ABERDEEN CHILE FUND, INC.
Form 497
October 07, 2013

PROSPECTUS SUPPLEMENT

(To Prospectus dated October 3, 2013)

Aberdeen Chile Fund, Inc.

Up to 2,600,000 Shares of Common Stock

Aberdeen Chile Fund, Inc. (the Fund) has entered into a sales agreement, as amended (the sales agreement), with JonesTrading Institutional Services LLC (JonesTrading) relating to the shares of its common stock, par value $0.001 per share (Shares), offered by this Prospectus Supplement and the accompanying Prospectus. In accordance with the terms of the sales agreement, the Fund may offer and sell up to 2,600,000 of its Shares from time to time through JonesTrading as its agent for the offer and sale of the Shares. As of September 10, 2013 there were 1,748,867 Shares remaining under the sales agreement. As of September 10, 2013, the Fund had offered and sold 851,133 Shares pursuant to the sales agreement. Under the Investment Company Act of 1940, as amended (the 1940 Act), the Fund may not sell any Shares at a price below the current net asset value of such Shares, exclusive of any distributing commission or discount. The Fund is a non-diversified, closed-end management investment company. The Fund s investment objective is to seek total return, consisting of capital appreciation and income, by investing primarily in Chilean securities. There can be no assurance that the Fund will achieve its investment objective.

The Fund s currently outstanding Shares are, and the Shares offered by this Prospectus Supplement and the accompanying Prospectus will be, subject to notice of issuance, listed on the NYSE MKT under the symbol CH. The sale price for the Shares on the NYSE MKT on September 10, 2013 was $13.56 per Share. The net asset value of the Shares at the close of business on September 10, 2013 was $12.50 per Share.

Sales of the Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be at the market as defined in Rule 415 under the Securities Act of 1933, as amended (the 1933 Act), including sales made directly on the NYSE MKT or sales made to or through a market maker other than on an exchange.

JonesTrading will be entitled to compensation of 100 to 300 basis points of the gross sales price per share for any Shares sold under the sales agreement, with the exact amount of such compensation to be mutually agreed upon by the Fund and JonesTrading from time to time. In connection with the sale of the Shares on the Fund s behalf, JonesTrading may be deemed to be an underwriter within the meaning of the 1933 Act and the compensation of JonesTrading may be deemed to be underwriting commissions or discounts.

You should review the information set forth under Risks and Special Considerations on page 23 of the accompanying Prospectus before investing in the Shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Prospectus Supplement or the accompanying Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement is October 7, 2013.

TABLE OF CONTENTS
Prospectus Supplement

Prospectus

You should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the accompanying Prospectus. This Prospectus Supplement and the accompanying Prospectus set forth certain information about the Fund that a prospective investor should carefully consider before deciding whether to invest in the Shares. This Prospectus Supplement, which describes the specific terms of this offering including the method of distribution, also adds to and updates information contained in the accompanying Prospectus and the documents incorporated by reference into the accompanying Prospectus. The accompanying Prospectus gives more general information, some of which may not apply to this offering. If the description of this offering varies between this Prospectus Supplement and the accompanying Prospectus, you should rely on the information contained in this Prospectus Supplement; provided that if any statement in one of these documents is inconsistent with a statement in another document having a later date and incorporated by reference into the accompanying Prospectus or Prospectus Supplement, the statement in the incorporated document having a later date modifies or supersedes the earlier statement. Neither the Fund nor JonesTrading have authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Fund is not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The information contained in or incorporated by reference into this Prospectus Supplement and the accompanying Prospectus is accurate only as of the respective dates on their front covers, regardless of the time of delivery of this Prospectus Supplement, the accompanying Prospectus, or the sale of the Shares. The Fund s business, financial condition, results of operations and prospects may have changed since those dates.

You should read this Prospectus Supplement and the accompanying Prospectus before deciding whether to invest and retain them for future reference. A Statement of Additional Information, dated October 3, 2013 (SAI), as supplemented from time to time, containing additional information about the Fund, has been filed with the Securities and Exchange Commission (SEC) and is incorporated by reference in its entirety into this Prospectus Supplement. You may request a free copy of the SAI or request other information about the Fund (including the Fund s annual and semi-annual reports to shareholders) or make shareholder inquiries by calling 1-866-839-5205, emailing InvestorRelations@aberdeen-asset.com or by writing to the Fund at 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103. The Fund s SAI, as well as the annual and semi-annual reports to shareholders, are also available at the Fund s website at www.aberdeench.com. You may also obtain copies of these documents (and other information regarding the Fund) from the SEC s website (http://www.sec.gov).

