



ASX Announcement

15 October 2013

Hot Rock Strategic Review Update

The Board of Hot Rock Limited (HRL or Company) has completed the strategic review of the Company and its projects that was advised to the market in July. The review included looking at potential options for restructuring, cost cutting and a refocusing program for the Company's projects which included the possible sale or other disposal of projects currently held.

The review was in response to current market conditions in which the ability of the Company to raise sufficient capital or to attract joint venture partners to develop the current projects has proved to be extremely difficult despite the quality of the projects held by Hot Rock.

During the review period the Company has opened a data room to interested parties to acquire or to joint venture, in any of the projects held by the Company. The Company has now completed an evaluation of options available relating to the possible sale or disposal of its projects.

HRL, with its current joint venture partner, Energy Development Corporation ('EDC'), has signed a binding letter of offer (**LOO**) for the potential sale of the Company's stake in the Quellaapacheta project and for some or all of HRL's remaining Chilean and Peruvian assets along with drill casing owned by HRL. Any sale which may arise will be subject to amongst other things, satisfactory completion of due diligence by EDC and approval of HRL shareholders if required.

EDC and HRL have under the potential offer terms entered a period of exclusivity with a view to negotiating the final terms of a sale agreement in the near term, acceptable to both parties and consistent with the LOO.

If a sale agreement is entered into, HRL will provide a further update when it is in a position to do so.

For further information please contact:

Dr Mark Elliott,
Executive Chairman,
+61 7 3212 6200 or 0409 998 840
mark.elliott@hotrockltd.com
or visit website www.hotrockltd.com