



Emerging Major Copper Producer

February, 2013

PRODUCTORA
COPPER PROJECT
CHILE



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Exploration Target Size and Target Mineralisation described in this presentation is conceptual in nature and should not be construed as a JORC compliant Mineral Resource. Target mineralisation is based on projections of established grade ranges over appropriate widths and strike lengths having regard for geological considerations including mineralisation style, specific gravity and expected mineralisation continuity as determined by qualified geological assessment. There is insufficient information to establish whether further exploration will result in the determination of a Mineral Resource.

Achieving Growth & Development Milestones

- One of Chile's **fastest emerging major new** coastal range **copper projects**
- **Resource at Productora near doubled in size** in first major resource upgrade
- **Second major resource upgrade due in 2H 2013** with large drilling programme underway
- **Pre-feasibility gets go-ahead** following successful Scoping Study indicating highly favorable project economics
- Productora on-track for **Decision to Mine in 2014**
- **Future copper production hub taking shape**



Corporate Overview

Capital Structure

297.3 Million shares

24.3 Million unlisted 20c options (exp Nov 2013)

39.7 Million listed 75c options (exp Nov 2014)

Cash at Hand

Approx. AU\$ 40 million

Board of Directors

Murray Black	Non-executive Chairman
Christian Easterday	Managing Director
Allan Trench	Non-executive Director
Michael Anderson	Non-executive Director
Geoff Laing	Executive Director

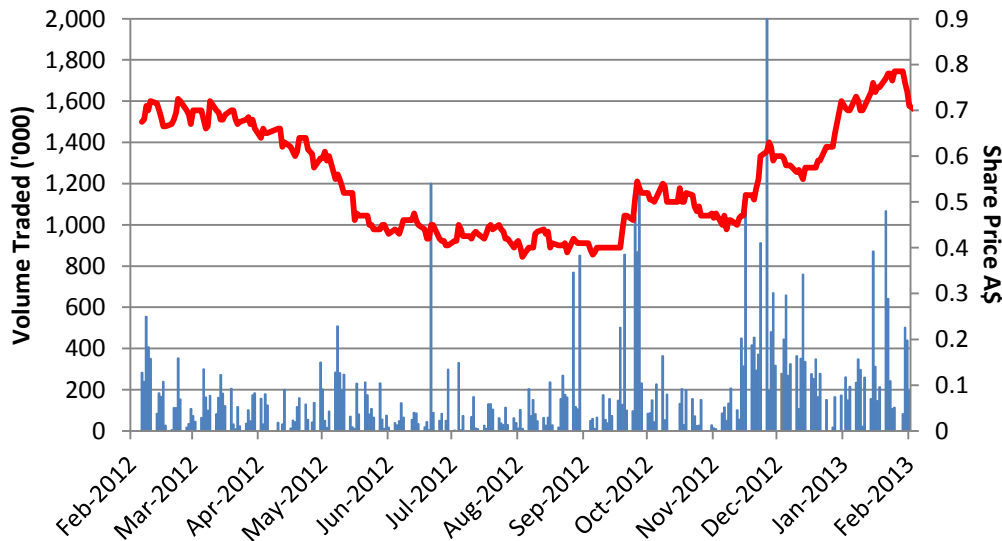
Top 5 Shareholders

17.8%	Kalgoorlie Auto Services
13.9%	Taurus Funds Management
7.3%	Lundin Mining
5.5%	CAP S.A. (Port Finance)
5.0%	Exploration Capital Partners (affil Sprott)

Consolidation Break-down

51%	Top 5 shareholders
64.9%	Top 10 shareholders
71.2%	Top 20 shareholders

HCH 12 Month Share Performance



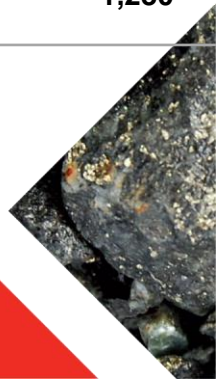
Productora Resource Upgrade

First upgrade near doubles resource



Category	Tonnage	Grade (>0.3% Cu)				Contained Metal (>0.3% Cu)			
		Copper	Gold	Molybdenum	Copper Eq*	Copper	Gold	Molybdenum	Copper Eq*
	(Mt)	%	(g/t)	(g/t)	%	(Kt)	(Koz)	(Kt)	(Kt)
Indicated	70.6	0.6	0.1	140	0.8	420	260	10	560
Inferred	94.6	0.6	0.1	126	0.7	500	310	12	670
Total	165.2	0.6	0.1	132	0.7	920	580	22	1,230

- Copper resources **now defined over 7.5km**
- Resource **from surface** (no pre-strip)
- **Shallow**- Majority of Indicated resources within 250m of surface
- **Higher component of Indicated** defined. 43% Indicated & 57% Inferred classification

