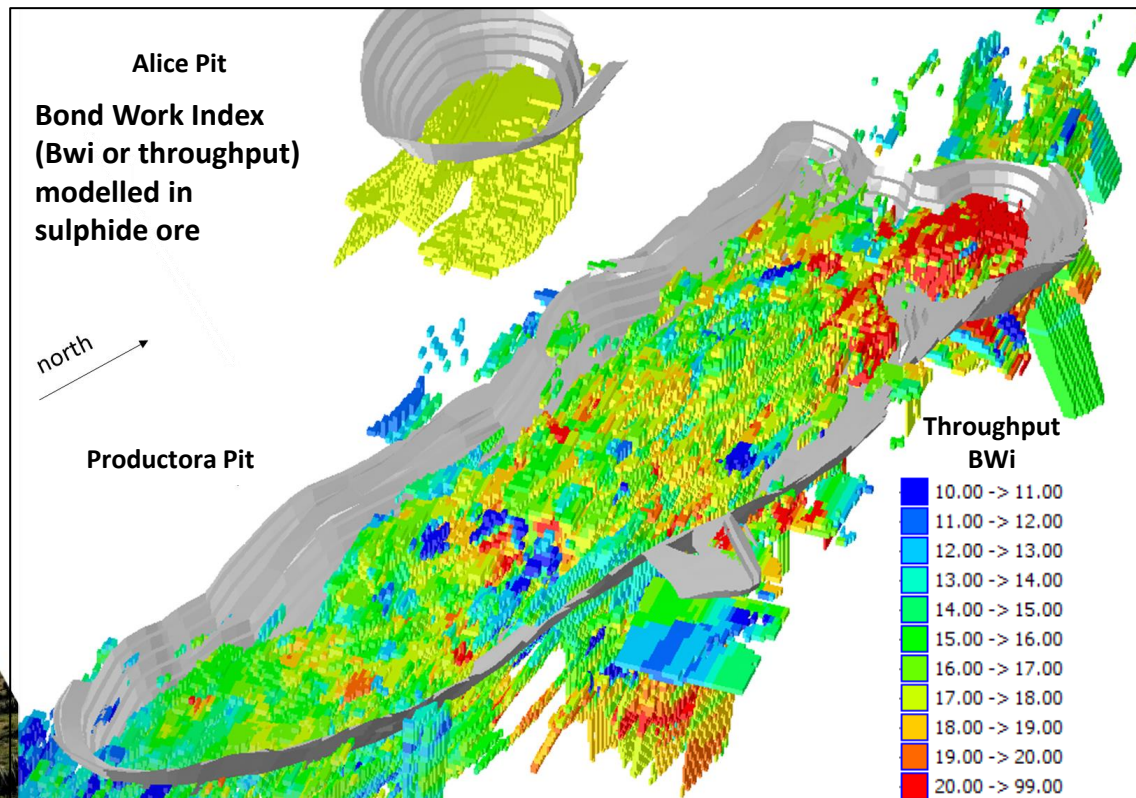
Refer to ASX Announcement dated 2nd March 2016



Location of 24 dedicated metallurgical drillholes completed at Productora

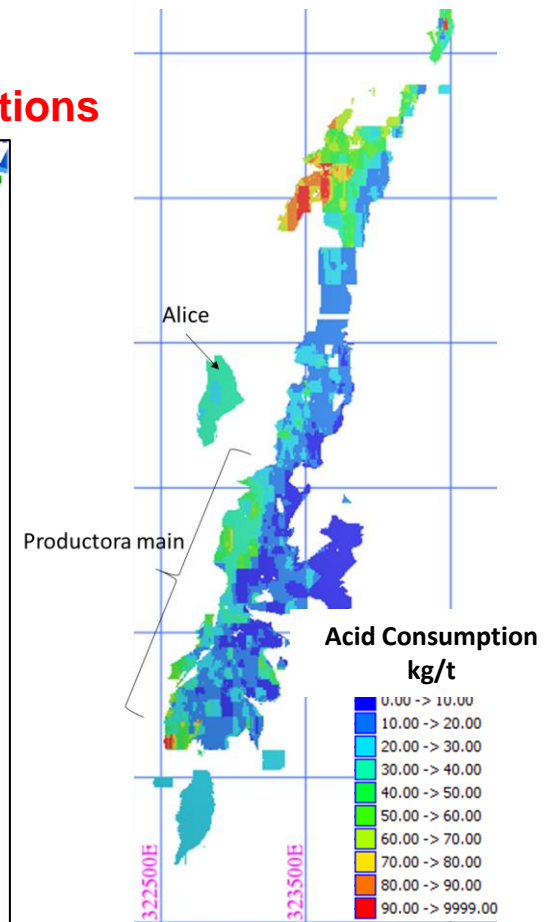
Geometallurgical Modelling

- Metallurgical testwork responses modelled based on **geochemical proxies developed for acid consumption and throughput** (Bond Work Index) (utilising approximately 158,000 32-element downhole assays)
- In-pit metallurgical response modelling allowed for **better metallurgical attribution and advanced schedule optimisations**



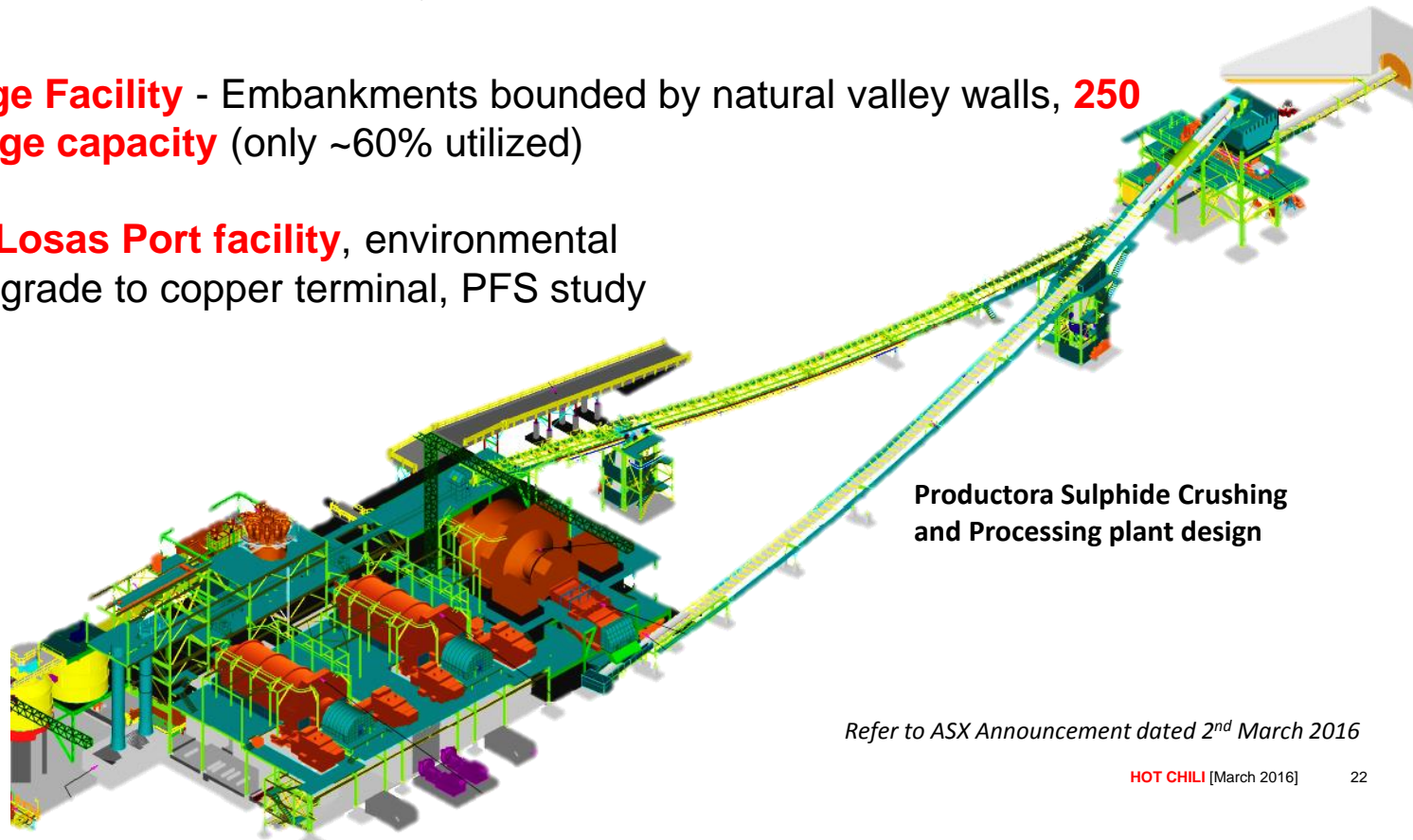
Refer to ASX Announcement dated 2nd March 2016