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the accompanying Prospectus and the SAI contain forward-looking statements. Forward-looking statements can be identified by the words may, will, intend, expect, estimate, continue, plan, anticipate, and similar terms and the negative of such ter nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. Several factors that could materially affect the Fund s actual results are the performance of the portfolio of securities the Fund holds, the price at which the Shares will trade in the public markets and other factors discussed in the Fund s periodic filings with the SEC.

Although the Fund believes that the expectations expressed in the forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in such forward-looking statements. The Fund s future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in the Risks and Special Considerations section of the accompanying Prospectus. All forward-looking statements contained in or incorporated by reference into this Prospectus Supplement or the accompanying Prospectus are made as of the date of this Prospectus Supplement or the accompanying Prospectus, as the case may be. Except for the Fund s on-going obligations under the federal securities laws, it does not intend, and it undertakes no obligation, to update any forward-looking statements. The forward-looking statements contained in this Prospectus Supplement, the accompanying Prospectus and the SAI are excluded from the safe harbor protection provided by Section 27A of the 1933 Act.

PROSPECTUS SUPPLEMENT SUMMARY

The following information is only a summary. You should consider the more detailed information contained in this Prospectus Supplement, the accompanying Prospectus, dated October 3, 2013, and the SAI, dated October 3, 2013, especially the information under Risks and Special Considerations on page 23 of the accompanying Prospectus.

The Fund

The Fund is a non-diversified, closed-end management investment company organized as a Maryland corporation.

The Shares are listed for trading on the NYSE MKT under the symbol CH. As of September 10, 2013, the net assets of the Fund were $117,304,348 and the Fund had outstanding 9,386,497 Shares. The sale price of the Shares, as reported by the NYSE MKT, on September 10, 2013 was $13.56 per Share. The net asset value of the Shares at the close of business on September 10, 2013 was $12.50 per Share. See Description of Shares in the accompanying Prospectus.

The Fund s investment objective is to seek total return, consisting of capital appreciation and income, by investing primarily in Chilean securities. There can be no assurance that the Fund s investment objective will be achieved.

Under normal market conditions, substantially all, but not less than 80%, of the Fund s net assets will be invested in Chilean securities. The Fund s portfolio of Chilean securities (the Chilean Portfolio), under normal conditions, will consist principally of Chilean equity securities; however, it may also include Chilean debt securities. A substantial portion of the equity securities acquired by the Fund are expected to be dividend-paying securities. Chilean companies listed on the stock exchanges are required by law to pay out as dividends at least 30% of annual audited net income, unless shareholders approve a lower dividend distribution.

The Fund defines Chilean securities as (a) securities of companies, the principal trading market for which is in Chile, (b) securities issued or guaranteed by the Republic of Chile or the Central Bank of Chile, (c) peso-denominated securities issued by companies to finance operations in Chile or (d) securities of companies that derive more than 50% of their revenues or profits from goods or services produced in Chile or sales made in Chile or have more than 50% of their assets in Chile.

Chilean equity securities in which the Fund invests consist predominantly of common stocks, although the Fund may also invest to a limited extent in preferred stocks, convertible securities and, to the extent a market exists for them and investing in them is permitted under Chilean law, warrants.

Although the Fund invests principally in Chilean equity securities, it may invest a substantial portion of its assets in Chilean debt securities when Aberdeen Asset Managers Limited (AAML or the Investment Adviser) believes that it is appropriate to do so in order to achieve the Fund s investment objective. AAML expects to do so, for example, when interest rates on Chilean debt securities are high in comparison with anticipated returns on equity securities. AAML may invest in securities of companies that it determines to be suitable investments for the Fund regardless of their rating. The Fund may invest up to 35% of the Chilean Portfolio in high-yield securities. The Fund may not, however, invest more than 5% of the Chilean Portfolio in Chilean debt securities rated C or below by Chilean rating services or unrated securities which AAML determines to be of comparable quality. Because interest on most Chilean debt securities is inflation-adjusted, the variation in the value of Chilean debt securities in relation to fluctuations in the value of the Chilean peso tends to be less than would otherwise be the case.