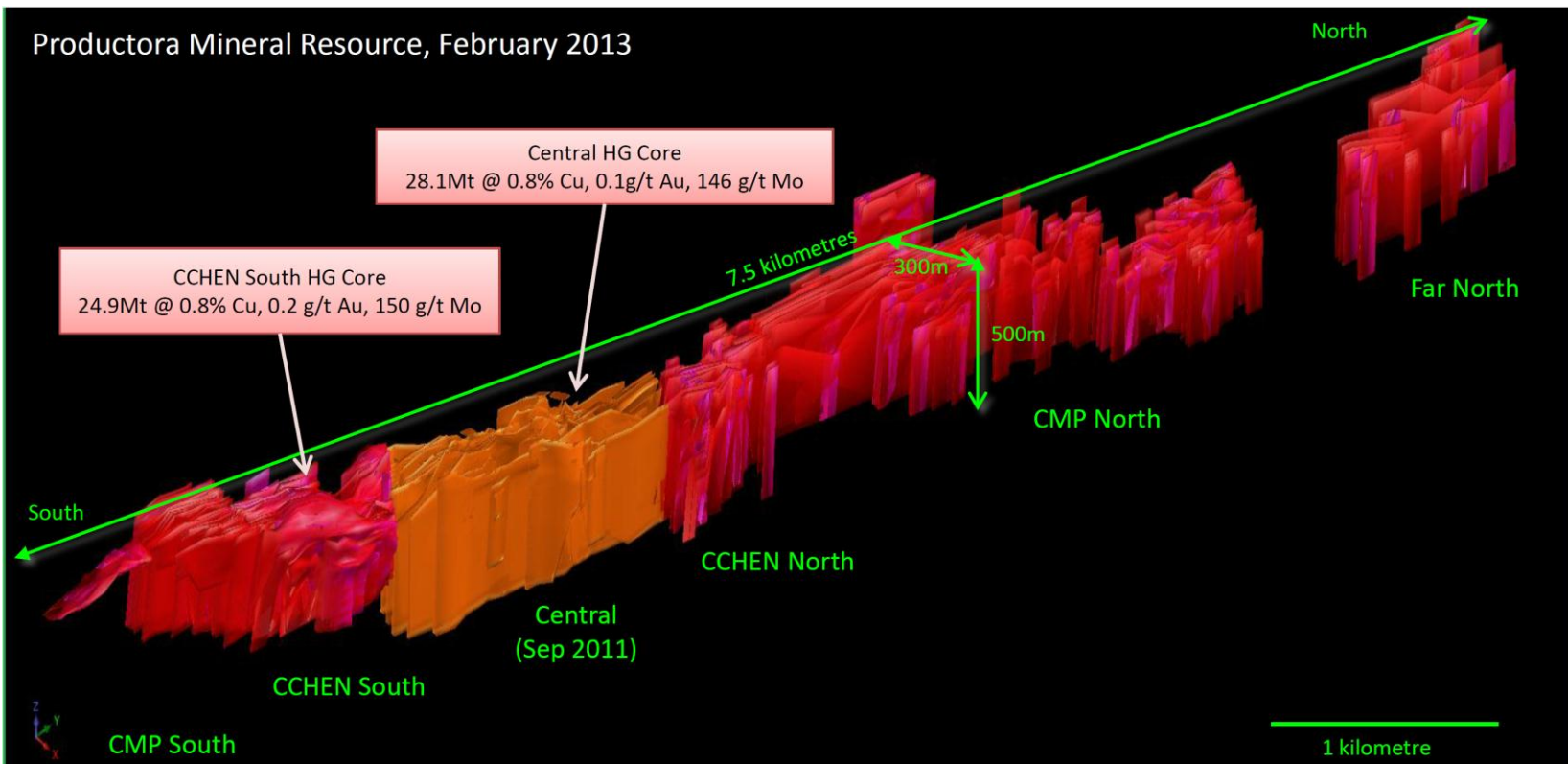


Productora Resource Upgrade

Shallow, at-surface resources growing

- Average resource base depth of 400m- **open-pit focused**
- **High grade from surface** now stands at **53Mt grading 0.8% copper and 0.2g/t gold**
- **High grade zones** in planned central pit development **substantially enhances front-end economics**

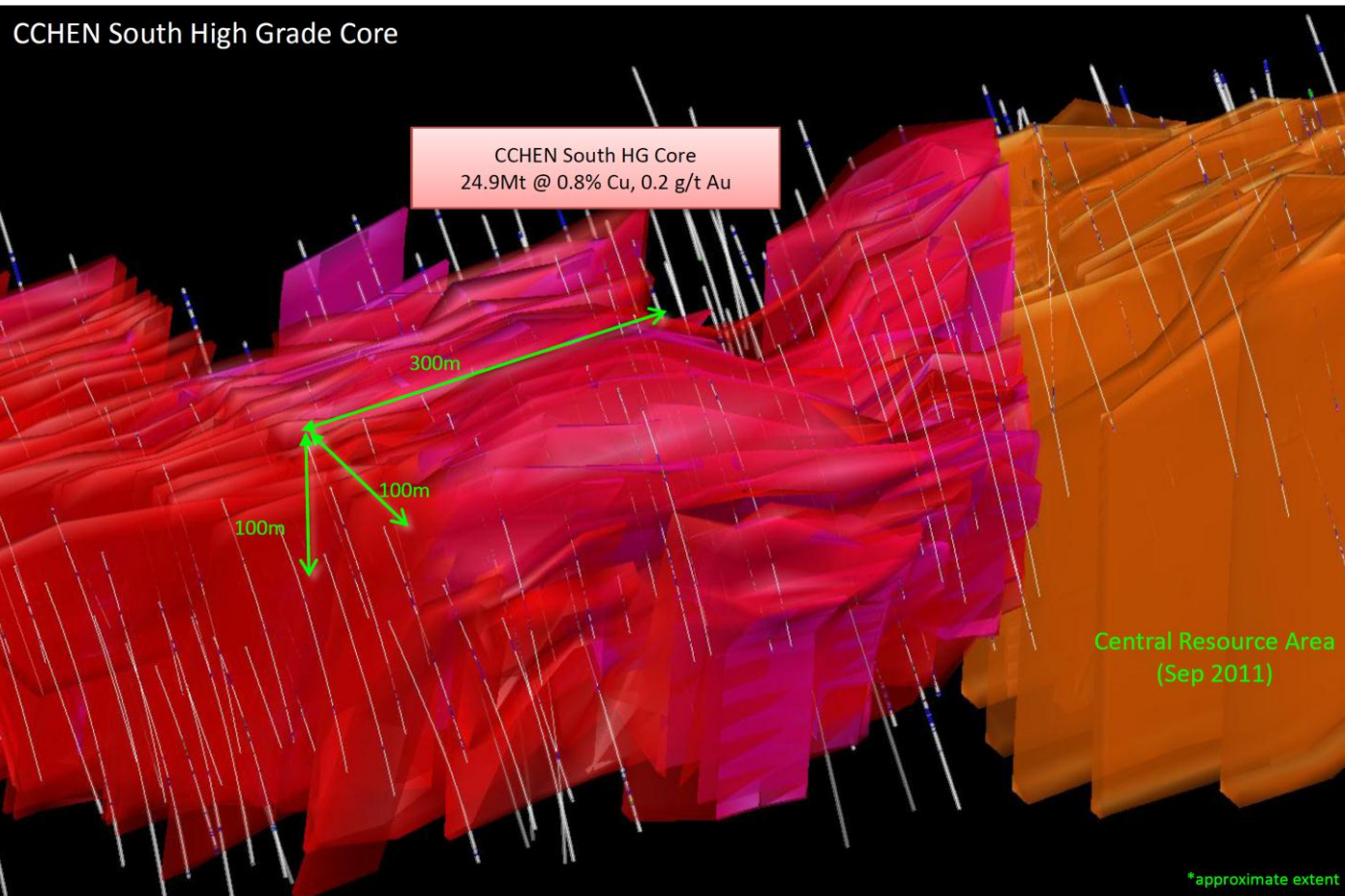
Productora Mineral Resource, February 2013