Acid consumption modelled in Oxide ore (kg/t)



Infrastructure Advantages

- **Seawater pipeline** only 62km along secured easement corridor. No requirement for fresh ground water use or desalination facility
- 220Kv single circuit **Power transmission line** only 25km long and direct to existing Maintencillo sub-station facility
- **Tailing Storage Facility** - Embankments bounded by natural valley walls, **250 Mt total storage capacity** (only ~60% utilized)
- **Existing Las Losas Port facility**, environmental approval to upgrade to copper terminal, PFS study to commence



Refer to ASX Announcement dated 2nd March 2016

Environment & Sustainability



- **Four years of EIA baseline studies completed**, covering mine area, pipeline, power line and water intake areas:
 - *21 environmental components included*
 - *11,000 ha covered*
 - *> 4,500 man-hours*
- **Four seasonal campaigns for flora and fauna**
- **Detailed archaeological baselines** completed in all project areas
- PFS conceptual hydrogeology model developed
- **Comprehensive stakeholder mapping** (only 2 permanent families)

Financial Analysis Key Assumptions

Metal Prices	Wood Mackenzie		Financial Model
	2019	2020-2030	
Copper (US\$/lb)	2.80	3.50	3.00
Molybdenum (US\$/lb)	14	14	14
Gold (US\$/oz)	1,025	1,000	1,250

Key Assumptions	Rate	Comments
Corporate Tax (FCT)	27%	2020 Chilean Tax Rate
Inflation Rate	2.5%	Hot Chili
Discount Rate	7%	CAPM- AMEC Foster Wheeler
Cu Payability in concentrate	96%	Wood Mackenzie
Au Payability in concentrate	90%	Wood Mackenzie
Mo Payability in concentrate	98%	MolyMet estimate
CLP:US\$	690	3 month average
US\$:A\$	0.72	3 month average
Energy Price (US\$/Kwh)	0.065	Forecast 0.04-0.10, Sedgman
Diesel Price (US\$/l)	0.50	ENAP/World Bank

Refer to ASX Announcement dated 2nd March 2016

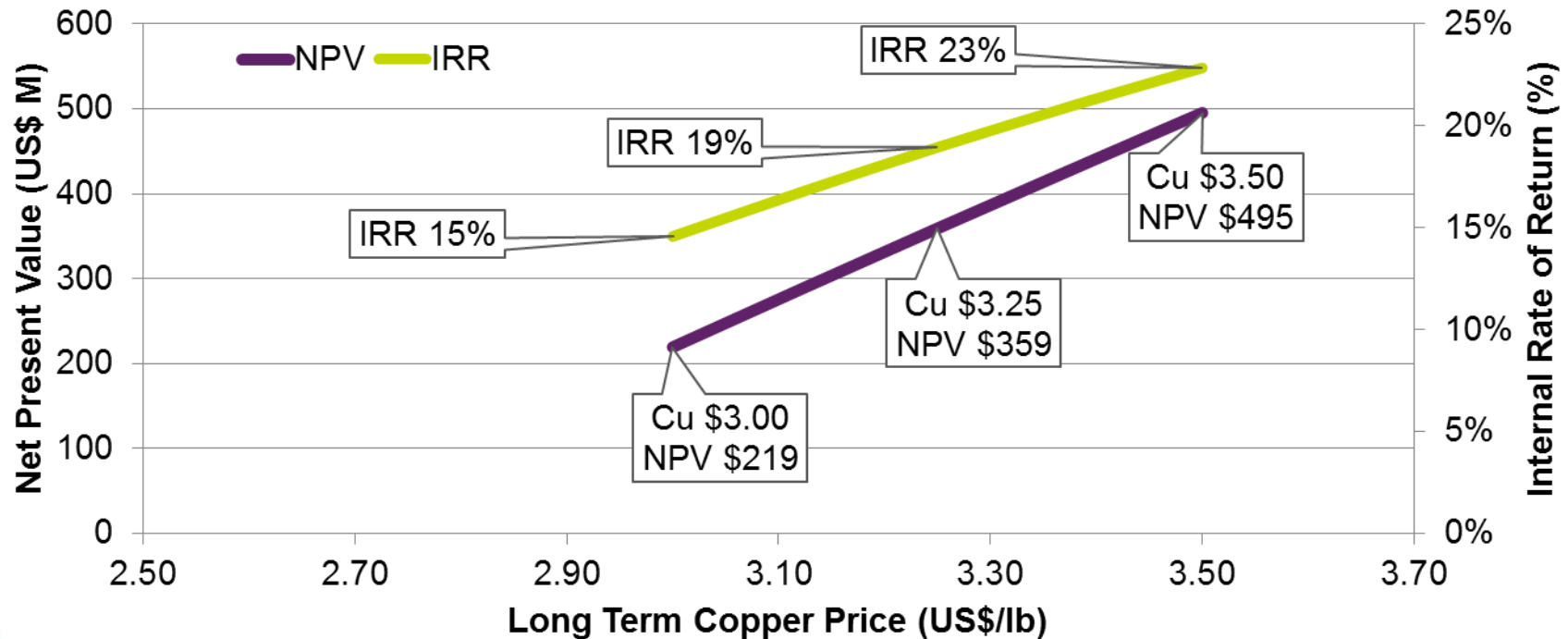
Financial Analysis Key Outcomes

PFS Financial Valuation (US\$M)	Base Case		Wood Mackenzie (2020 – 2030)
Copper Price Applied (US\$/lb)	3.00	3.25	3.50
Project Revenue	4,300	4,600	5,000
Operating Costs	2,400	2,400	2,400
Royalties (CCHEN and Specific Mining Tax)	82	99	120
Sustaining Capital (inc. Production Stripping)	270	270	270
Project Operating Cash Flow (pre-tax)	1,800	2,200	2,500
Pre-production capital expenditure	725	725	725
Corporate Tax	190	270	350
Project Cash Flow (pre-tax)	850	1,200	1,500
Project Free Cash Flow	610	820	1,000
Pre-tax Project NPV (7% real discount rate)	360	560	760
Project NPV (7% real discount rate)	220	360	500
Project Pre-tax IRR (real)	18%	24%	28%
Project After-tax IRR (real)	15%	19%	23%
Payback Period (from Production start-up)	3.9 years	3.3 years	2.9 years

- Results shown to 2 significant figures.
- Financial modelling completed in US\$

*Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler*

Financial Valuation Results

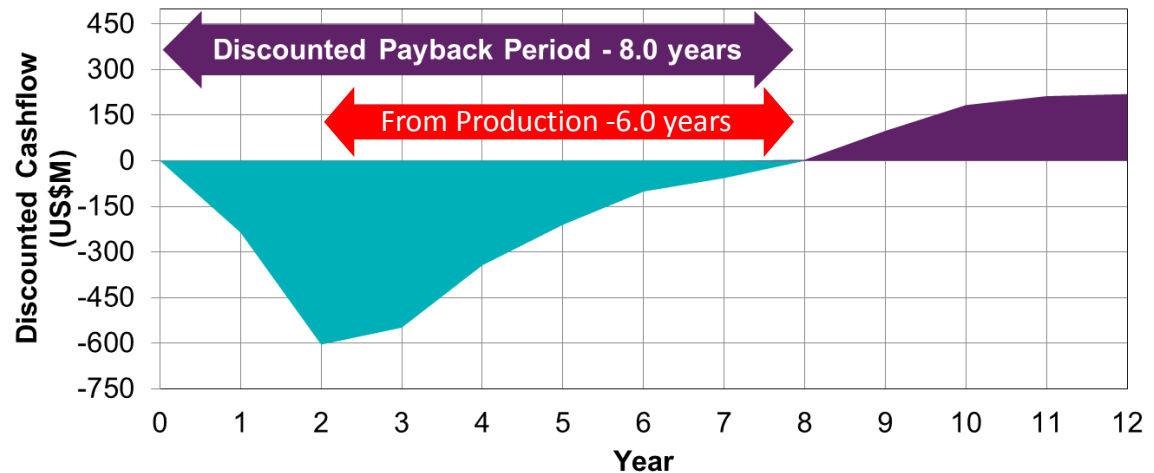
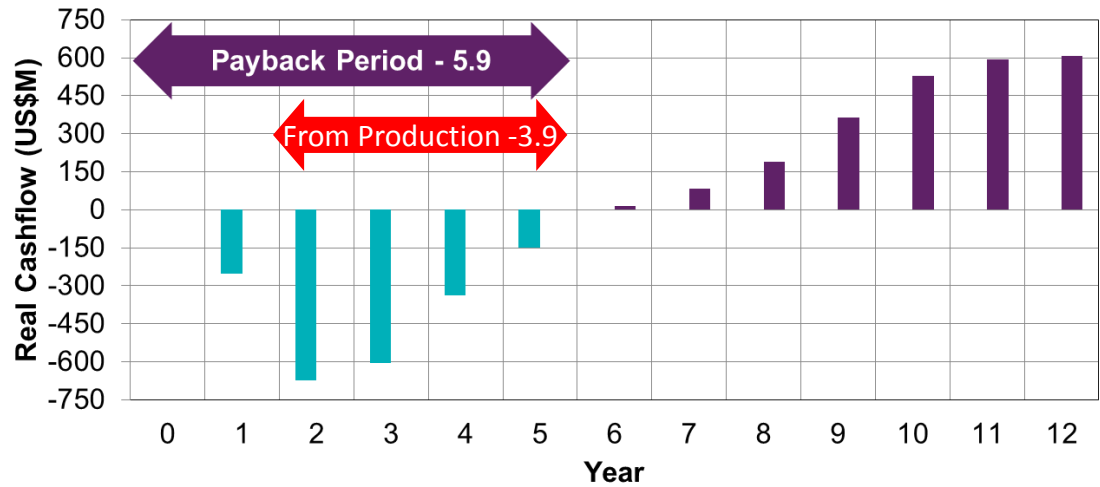


