



Date: 4th September, 2013

Hot Chili Closes \$9.9 Million from Tranche 2 Placement

Hot Chili Limited (ASX Code: HCH) is pleased to announce that it has closed the second tranche of a A\$11.7 million capital raising announced on the 10th of July 2013. A total of 22,130,000 shares were issued following the receipt of approximately A\$9.9 million in funds.

The private placement capital raising has been strongly supported by Hot Chili's existing strategic shareholders, in particular Hot Chili's major project partner Chilean resources major CAP S.A. ("CAP"). CAP is the parent company of Compañía Minera del Pacífico S.A. ("CMP"), Chile's largest iron ore producer and integrated steel business.

The funding underpins Hot Chili's development plan to continue advancing Productora, and ultimately working towards a decision to mine on one of Chile's fastest emerging new mid-tier coastal copper projects.

Strong news flow is expected over the coming months ahead as the Company prepares to outline substantial resource growth through a second major resource up-grade at Productora and a first resource estimate at Hot Chili's exciting copper-gold discovery Frontera, 70km south of Productora.

Importantly, Hot Chili is progressing well towards negotiating key infrastructure agreements with CMP. Such negotiation could result in substantial operational synergies given that Productora lies in the heart of CMP's existing coastal infrastructure.

Murray Black, Chairman of Hot Chili, commented "Strong participation by CAP in this placement and the appointment of CAP nominee Mr Roberto de Andraca Adriasola to the board of Hot Chili is a strong indication of the commitment by both companies, in co-operation, to advance the Productora copper project towards development."

"The combination of advanced, large-scale copper projects, strong local partnerships and infrastructure leverage is key to Hot Chili cementing its position as one of Australia's largest emerging copper producers in the tier-one Chilean coastal copper space."

"This capital raising is another vote of confidence for the Company's projects and strategy" Black said.

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