Productora Resource Upgrade

Increased high grade in planned central pit

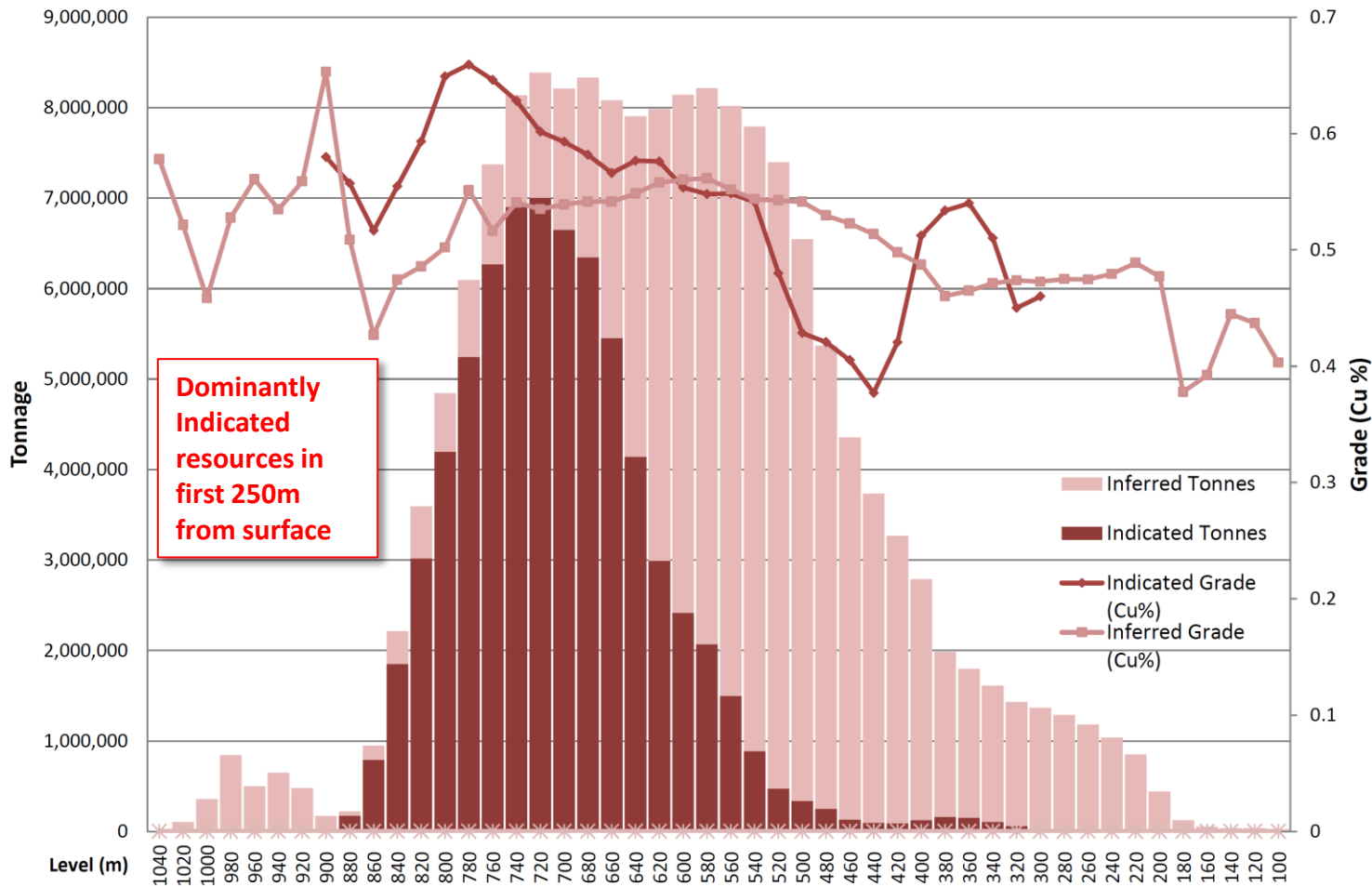
- Second major zone of high grade, shallow material boosts inventory for **starter pit options**
- High grade zones to **drive higher in-pit resources** in planned central pit development