- Figure shows three valuation price cases.
- Significant upside exposure to long term price.

Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler

Project Payback

- Schedule is effectively steepening cashflow gradient in early years
- Measured from start of construction – reduce by 2 years to measure from start of production



Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler

Pre-Production Capital Estimate

Directs	US\$ M
Bulk Earthworks and Drainage	31
Site Services (cleaning, catering etc)	2
Sulphide Process	200
Oxide Process	68
Molybdenum Process	9
Infrastructure (inc HV Power Line, TSF)	132
Mining	22
Mining - Area 940 - Pre-Strip	68
Indirects	US\$ M
EPCM	78
Owner's Costs	67
Working Capital	50
Total	725

- Mining capital was based on contractor tender information. Estimates include US\$82M contingency.

Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler

C1 Cost (Pro Rata) Global Benchmark

	Operating Cost Estimate	US\$	Units	C1 \$/lb Cu	
				Productora	Global Median
	Open Pit Mining (mining & rehandled)	1.80	/t material moved	0.69	0.48
Sulphide	Sulphide Ore Variable Cost	3.79	/t milled ore	0.54	0.41
	Sulphide Ore Fixed Cost	17	US\$/a		
	Gold RC	5	/oz		
Oxide	Leaching	2.50	/t leached ore	0.93	0.41
	SXEW	0.13	/lb copper		
	Oxide Ore Fixed Costs	5	US\$/a		
	Subtotal			0.58	0.41
Sul	Transport/Port Loading	58	/t concentrate	0.31	0.32
	Total Copper Selling Costs (Transport, TC/RC)	0.40	/lb copper		
Ox	Transport/Port Loading	88	/t cathode	0.07	0.17
	Total Copper Selling Costs (Transport, TC/RC)	0.04	/lb copper		
	General & Administration	11	US\$/a		
	Global Production Total Cost			1.65	1.46

- C1 Costs are pro-rata (no credits). Productora is competitive across cost areas and in total to world copper producers.
- Influence of oxide is small.

*Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler*

Cash Costs

PFS Financial Valuation	Normal Cost (US\$/lb)	Comments
C1 Cost (Normal)	1.47	/lb paid metal, adjusted to exclude deferred waste stripping, includes gold and molybdenum credits.
C1 Cost (Pro Rata)	1.65	/lb produced, adjusted to exclude deferred waste stripping, excludes gold and molybdenum credits, costs apportioned according to net value.
C2 Cash Cost (Normal)	2.25	/lb paid metal, includes C1 plus depreciation of pre-production capital costs.
C3 Cash Cost (Normal)	2.28	/lb paid metal, includes C2 plus production royalties

- Normal cost includes credits (Au + Mo credits).
- Pro rata cost does not include credits
- Pro rata cost developed for operation benchmarking

Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler

Sustaining Capital & TC/RC

Sustaining Capital Item	US\$ M	
Concentrator	2.6	US\$/y
Heap Leach	1.19	US\$/t oxide ore
Tailings Storage Facility	0.46	US\$/t sulphide ore
Mining	Contractor	

- Sustaining capital costs considered in ore delineation

Metal Contract Term	Wood Mackenzie		Financial Model
	2019	2020-2030	
Copper			
Realised Treatment Cost (US\$/t)	90	100	100
Base Refining Cost (US\$/lb)	9	10	10
Molybdenum			
Upgrade Cost (US\$/lb)	1.40	1.40	1.40
Gold			
Base Refining Cost (US\$/oz)	5	5	5

Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler

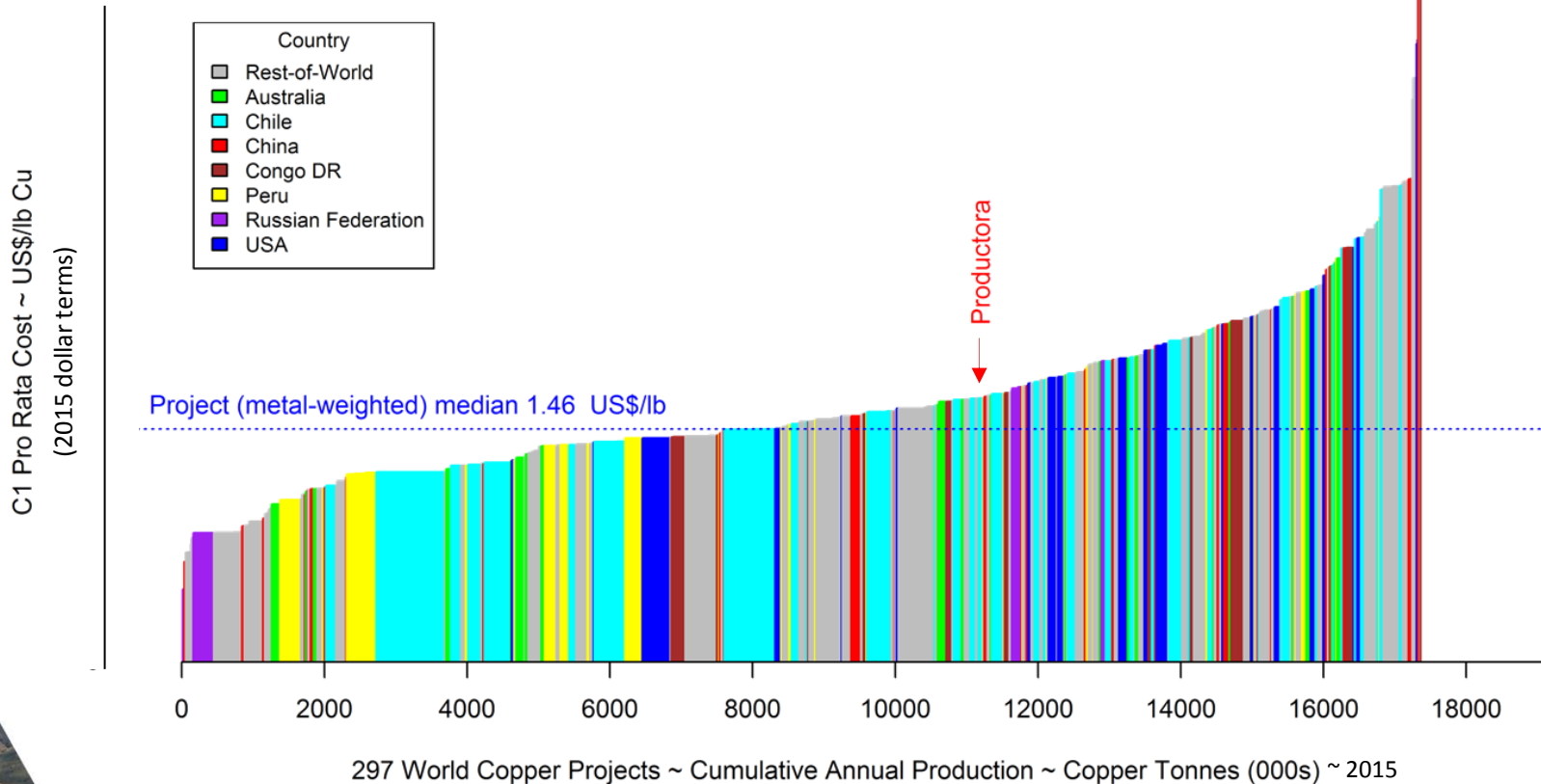
Global Producer Benchmark



- Productora benchmarked against global producer information supplied by Wood Mackenzie, Q4 – 2015
- Utilised Pro Rata Costing methodology – better measure of efficiency for copper only (no credits)
- Comparison made to:
 - ▶ Total C1 Cost (Pro Rata)
 - ▶ Total C1 Cost (Normal)
- Productora cost estimate supplied by Hot Chili.