The Fund may invest up to 20% of the Chilean Portfolio in unlisted Chilean securities, including investments in new and early-stage companies, provided that not more than 3% of the Chilean Portfolio may be invested in unlisted securities of Chilean companies that, at the time of investment, had less than one year of operations, including operations of predecessor companies. The Fund invests only in unlisted equity securities that, in the opinion of AAML, present opportunities for substantial growth over a period of two to five years, notwithstanding that such investments may be illiquid and may present risks not normally existing in publicly owned, more established companies with possibly higher market capitalizations.

The Fund will not invest 25% or more of its total assets in the securities of companies in the same industry (although the Fund may invest in securities issued by the government of the United States without regard to this limitation). In selecting industries and companies for investment by the Fund, AAML will consider factors such as overall growth prospects, competitive position in domestic and export markets, technology, research and development, productivity, labor costs, raw material costs and sources, profit margins, return on investment, capital resources, government regulation and management.

The Fund purchases and holds securities with a view toward maximizing the total return to the Fund and does not expect to trade in securities for short-term gain. The Fund may, for cash management purposes, invest up to 25% of its net assets in certain short-term investments and may, for temporary defensive purposes, invest up to 100% of its assets in certain short-term instruments. For more information, including a description of the types of short-term instruments in which the Fund may invest, see Investment Policies in the accompanying Prospectus.

In addition to the foregoing restrictions, the Fund is subject to Chilean Law No. 18,657 (Law No. 18,657), which limits the Chilean Portfolio to: (a) shares of Chilean open corporations, i.e., corporations that publicly offer their shares; (b) securities issued or guaranteed by the Chilean government; (c) securities issued by the Central Bank of Chile; (d) securities issued or guaranteed by Chilean banks or financial institutions; (e) letters of credit issued by Chilean banks, financial institutions or other authorized entities; (f) bonds and negotiable instruments registered in the Chilean Securities Register; (g) quotas of investment funds; and (h) other securities duly authorized by the Chilean Superintendency of Securities and Insurance (SVS).

Diversification rules under Law No. 18,657 provide that the Fund may not hold more than 5% of any Chilean issuer s voting stock (subject to an increase to up to 10% for newly-issued shares, including through the exercise of preemptive rights) and not more than 10% of the Chilean Portfolio may be invested in securities issued or guaranteed by any single Chilean issuer (other than securities issued or guaranteed by the Chilean government or by the Central Bank of Chile). Further, at least 80% of the Chilean Portfolio must be invested in shares or in debt obligations of Chilean companies or the Chilean government the maturity to which at the date of purchase exceeds four years, with not less than 60% of the Chilean Portfolio invested in shares of open corporations.

Not more than 40% of the Fund s total portfolio may be invested in securities issued or guaranteed by entities belonging to the same entrepreneurial group. An entrepreneurial group is defined as any group of entities where links in respect to their ownership, administration or credit responsibility exist that make it reasonable to assume that the economic and financial performance of its members is guided by or subordinated to the group s common interest or that there are shared financial risks in credits granted to them or in the acquisition of securities issued by them.

Investment Adviser

Aberdeen Asset Managers Limited serves as the investment adviser to the Fund. AAML, a Scottish company, is authorized and regulated in the UK by the Financial Conduct Authority and is a U.S. registered investment adviser under the Investment Advisers Act of 1940, as amended (the Advisers Act). The Investment Adviser is located at Bow Bells House, 1 Bread Street, London, U.K., EC4M 9HH.

The Investment Adviser entered into an advisory agreement with the Fund dated as of March 1, 2012 (the Advisory Agreement).

The Investment Adviser is a wholly-owned subsidiary of Aberdeen PLC, which is the parent company of an asset management group managing approximately $317.9 billion in assets as of June 30, 2013 for a range of pension funds, financial institutions, investment trusts, unit trusts, offshore funds, charities and private clients, in addition to U.S. registered investment companies. The registered offices of Aberdeen PLC are located at 10 Queen s Terrace, Aberdeen, Scotland AB 10 1 YG. Aberdeen PLC, its affiliates and subsidiaries are referred to collectively herein as Aberdeen. Aberdeen PLC was formed in 1983 and was first listed on the London Stock Exchange in 1991.