Productora Resource Upgrade

Shallow resources driving high in-pit conversion

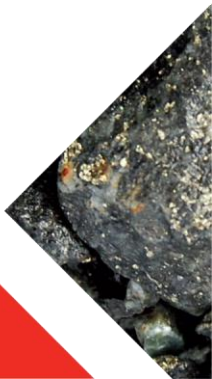
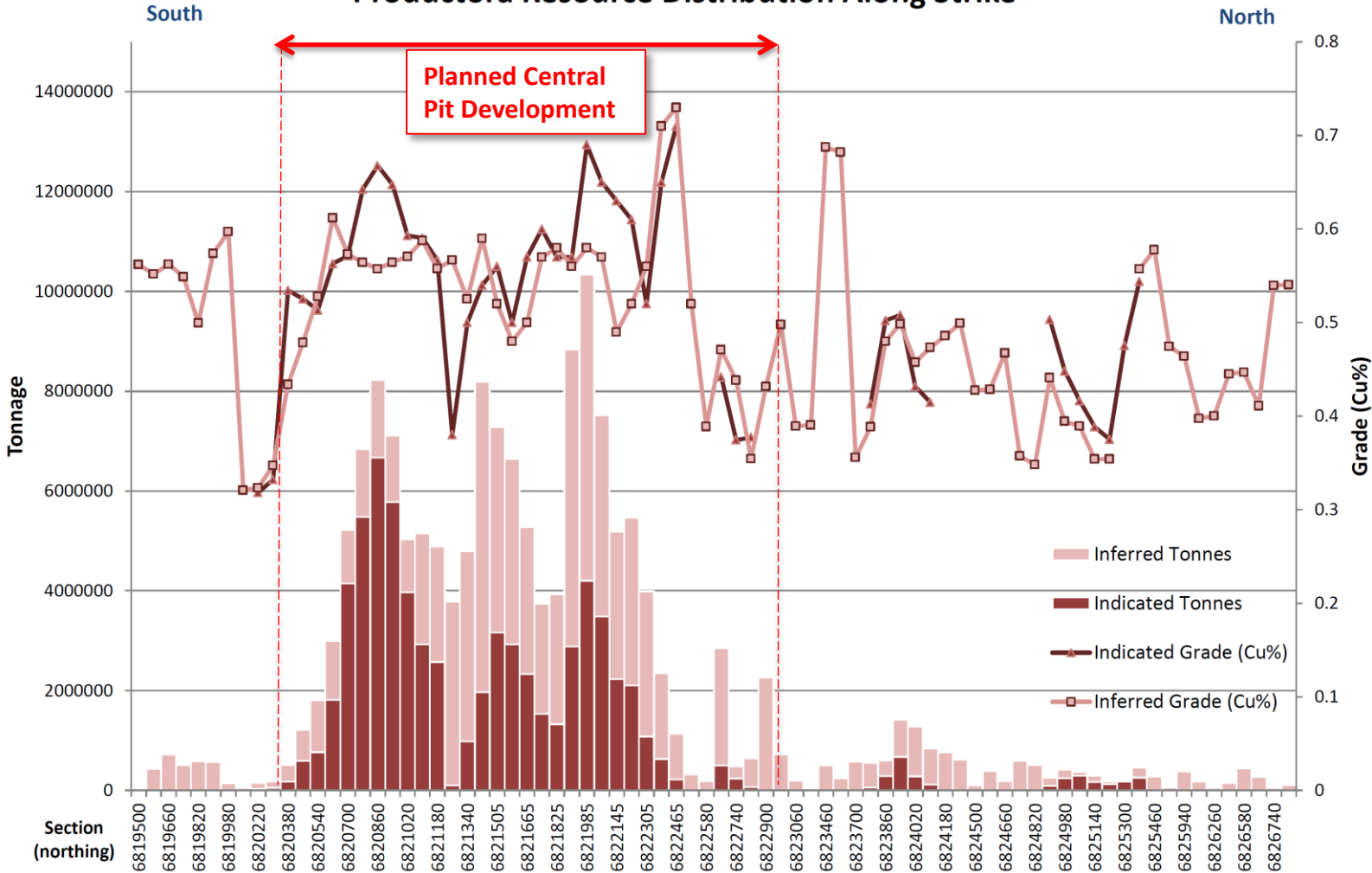
Productora Resource Distribution with Depth