*Refer to ASX Announcement dated 2nd March 2016
Independent Financial Analysis by Amec Foster Wheeler*

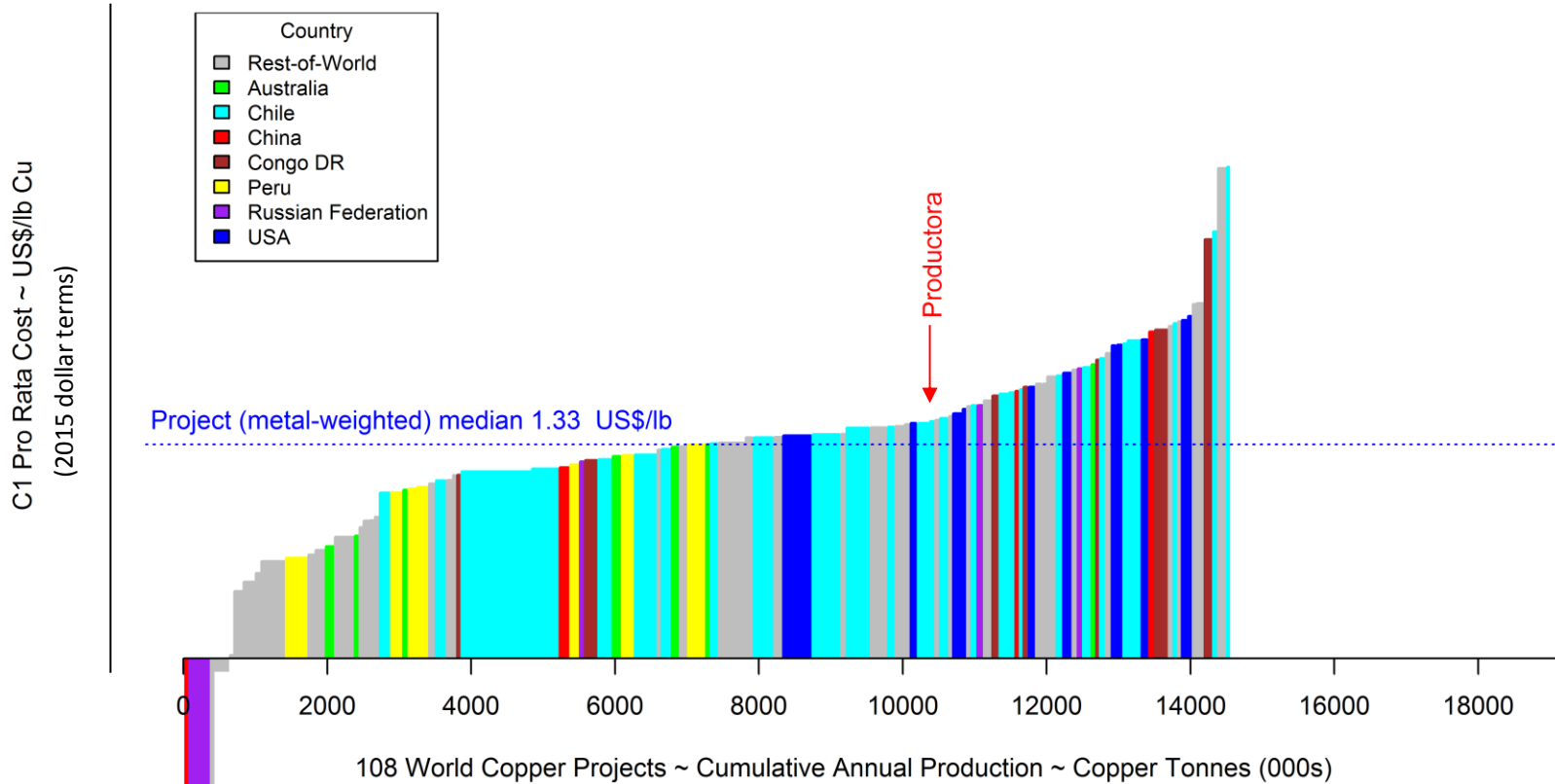
C1 Cost (Pro Rata) Total Benchmark



- Productora C1 cost (pro-rata) cost US165c/lb. (mid 3rd Quartile)
- Median C1 cost (pro rata) of Producers is US146c/lb
- Pro Rata cost does not include credits

Sources: Wood Mackenzie, Q4–2015 Producers; Hot Chili, Productora

C1 Cost (Normal) Benchmark



- **Productora C1 Cost (Normal) is US147c/lb** (Mid 3rd Quartile)
- Median C1 Cost (Normal) of Producers (>80Mlb/y) is US133c/lb.
- Normal cost includes credits (Au and Mo)

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

Global Project Benchmark

- Productora benchmarked against a selection of peer projects:

Hillside (Aust.)

Harper Creek (Canada)

Red Chris (Canada)

Cerro Casale (Chile)

Relincho (Chile)

Agua Rica (Arg.)

El Morro (Chile)

Carrapateena (Aust.)

Ann Mason (USA)

Caspiche (Chile)

Frieda River (PNG)

Cobre Panama (Panama)

Pebble (USA)

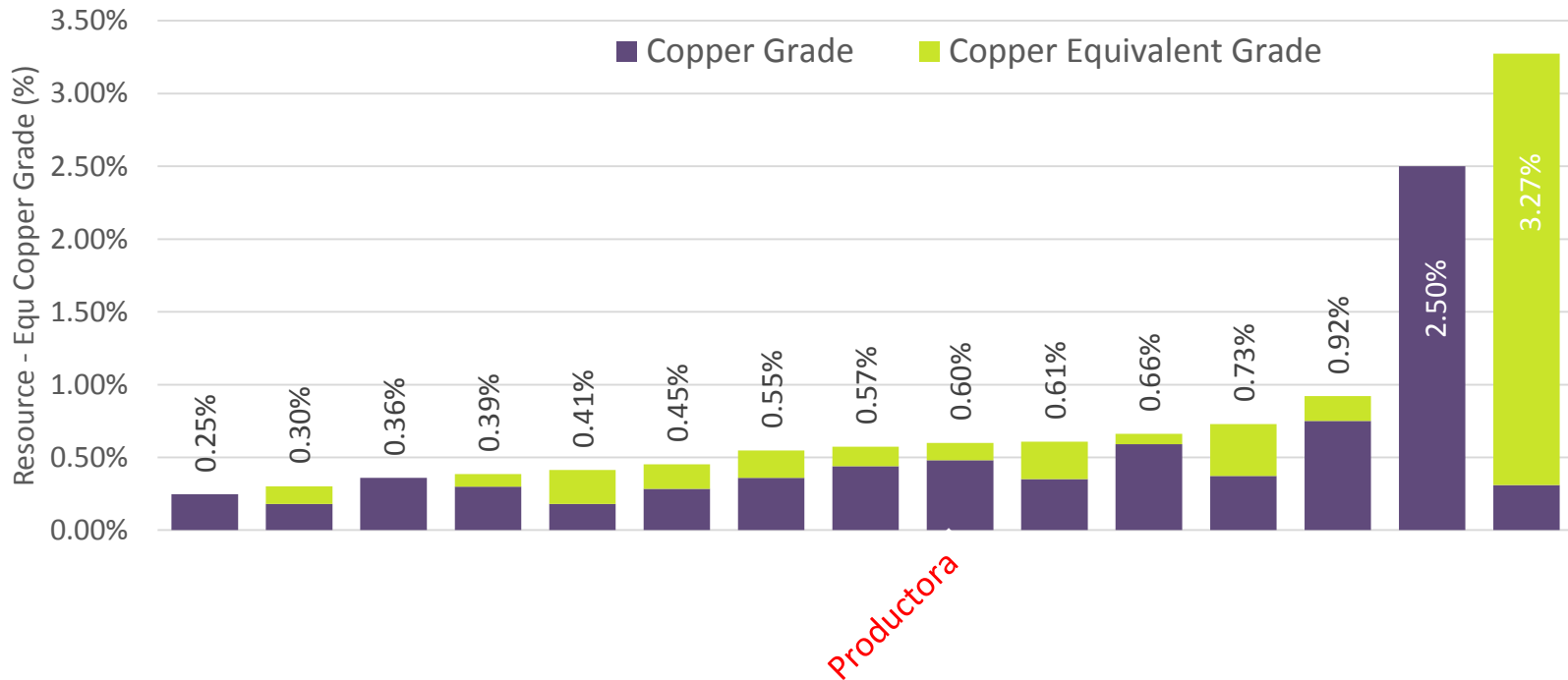
Kamoa (Congo DR)