The Offering

The Fund and the Investment Adviser entered into a sales agreement, as amended, with JonesTrading relating to the Shares offered by this Prospectus Supplement and the accompanying Prospectus. In accordance with the terms of the sales agreement, the Fund may offer and sell up to 2,600,000 of its Shares, par value $0.001 per share, from time to time through JonesTrading as its agent for the offer and sale of the Shares. As of September 10, 2013, there were 1,748,867 Shares remaining under the sales agreement. As of September

	10, 2013, the Fund had offered and sold 851,133 Shares pursuant to the sales agreement, resulting in proceeds (net of all fees and commissions) of $13,990,185.72.
	The Shares are listed for trading on the NYSE MKT under the symbol CH. The sale price of the Shares, as reported on the NYSE MKT on September 10, 2013, was $13.56 per share.
	Sales of the Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be at the market as defined in Rule 415 under the 1933 Act, including sales made directly on the NYSE MKT or sales made to or through a market maker other than on an exchange. See Plan of Distribution in this Prospectus Supplement. The Shares may not be sold through agents, underwriters or dealers without delivery or deemed delivery of a prospectus and a prospectus supplement describing the method and terms of the offering of the Fund s securities. Under the 1940 Act, the Fund may not sell any Shares at a price below the current net asset value of such Shares, exclusive of any distributing commission or discount.
Use of Proceeds	The Fund intends to invest substantially all of the net proceeds of this offering in accordance with its investment objective and policies. Proceeds will be invested within approximately 60 days of receipt by the Fund. See Use of Proceeds in this Prospectus Supplement.
Risks and Special Considerations	See Risks and Special Considerations beginning on page 23 of the accompanying Prospectus for a discussion of factors you should consider carefully before deciding to invest in the Shares.

DISTRIBUTIONS

The Board of Directors of the Fund has implemented a managed distribution policy of paying quarterly distributions at an annual rate, set once a year, that is a percentage of the rolling average of the Fund s prior four quarter-end net asset values. The current rolling distribution rate is 10%. This policy is subject to regular review by the Fund s Board of Directors. The distributions are made from current income, supplemented by realized capital gains and, to the extent necessary, paid-in capital. Persons who purchase Shares in this offering will be entitled to any regular quarterly distributions the record date for which occurs after such Shares are purchased. On September 3, 2013, the Board of Directors of the Fund declared a quarterly distribution of $0.36 per Share, payable on October 18, 2013 to all shareholders of record as of September 30, 2013.

The amounts of the last four distributions paid by the Fund are as set out below:

Payment Date		Distribution per Common Share
July 12, 2013	$	0.38
April 12, 2013	$	0.39
January 11, 2013	$	0.38
November 15, 2012	$	0.38

See Dividends and Distributions in the accompanying Prospectus.

SUMMARY OF FUND EXPENSES

The following table and example are intended to assist you in understanding the various costs and expenses directly or indirectly associated with investing in Shares of the Fund. Some of the percentages indicated in the table below are estimates and may vary.

Shareholder Transaction Expenses	
Sales Load (as a percentage of offering price)(1)	1.50%
Offering Expenses (as a percentage of offering price)	%
Dividend Reinvestment and Cash Purchase Plan Fees(2)	None
Annual Operating Expenses (as a percentage of average net assets attributable to the Fund s common stock)	
Management Fee(3)	1.16%
Other Expenses(4)(5)	0.71%
Total Annual Operating Expenses(6)	1.87%

---

(1) Represents the estimated commission with respect to the Shares being sold in this offering, which the Fund will pay to JonesTrading in connection with the sales of Shares effected by JonesTrading in this offering. While JonesTrading is entitled to a commission of 1% to 3% of the gross sales price for Shares sold, with the exact amount to be agreed upon by the parties, the Fund has assumed, for purposes of this offering, that JonesTrading will receive a commission of 1.50% of such gross sales price. This is the only sales load to be paid in connection with this offering. There is no guarantee that there will be any sales of the Shares pursuant to this Prospectus Supplement and the accompanying Prospectus. Actual sales of the Shares under this Prospectus Supplement and the accompanying Prospectus, if any, may be less than as set forth

under Capitalization below. In addition, the price per share of any such sale may be greater or less than the price set forth under Capitalization below, depending on market price of the Shares at the time of any such sale.

(2) If you participate in the Dividend Reinvestment and Direct Stock Purchase Plan sponsored and administered by Computershare Trust Company, N.A., you will be subject to any fees imposed by Computershare Trust Company, N.A.

(3) See Management of the Fund The Investment Adviser and the Sub-Adviser in the Prospectus for additional information. The management fee excludes taxes paid by the Fund.