Productora Resource Upgrade

Majority of resource within planned central pit

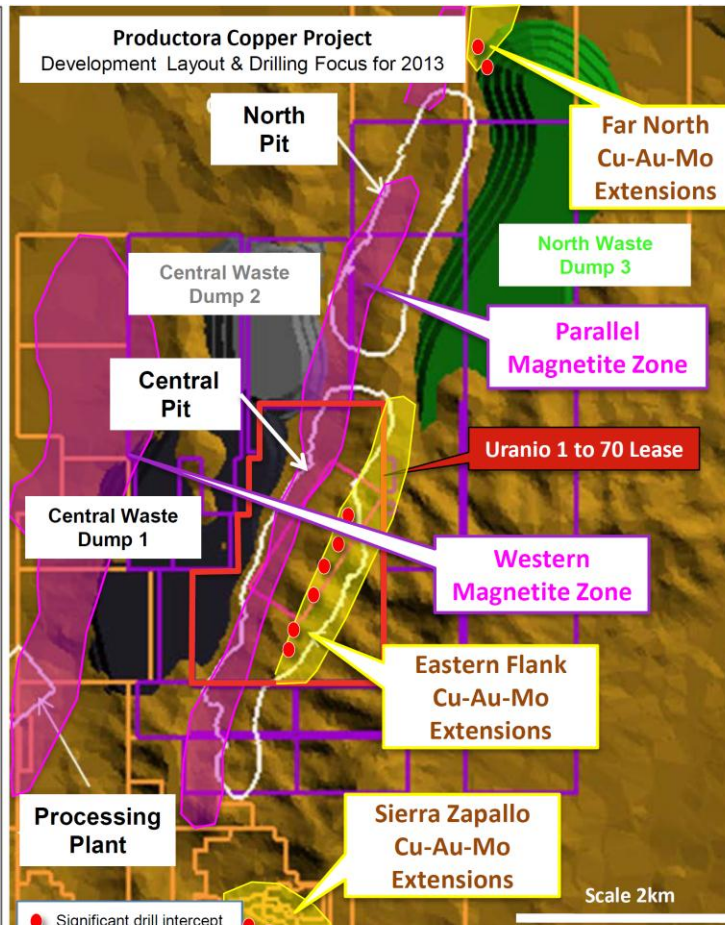
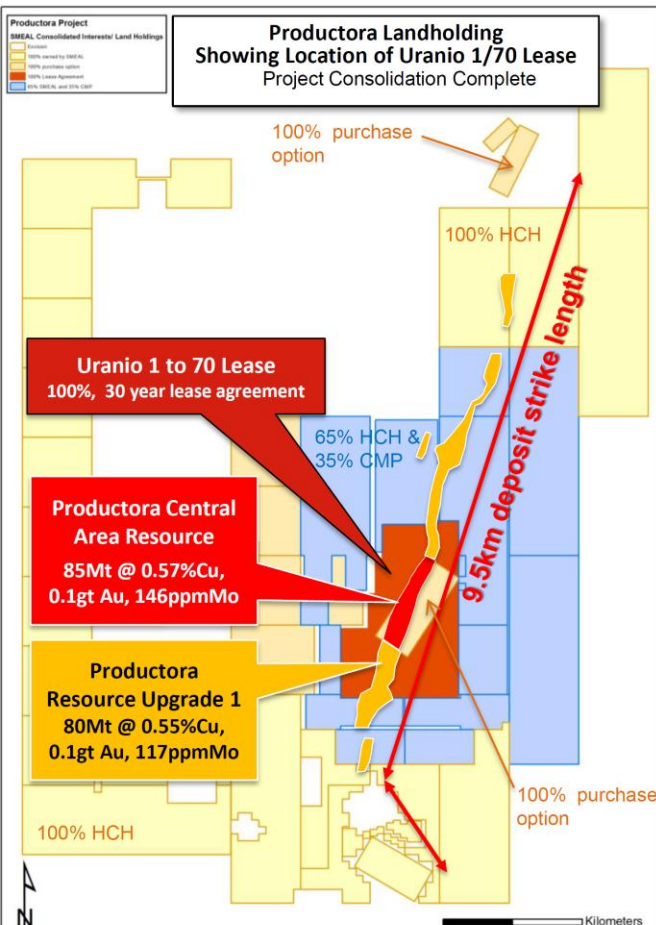
Productora Resource Distribution Along Strike



Productora Resource Growth

Drilling underway for next major resource upgrade

- Major drilling programme underway for 2013 - 85,000m RC and 15,000m DD



Resource Growth

- 2nd Upgrade
Due in 2H 2013
- First Iron ore resources
Due in 2H 2013
- In-pit resource addition
Focus for 2013