(Source: Wood Mackenzie, Q4-2015)

- Productora estimated using information supplied by Hot Chili
- All peer projects adjusted by Amec Foster Wheeler to use:
 - ▶ Cu Price US\$3.00 /lb
 - ▶ Au Price US\$1,250 /oz
 - ▶ Mo Price US\$14 /lb



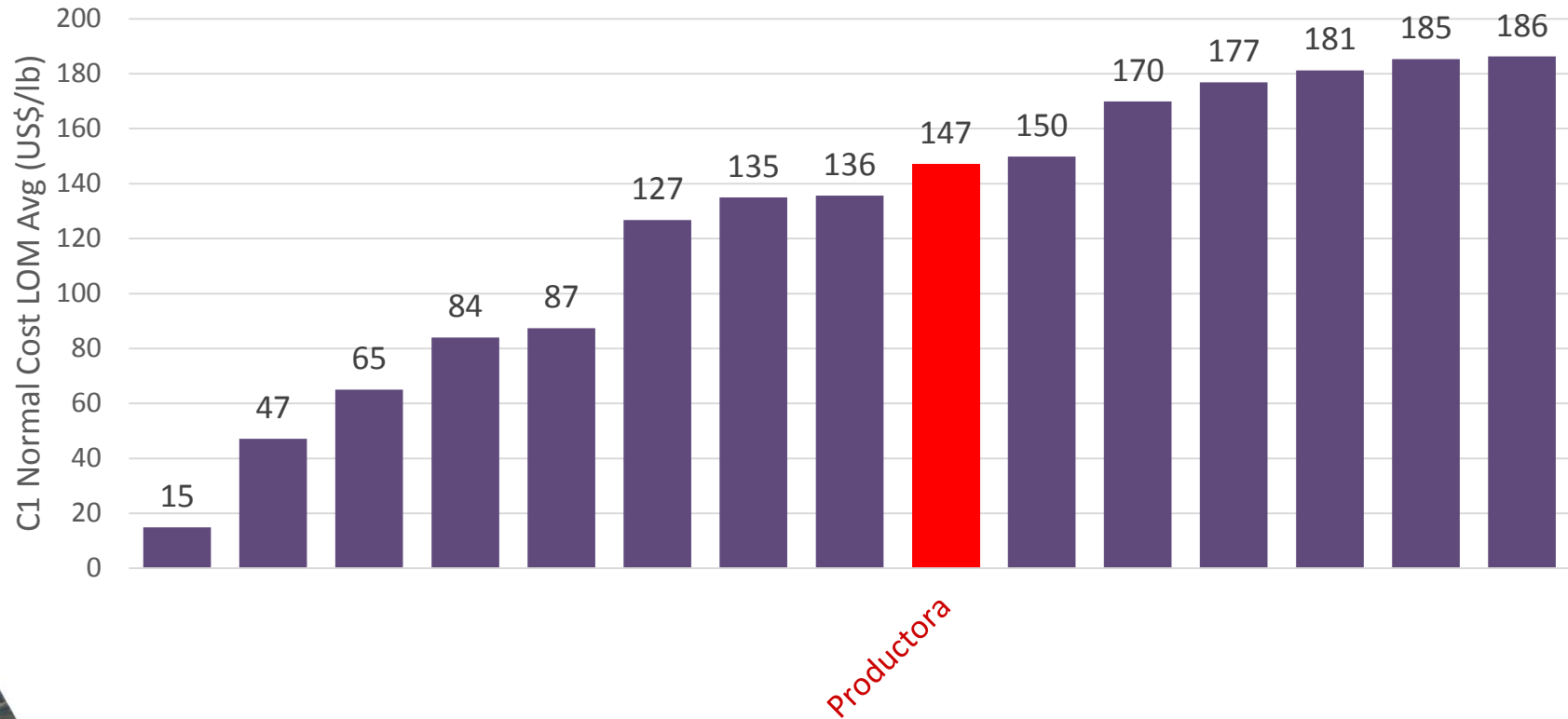
Project Benchmark Resource – Copper Equivalent Grade



- Equivalent grade in the upper half of selected project peer-group.

Source: Wood Mackenzie, Q4-2015, Hot Chili (Productora)

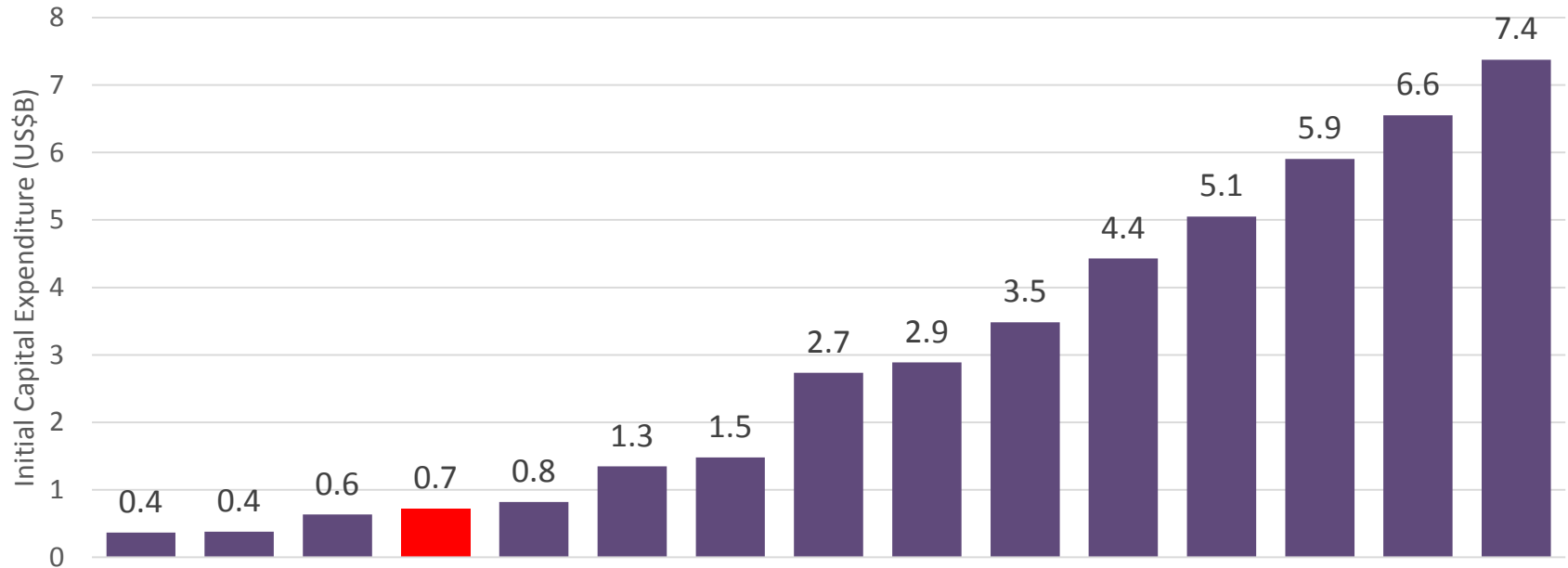
Project Benchmark C1 Cost (Normal - including credits)



- Cash costs positioned against project peer-group.