(4) Other Expenses have been estimated for the current fiscal year and includes estimated total expenses to be incurred by the Fund in connection with this offering of $135,000, excluding Sales Load, as described under Plan of Distribution below.

(5) Includes an administration fee of 0.02% of average net assets attributable to the Fund s common stock. See Management of the Fund - Administrator in the Prospectus for additional information.

(6) The Investment Adviser has contractually agreed to waive 0.21% of the annual advisory fees based on the Fund s Average Weekly Base Amount, calculated weekly and paid quarterly. The Average Weekly Based Amount is defined as the average of the lesser of the market value of the Fund s outstanding shares and the Fund s net assets, determined as of the last trading day of each week during a quarter. The net total annual operating expenses after applying the advisory fee waiver is 1.66%. The contractual advisory fee waiver shall continue in effect until March 1, 2014, unless otherwise agreed by the Investment Adviser and the Fund.

Example

An investor would pay the following expenses on a $1,000 investment in the Fund, assuming (1) Total Annual Operating Expenses of 1.66%, (2) a Sales Load of 1.50%, and (3) a 5% annual return:

One Year	Three Years	Five Years	Ten Years
$ 32	**$ 66**	**$ 104**	**$ 208**

The Example assumes that all dividends and other distributions are reinvested at net asset value and that the percentage amounts listed in the table above under Total Annual Operating Expenses remain the same in the years shown. The above table and example and the assumption in the example of a 5% annual return are required by regulations of the SEC that are applicable to all investment companies; the assumed 5% annual return is not a prediction of, and does not represent, the projected or actual performance of the Shares.

The example should not be considered a representation of past or future expenses, and the Fund s actual expenses may be greater than or less than those shown. Moreover, the Fund s actual rate of return may be greater or less than the hypothetical 5% return shown in the example.

USE OF PROCEEDS

Sales of the Shares, if any, under this Prospectus Supplement and the accompanying Prospectus may be made in negotiated transactions or transactions that are deemed to be at the market as defined in Rule 415 under the 1933 Act, including sales made directly on the NYSE MKT or sales made to or through a market maker other than on an exchange. There is no guarantee that there will be any sales of the Shares pursuant to this Prospectus Supplement and the accompanying Prospectus. Actual sales, if any, of the Shares under this Prospectus Supplement and the accompanying Prospectus may be less than as set forth in this paragraph. In addition, the price per share of any such sale may be greater or less than the price set forth in this paragraph, depending on the market price of the Shares at the time of any such sale. As a result, the actual net proceeds the Fund receives may be more or less than the amount of net proceeds estimated in this Prospectus Supplement. Assuming the sale of all of the Shares offered under this Prospectus Supplement and the accompanying Prospectus, at the sale price of $13.56 per share for the Shares, as reported by the NYSE MKT as of September 10, 2013, the Fund estimates that the net proceeds of this offering will be approximately $23,707,617.73 after deducting the estimated sales load and the estimated offering expenses payable by the Fund.

The Fund intends to invest substantially all of the net proceeds of this offering in accordance with its investment objective and policies within approximately 60 days after completion of the offering. Pending such investment, the Fund anticipates investing the proceeds in short-term securities issued by the U.S. government or its agencies or instrumentalities or in high quality, short-term or long-term debt obligations or money market instruments.

CAPITALIZATION

The Fund may offer and sell up to 2,600,000 of its Shares, par value $0.001 per share, from time to time through JonesTrading as its agent for the offer and sale of the Shares under this Prospectus Supplement and the accompanying Prospectus. As of September 10, 2013, there were 1,748,867 Shares remaining under the sales agreement. There is no guarantee that there will be any sales of the Shares pursuant to this Prospectus Supplement and the accompanying Prospectus. The table below assumes that the Fund will sell 1,748,867 Shares (the number of Shares remaining under the sales agreement as of September 10, 2013), at a price of $13.56 per share (the sale price per share of the Shares on the NYSE MKT on September 10, 2013). Actual sales, if any, of the Shares under this Prospectus Supplement and the accompanying Prospectus may be less than as set forth in the table below. In addition, the price per share of any such sale may be greater or less than $13.56, depending on the market price of the Shares at the time of any such sale. To the extent that the market price per share of the Shares, less applicable commissions, on any given day is less than the net asset value per share on such day, the Fund will instruct JonesTrading not to make any sales on such day.