Conceptual/Scoping Study Successfully Completed

On-track to be a major low-cost producer

Concept/Scoping Study Parameters

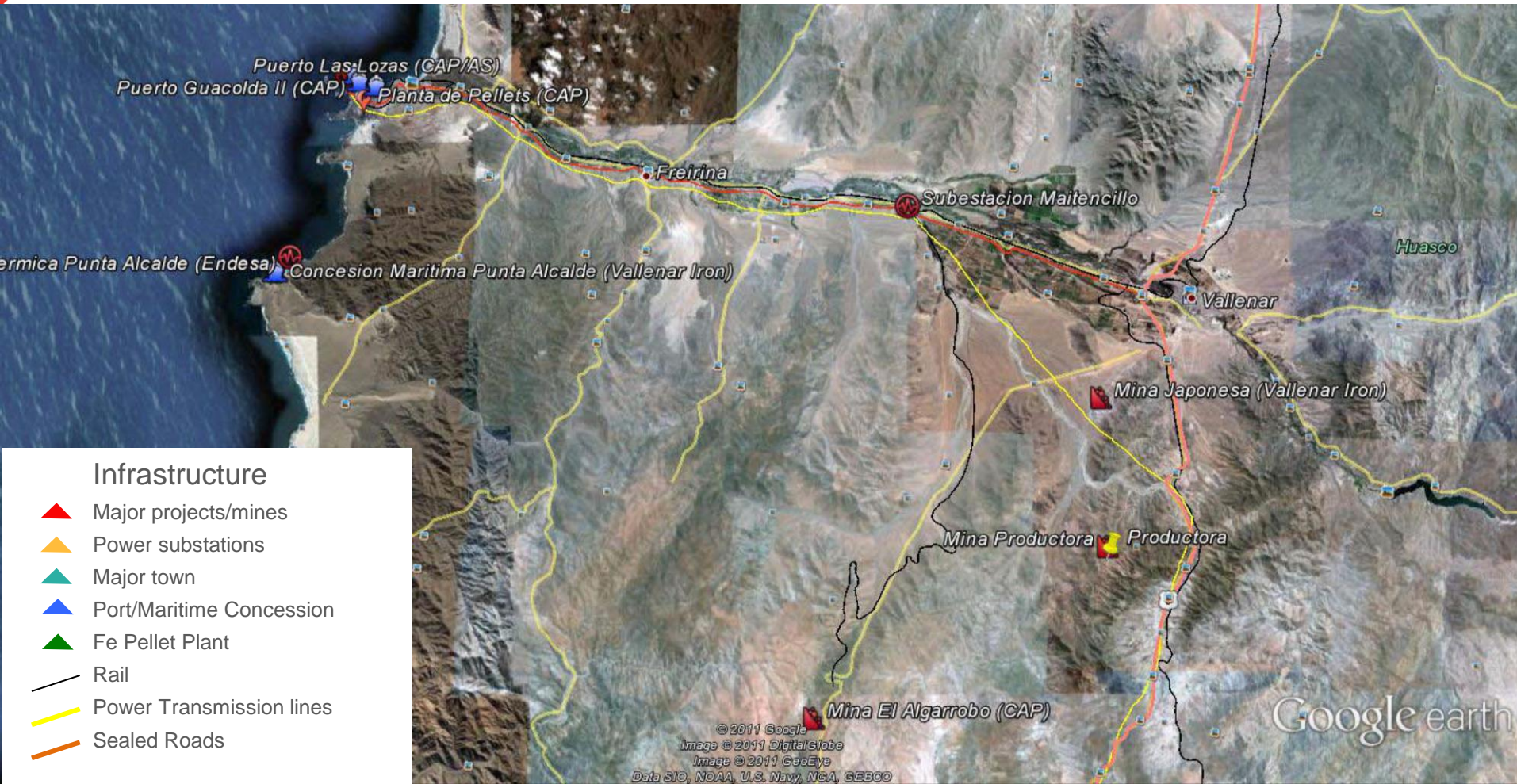
Processing Rate	~11Mtpa
Strip Ratio	3.5-4.5 : 1 (Target strip ration of 4:1)
Metallurgical Recovery	>90% Cu, ~80% Au, ~75% Mo (coarse 180um grind size)
Flowsheet	Sulphide processing plant- Conventional crush-grind-float
Concentrate Production	~220kt/a grading approx. >25% Cu and 6g/t Au
Development Capex	\$500-700M (contingent on off balance sheet options for mining and certain infrastructure.
Opex (C1 including gold credits)	US\$1.20/lb – US\$1.50/lb
Molybdenum concentrate production	To be evaluated (grading 5,300ppm Mo)
Magnetite mine gate sale	To be evaluated, potentially, from FY2018 onwards.
Power Requirement	~60MW consumption, ~80MW installed capacity
Power Costs	17 – 21c/kWhr until 2018 and 12-15c/kWhr 2018 and beyond. Power cost exposure ~15-20% of opex.

Pre-feasibility Given Go-ahead Decision to mine in 2014

- PFS based on February resource upgrade to 165.2Mt
- Second major resource upgrade 2H, 2013.
- Assessment for open cut mining, copper concentrator and associated infrastructure
- Three phases to PFS
 - 1. A strategic optimisation phase** - utilising outcomes from the concept/scoping studies;
 - 2. A project design phase** - including option studies;
 - 3. A realignment phase** - to incorporate any new resource information.
- **Completion of PFS set for Q3 2013**



Productora Infraestructure Location



- Infrastructure proximity and low-altitude driving **Do-ability** and significant time and cost benefits

Access to Nearby Infrastructure

Reduce time and cost of development and operations



Power – 17km of new high-voltage connection to major sub-station of central grid required

Water – Sea water processing. 56km pipeline required.

Accommodation – 15km south of major mining town of Vallenar (population circa 50,000.)

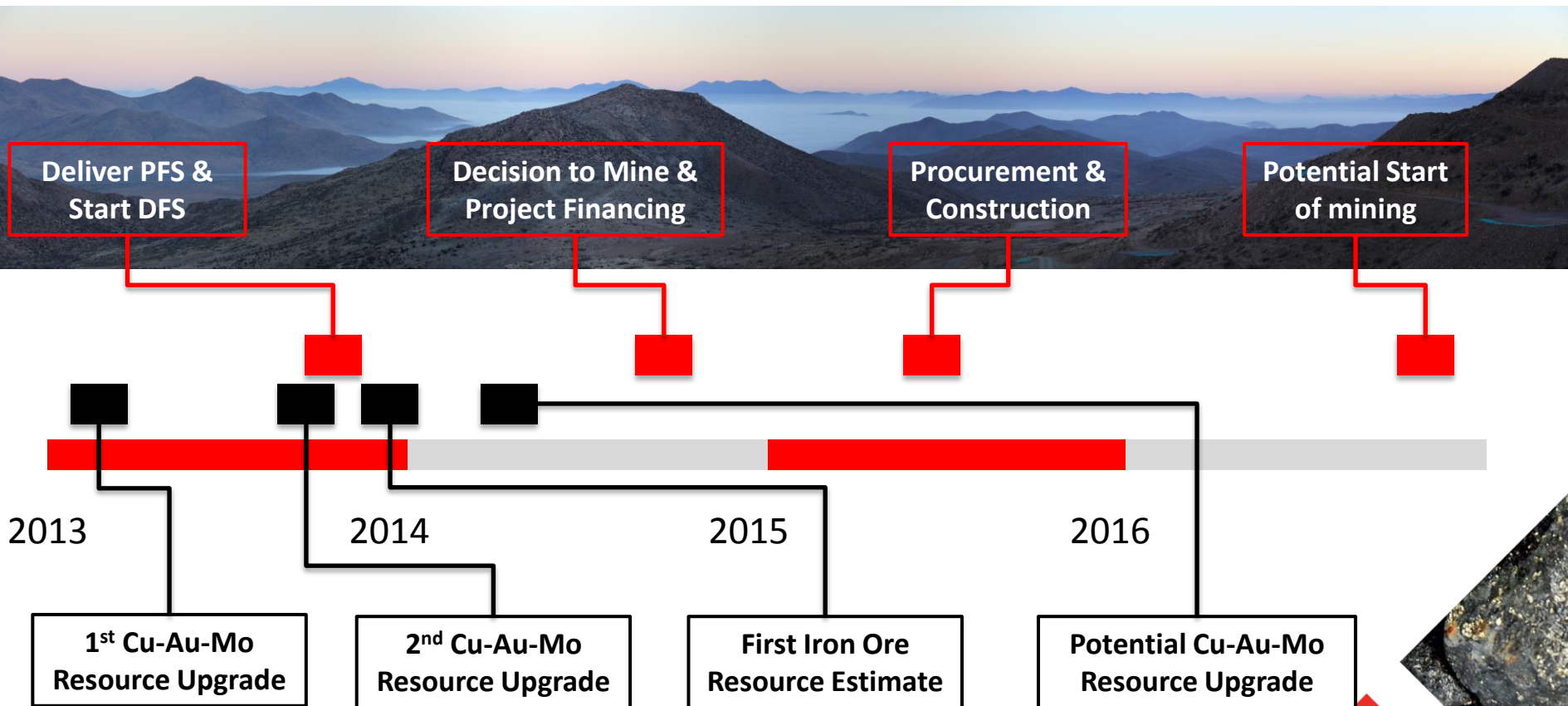
Port – Several ports within trucking distance. Hot Chili and CMP, investigating potential copper concentrate loading facility at Huasco port, 60km to the west.

