Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name / Scheme	Hot Chili Limited
ACN/ARSN	ACN 130 955 725

1. Details of substantial holder (1)

Name	Port Finance Limited N.V.
ACN/ARSN (if applicable)	N/A
The holder became a substantial holder on	29 April 2010

2. Details of voting power

The total number of votes attached to all the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's vote (5)	Voting power(6)
Ordinary shares	6,210,527 ordinary shares	6,210,527	5%

3. Details of relevant interest

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows

Holder of relevant interest	Name of relevant interest (7)	Class and number of securities
Port Finance Limited N.V.	The relevant interest arises as Port Finance Limited N.V. acts as nominee of CAP S.A.	6,210,527 ordinary shares
Port Investment Limited N. V.	The relevant interest was acquired as Port Investment Limited N. V. holds 100% of Port Finance Limited N.V.	As above
CAP S.A.	The relevant interest was acquired pursuant to agreement dated 6 August 2009 between Hot Chili Limited and CAP S.A., and CAP S.A. holds 100% of Port Investment Limited N. V. A copy of the agreement accompanies this notice (**Agreement**)	As above

4. Details of present registered holders

The person registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Port Finance Limited N.V.	Port Finance Limited N.V.	Port Finance Limited N.V.	6,210,527 ordinary shares
Port Investment Limited N. V.	Port Finance Limited N.V.	Port Finance Limited N.V.	As above
CAP S.A.	Port Finance Limited N.V.	Port Finance Limited N.V.	As above

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Port Finance Limited N.V.	22 April 2010	Nil	Issued at a deemed issue price of $0.20 each pursuant to the Agreement	6,210,527 ordinary shares
Port Investment Limited N. V.	As above	As above	As above	As above
CAP S.A.	As above	As above	As above	As above

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Port Investment Limited N. V.	Port Investment Limited N. V. holds 100% of Port Finance Limited N.V.
CAP S.A.	CAP S.A. holds 100% of Port Investment Limited N. V.

7. Address

The address of persons named in this form are as follows:

Name	Address
Port Finance Limited N.V.	6 John B. Gorsiraweg, Curazao, Netherlands Antilles
Port Investment Limited N. V.	6 John B. Gorsiraweg, Curazao, Netherlands Antilles
CAP S.A.	Gertrudis Echeñique 220, Las Condes, Santiago, Chile

Signature

Print name: **Jorge Dominguez Cruzat** Capacity: **Executive Vice President**

Sign here date May / 2nd / 2010

DIRECTIONS

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

(3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.

(4) The voting shares of a company constitute one class unless divided into separate classes.

(5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.

(6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.

(7) Include details of:

(a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".

(9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

HOT CHILI LIMITED

August 6th, 2009

Jaime Charles

Chief Executive Officer

CAP S.A.

Gertrudis Echeñique 220

Las Condes, Santiago, Chile

Re: Promise to Issue Ordinary Shares in Hot Chili Limited

We confirm that Hot Chili Limited, through its Chilean subsidiary company Sociedad Minera El Águila (SMEAL), is engaged in the negotiation of a joint venture option agreement (**JV Agreement**) with CAP's wholly-owned Chilean subsidiary company Compañia Minera del Pacifico (CMP) in connection with the mining rights set forth in the letter of intent dated August 6th 2009, sent by SMEAL to CMP.

We also confirm that Hot Chili Limited is in the process of planning to list as a public company on a suitable stock exchange.

As consideration for the execution of the JV Agreement between SMEAL and CMP, Hot Chili Limited provides the following promissory undertakings to CAP.

1. At the completion of listing of Hot Chili Limited on a suitable stock exchange, either through Initial Public Offering or a Reverse Takeover transaction, and following the completion of the listed company's first capital raising, CAP or one of its nominated wholly-owned subsidiaries will be issued with 5% of the ordinary shares in that listed company.

2. In addition, CAP or one of its nominated wholly-owned subsidiaries will also have a preferential right to participate in future fund raisings to increase their interest from 5% to 10% in that listed company.

3. Should Hot Chili Limited fail to list as a public company on a suitable stock exchange within 12 months from the execution date of the JV Agreement, SMEAL and CMP will terminate the JV Agreement and SMEAL shall release all encumbrances registered in accordance with such JV Agreement. CAP or one of its nominated wholly-owned subsidiaries will have right to waive such termination.

4. The listing and issue of ordinary shares in Hot Chili Limited shall be in compliance with applicable corporate and legal regulatory guidelines and would be completed in consultation and cooperation with CAP, to the mutual benefit of both parties.

Yours Faithfully,

Christian Easterday

Managing Director

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