The following table sets forth the capitalization of the Fund (i) on an actual basis as of December 31, 2012 (audited), (ii) on an actual basis as of June 30, 2013 (unaudited), (iii) on an actual basis as of September 10, 2013 (unaudited), and (iv) on a pro forma basis as adjusted to reflect the assumed sale of 1,748,867 Shares (the number of Shares remaining under the sales agreement as of September 10, 2013) at $13.56 per Share (the sale price per share of the Shares on the NYSE MKT on September 10, 2013), in an offering under this Prospectus Supplement and the accompanying Prospectus.

Composition of Net Assets:	**As of December 31, 2012 (audited)**	**As of June 30, 2013 (unaudited)**	**As of September 10, 2013 (unaudited)**	**Pro Forma As Adjusted (unaudited)**
Common stock, par value $.001 per share, 100,000,000 shares authorized (9,386,497 shares issued and outstanding as of December 31, 2012, 9,386,497 shares issued and outstanding as of June 30, 2013, 9,386,497 shares issued and outstanding as of September 10, 2013, 11,135,364 shares estimated issued and outstanding as adjusted(1)	9,387	9,387	9,387	11,136
Paid-in capital in excess of par	67,861,000	67,861,000	67,861,000	91,218,168
Accumulated net realized gain or loss on investment transactions and foreign currency related transactions	(2,003,827)	2,511,787	6,505,586	6,505,586
Distributions in excess of net investment income		(6,222,332)	(6,527,853)	(6,527,853)
Net unrealized appreciation on investments and foreign currency translation	75,438,222	55,650,633	49,456,228	49,456,228
Net Assets	**$ 141,304,782**	**$ 119,810,475**	**$ 117,304,348**	**$ 140,663,265**

(1) As adjusted, additional paid-in capital reflects the issuance of 1,748,867 Shares offered hereby ($23,358,917), less $0.001 par value per Share ($1,748.87), less the sales load borne by the Fund ($355,720) related to the issuance of such shares.

PLAN OF DISTRIBUTION

Under the sales agreement among the Fund, the Investment Adviser and JonesTrading, upon written instructions from the Fund, JonesTrading will use its commercially reasonable efforts consistent with its normal trading and sales practices to sell, as the Fund s agent, the Shares under the terms and subject to the conditions set forth in the sales agreement. JonesTrading s sales efforts will continue until the Fund instructs JonesTrading to suspend sales. The Fund will instruct JonesTrading as to the amount of Shares to be sold by JonesTrading. The Fund may instruct JonesTrading not to sell Shares if the sales cannot be effected at or above the price designated by the Fund in any instruction. The Fund or JonesTrading may suspend the offering of Shares upon proper notice and subject to other conditions.

JonesTrading will provide written confirmation to the Fund no later than the opening of the trading day on the NYSE MKT immediately following the trading day on which Shares are sold under the sales agreement. Each confirmation will include the number of shares sold on the preceding day, the net proceeds to the Fund and the compensation payable by the Fund to JonesTrading in connection with the sales.

The Fund will pay JonesTrading commissions for its services in acting as agent in the sale of Shares. JonesTrading will be entitled to compensation of 100 to 300 basis points of the gross sales price per share of any Shares sold under the sales agreement, with the exact amount of such compensation to be mutually agreed upon by the Fund and JonesTrading from time to time. The Fund has also agreed to pay the reasonable fees and expenses of counsel for JonesTrading in connection with the transactions contemplated under the sales agreement (provided such fees and expenses (a) shall not exceed $75,000 in connection with the preparation and execution of the sales agreement, including certain related customary fees incurred in connection with commencing the offering and (b) shall not exceed $30,000 on an annual basis in each annual period following the date of the sales agreement). There is no guarantee that there will be any sales of the Shares pursuant to this Prospectus Supplement and the accompanying Prospectus. Actual sales, if any, of the Shares under this Prospectus Supplement and the accompanying Prospectus may be less than as set forth in this paragraph. In addition, the price per share of any such sale may be greater or less than the price set forth in this paragraph, depending on the market price of the Shares at the time of any such sale. Assuming 1,748,867 of the Shares offered hereby are sold at a market price of $13.56 per share (the sale price for the Shares on the NYSE MKT on September 10, 2013), the Fund estimates that the total expenses for the offering, excluding compensation payable to JonesTrading under the terms of the sales agreement, would be approximately $135,000, which are included under Other Expenses in the fee table above and are part of the Fund s Total Annual Operating Expenses .