Road – 5km to the east of the Pan American highway.

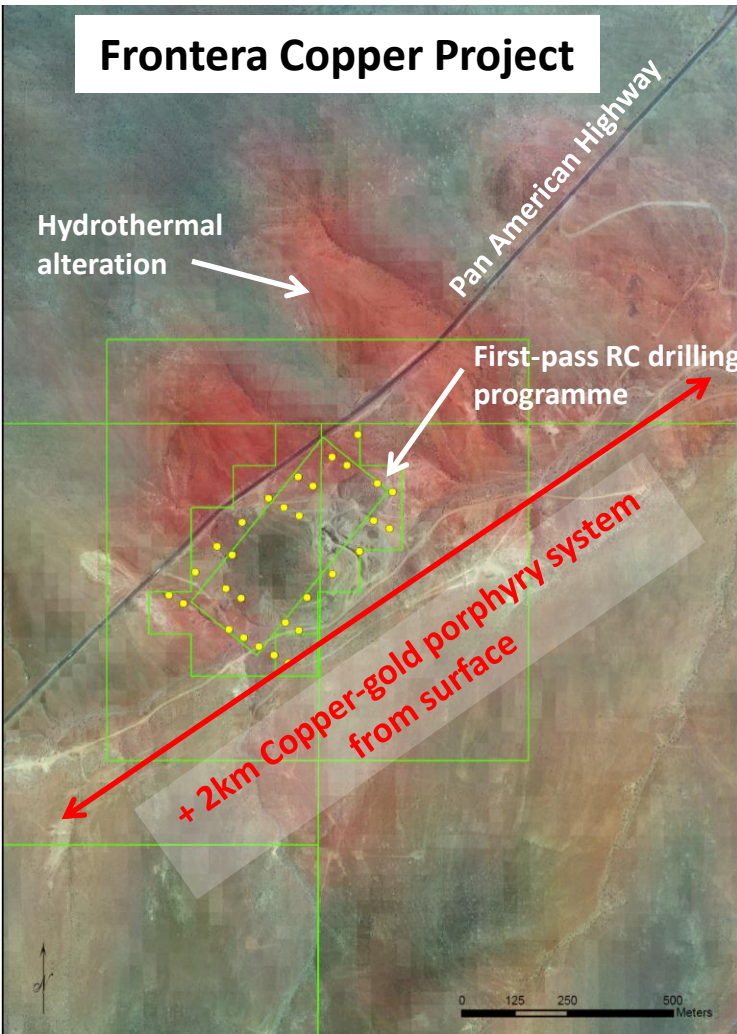
Rail – existing CMP rail infrastructure immediately to the east and west.