Source: Wood Mackenzie, Q4-2015, Hot Chili (Productora)

Project Benchmark Initial Capital Expenditure

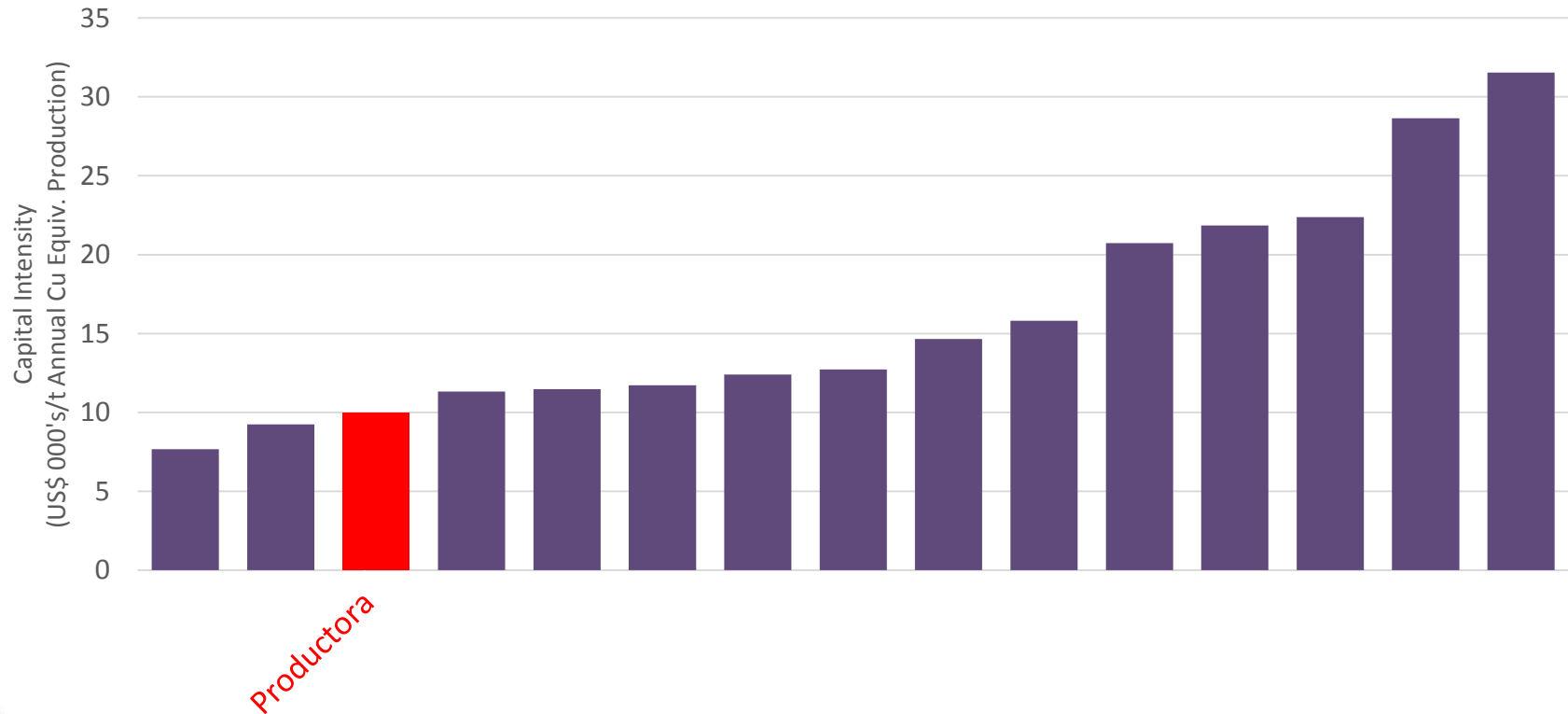


Productora

- Initial Capital in the lower half of selected project peer-group.
- Indicates infrastructure advantage of project.

Source: Wood Mackenzie, Q4-2015, Hot Chili (Productora)

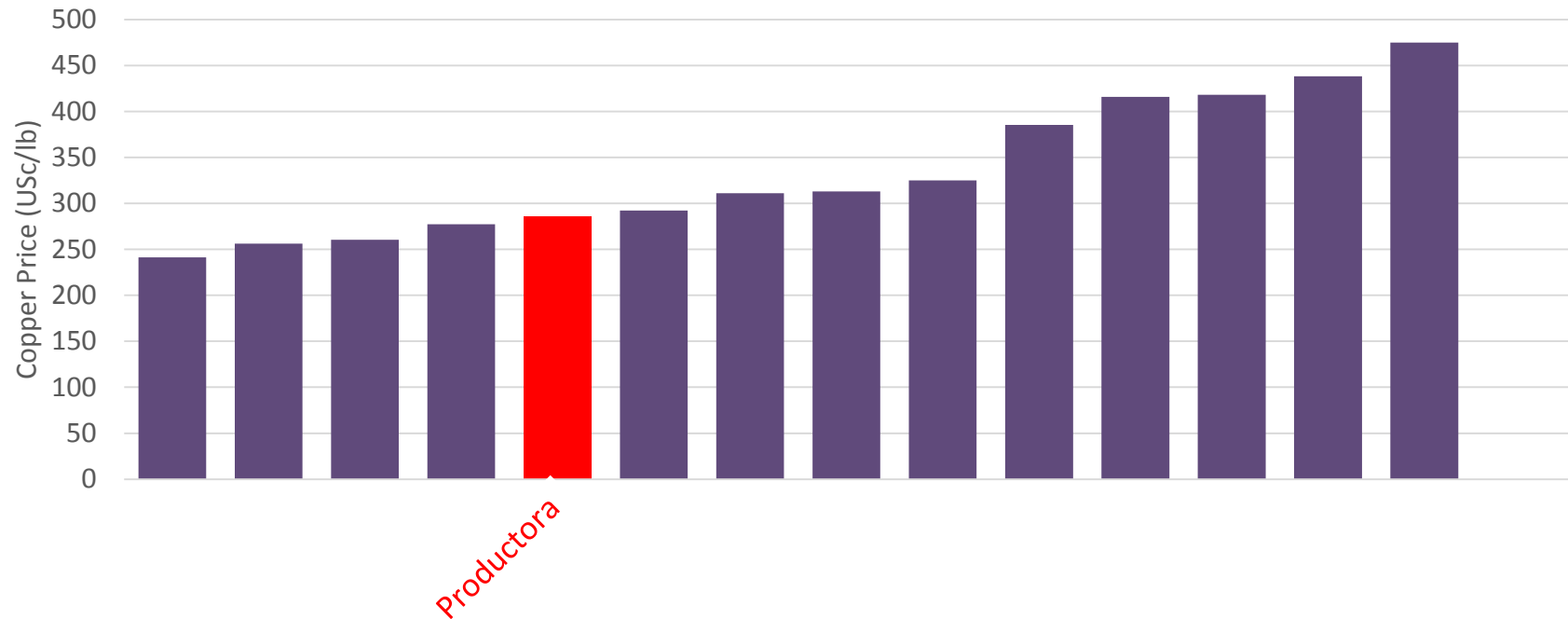
Project Benchmark Capital Intensity



- Productora Capital Intensity US\$10,000/t of annual copper equivalent production is competitive to project peer-group.

Source: Wood Mackenzie, Q4-2015, Hot Chili (Productora)