Productora Growth & Development Timeline

On-track to deliver further growth in 2013



Drilling Commences at Second Major Copper-Gold Project

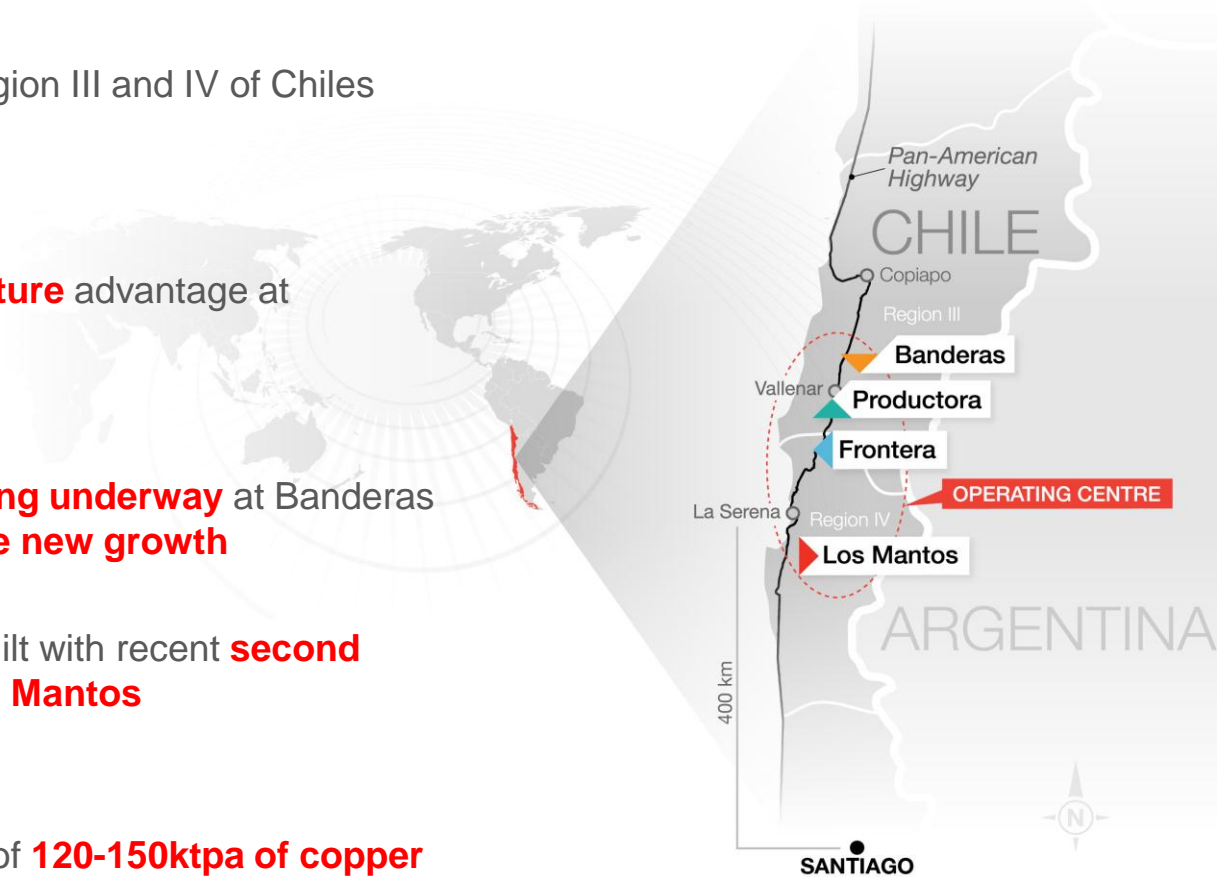


- Drilling commenced at **Frontera copper-gold project**
- **70km south of Productora** and connected via sealed road and rail
- **Large copper-gold porphyry** drill confirmed in 1990's by Noranda with small copper open pit
- **7,000m RC drill programme** underway

Coastal Production Hub in Chile

Three year plan to emerge as major copper producer

- **Production Hub Strategy** for Region III and IV of Chile's coastal range
- **Leverage off existing infrastructure** advantage at Productora
- **Advanced exploration and drilling underway** at Banderas and Frontera, respectively to **drive new growth**
- Large exploration project being built with recent **second CODELCO JV agreement at Los Mantos**
- Potential future production target of **120-150ktpa of copper within 3-5 years.**



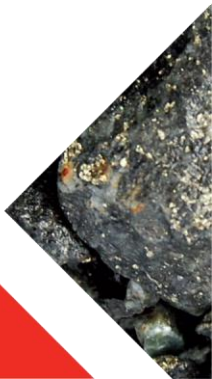
Nine Month News Flow Outline

Growth and development focus



View over Drill Coverage in Planned Central Pit Development Area, Productora

- **Extensional drill results at Productora throughout 2013**
- **First drill results from second major copper-gold project- Frontera**
- **Second major resource up-grade at Productora**
- **First iron ore resource at Productora**
- **Completion of PFS and commencement of DFS at Productora**
- **Commencement of first drilling programme at Banderas copper project**



Qualifying Statements

Copper Equivalent Calculation (Cu Eq*)

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 = $Cu \% + Mo(ppm) \times 0.0008 + Au(ppm) \times 0.6832$

Price Assumptions - Cu (US\$1.80/lb), Mo (US\$15/lb), Au (US\$850/oz)

Competent Person Statement

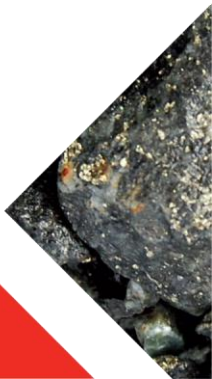
Exploration Reporting

Information in this announcement that relates to exploration results and mineralisation 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 presentation of the statements based on his information in the form and context in which they appear.

Exploration Reporting

The information in this report that relates to the Central Mineral Resource, Productora is based on information compiled by Alf Gillman, who is a fellow of the Australasian Institute of Mining and Metallurgy. Alf Gillman is a director of Odessa Resources Pty Ltd, and has sufficient experience in mineral resource estimation, which is relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Alf Gillman consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resource estimates outside of the Central Mineral Resource is based on information compiled by Aloysius Voortman and Fleur Muller. Aloysius Voortman is a Fellow of the Australasian Institute of Mining and Metallurgy, and Fleur Muller is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Aloysius Voortman is an employee of Coffey Mining, and Fleur Muller is an employee of Hot Chili Ltd, and both have sufficient experience in mineral resource estimation, which is relevant to the style of mineralisation and type of deposit under consideration. Mr Voortman and Mrs Muller are qualified as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Both Mr Voortman and Mrs Muller consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



“ the company is positioned as one of leading ASX emerging copper producers”

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