Project Benchmark Copper Price Required for 15% Project Pre-tax IRR

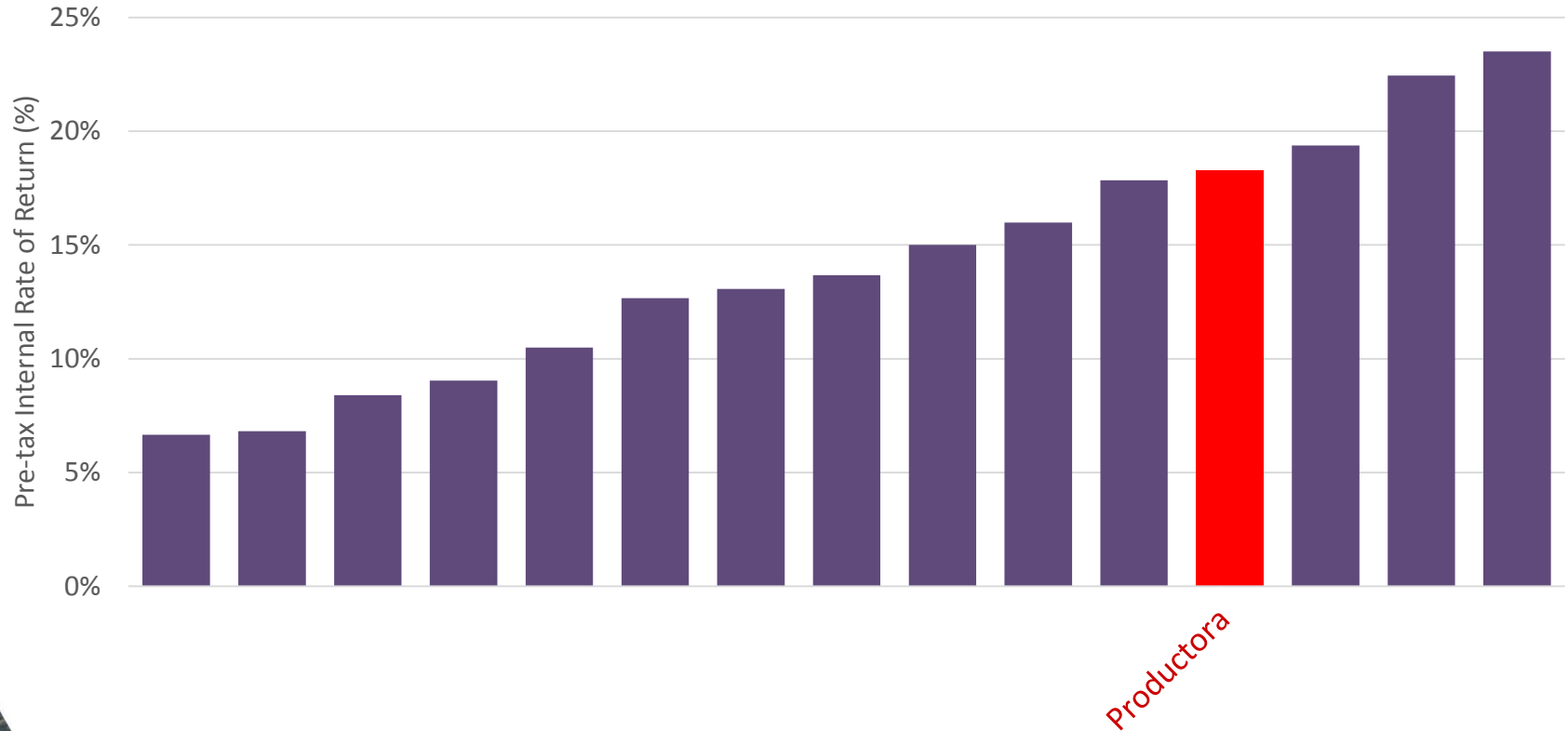


Productora

- US\$2.86/lb price for Productora in lower half, 'all equity' analysis.
- Caspiche removed – significant credits require negative copper price.

Source: Wood Mackenzie, Q4–2015, Adjusted by Amec Foster Wheeler.

Project Benchmark Pre-tax IRR

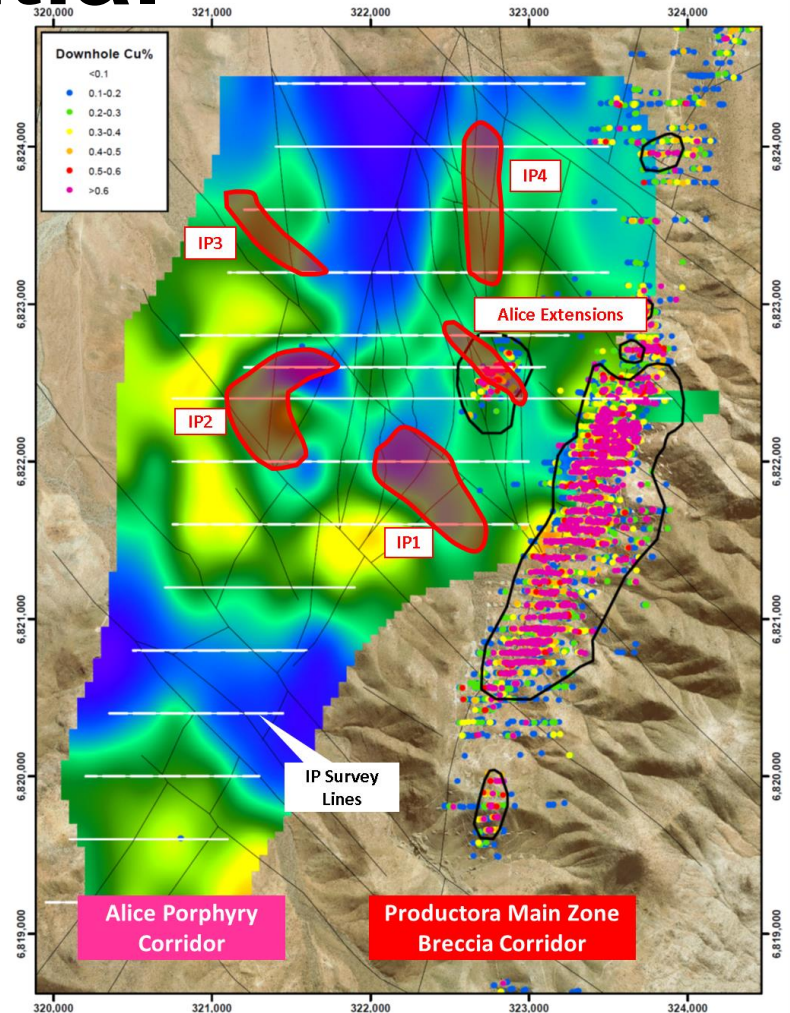


- Productora IRR 18% in upper half.
- IRR based on LT Cu price of US\$3.00/lb, 'all equity' analysis.

Source: Wood Mackenzie, Q4-2015, Adjusted by Amec Foster Wheeler.

Large-scale Copper Porphyry Potential

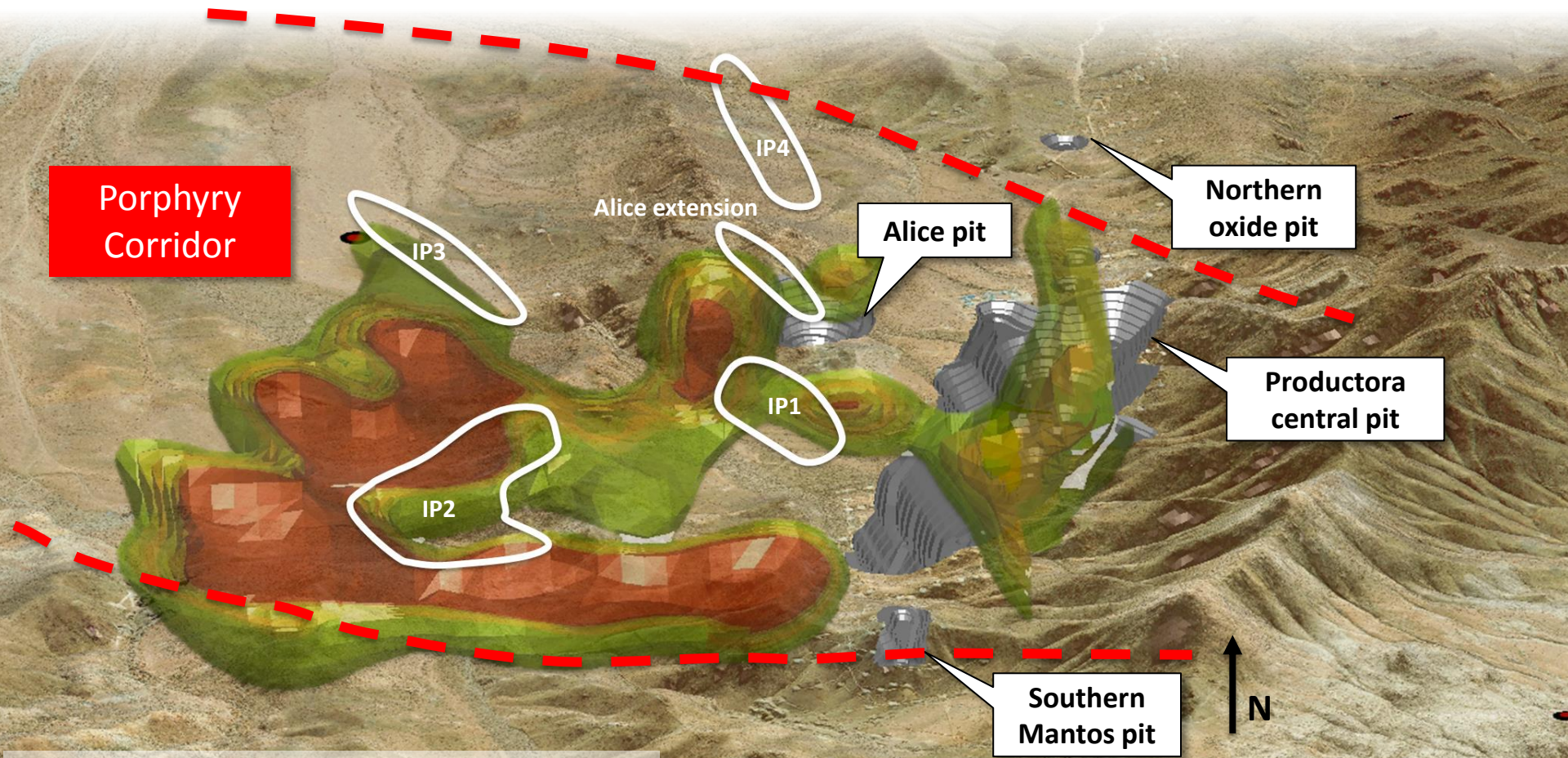
- **Significant resource growth potential** confirmed
- **Alice reveals a preview to future porphyry resource growth**
- **Four large porphyry targets** identified
- New porphyry targets identified from cutting-edge IP/MT geophysical survey



Productora IP chargeability depth slice displaying location of major porphyry targets

Refer to ASX Announcement dated 12th October 2015

Porphyry Targets Key to Further Scale & Mine Life



Porphyry
Corridor

Northern
oxide pit

Productora
central pit

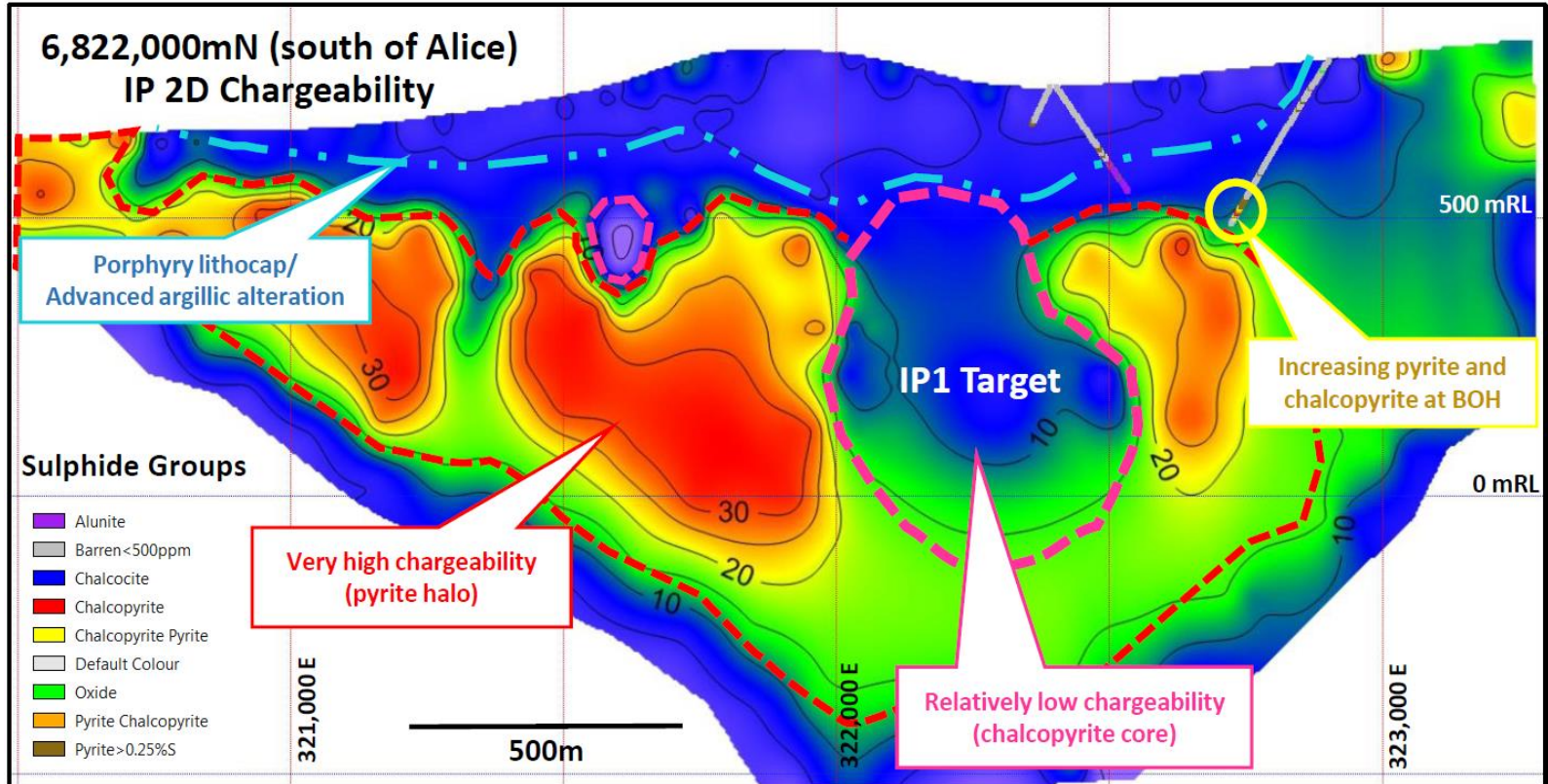
Southern
Mantos pit



Near-mine IP porphyry targets projected to surface (chargeability isoshells displayed)

Refer to ASX Announcement dated 12th October 2015

Porphyry Target IP1



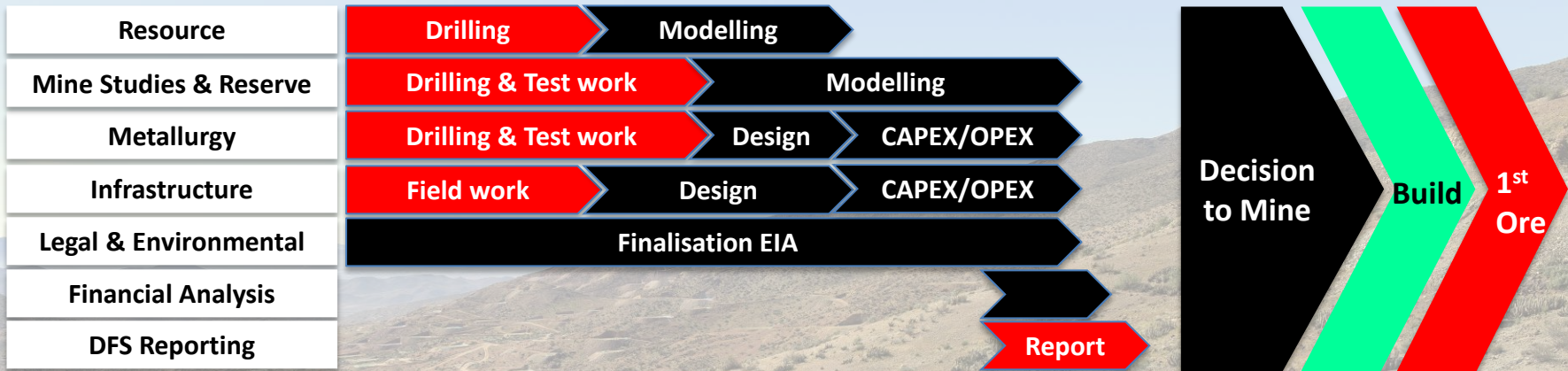
Drillholes displaying sulphide alteration

- The largest target identified in the IP survey, displays a chargeable halo that is approximately 1km in diameter
- Dimensions of the centre of the chargeable halo is approximately 500m in width, 500m in depth extent

Refer to ASX Announcement dated 12th October 2015

Path Forward

- Focus on **adding value and de-risking the Productora project**
- **Continued growth** of porphyry resources within the development footprint



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.



Appendix – Cost Definitions

- Normal Costing in which full costs are allocated to the metal under analysis and net by-product revenue is credited against cash operating costs to give a net cash operating cost (this method is sometimes called by-product credit costing).
- Pro-rata Costing in which the total cost of each process stage is apportioned to the products sharing that process stage; according to their net values at that stage e.g. a metal that contributes 30% of net revenue is allocated 30% of the common costs.
- Co/by-product credits and pro-rata costing analysis are also based on metal production, not sales.
- Smelter and Refinery Charges. All costs are taken from the stand-point of the mine. Thus, for all non-integrated producers, smelter charges are treated as costs.
- Direct Costs are the cash costs for: mining, milling and concentrating, leaching, solution pumping, solvent extraction and electrowinning, on-site administration and general expenses, any off-site services which are essential to the operation, smelting (including toll smelting charges if applicable), refining (including toll refining charges if applicable), concentrate freight costs, marketing costs, and property and severance taxes paid to state/federal agencies that are not profit related.
- Indirect Costs are the costs for: corporate overhead allocation, exploration costs incurred in lengthening mine life (excludes Greenfield corporate work), research attributable to the mining operation, royalties and "front-end" taxes (including sales tax, export tax and duties plus any other revenue-based taxes, but excluding all income and profit taxes and value-added taxes), Codelco's 10% royalty to the military (Tax Law 13,196) is treated as a C3 indirect cost, extraordinary items (e.g. strike costs, shortfalls in pension funding).
- Interest Charges are interest payable less interest receivable on overdrafts, short-term loans and long-term loans.
- Depreciation includes depreciation and amortisation of fixed assets, and depletion of development expenditure (capitalised mine and leach costs). For vertically integrated producers it includes a share of smelter and refinery depreciation costs.
- C1 Cost is the direct cash cost (as defined above).
- C2 Cost is C1 cost plus depreciation.
- C3 Cost is C2 cost plus interest and indirect costs.





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