Settlement for sales of Shares will occur on the third business day (or such earlier day as is industry practice for regular-way trading) following the date on which such sales are made, or on some other date that is agreed upon by the Fund and JonesTrading in connection with a particular transaction, in return for payment of the net proceeds to the Fund. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

In connection with the sale of the Shares on the Fund s behalf, JonesTrading may, and will with respect to sales effected in an at the market offering, be deemed to be an underwriter within the meaning of the 1933 Act, and the compensation of JonesTrading may be deemed to be underwriting commissions or discounts. The Fund has agreed to provide indemnification and contribution to JonesTrading against certain civil liabilities, including liabilities under the 1933 Act.

The offering of the Shares pursuant to the sales agreement will terminate upon the earlier of (1) the sale of all Shares subject to the sales agreement or (2) termination of the sales agreement. The sales agreement may be terminated by the Fund in its sole discretion at any time by giving notice to JonesTrading. In addition, JonesTrading may terminate the sales agreement under the circumstances specified in the sales agreement and in its sole discretion at any time following a period of 12 months from the date of the sales agreement by giving notice to the Fund.

The principal business address of JonesTrading is 780 Third Avenue, 3rd Floor, New York, New York 10017.

LEGAL MATTERS

Certain legal matters will be passed on by Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, counsel to the Fund, in connection with the offering of the Shares. Willkie Farr & Gallagher LLP will rely as to matters of Maryland law on the opinion of Venable LLP, 750 E. Pratt Street, Suite 900, Baltimore, Maryland 21202.

ADDITIONAL INFORMATION

This Prospectus Supplement and the accompanying Prospectus constitute part of a Registration Statement filed by the Fund with the SEC under the 1933 Act and the 1940 Act. This Prospectus Supplement and the accompanying Prospectus omit certain of the information contained in the Registration Statement, and reference is hereby made to the Registration Statement and related exhibits for further information with respect to the Fund and the Shares offered hereby. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the SEC. Each such statement is qualified in its entirety by such reference. The complete Registration Statement may be obtained from the SEC upon payment of the fee prescribed by its rules and regulations or free of charge through the SEC s web site (http://www.sec.gov).

Base Prospectus

$75,000,000

ABERDEEN CHILE FUND, INC.

Shares of Common Stock

Aberdeen Chile Fund, Inc. (Fund, we, us or our) is a closed-end, non-diversified management investment company that commenced operations on September 26, 1989. The Fund seeks total return, consisting of capital appreciation and income, by investing primarily in Chilean securities. It is the policy of the Fund normally to invest at least 80% of the Fund s net assets (plus any borrowings for investment purposes) in Chilean securities. The Fund s portfolio of Chilean securities, under normal market conditions, will consist principally of Chilean equity securities. There can be no assurance that the Fund s investment objective will be achieved. Aberdeen Asset Managers Limited (AAML or the Investment Adviser) serves as the Fund s investment adviser. The address of the Fund is 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103, and the Fund s telephone number is (866) 839-5205.

We may offer, from time to time, in one or more offerings, our shares of common stock, par value $0.001 per share (Shares). Shares may be offered at prices and on terms to be set forth in one or more supplements to this Prospectus (each, a Prospectus Supplement). You should read this Prospectus and the applicable Prospectus Supplement carefully before you invest in our Shares.

Our Shares may be offered directly to one or more purchasers, through agents designated from time to time by us, or to or through underwriters or dealers. The Prospectus Supplement relating to the offering will identify any agents or underwriters involved in the sale of our Shares, and will set forth any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters, or among our underwriters, or the basis upon which such amount may be calculated. We may not sell any of our Shares through agents, underwriters or dealers without delivery of a Prospectus Supplement describing the method and terms of the particular offering of our Shares.

Our Shares are listed on the NYSE MKT under the symbol CH. The sale price of our Shares, as reported by the NYSE MKT on August 30, 2013, was $13.67 per Share. The net asset value of our Shares at the close of business on August 30, 2013 was $11.60 per Share.

An investment in the Shares involves certain risks and special considerations, including risks associated with currency fluctuations. Investing in the Fund s common stock may be speculative and involve a high degree of risk and should not constitute a complete investment program. Investment in Chile involves certain special considerations not typically associated with investments in the United States. Both practices entail risks. For a discussion of these and other risks, see Risks and Special Considerations.

Shares of closed-end investment companies frequently trade at a discount to their net asset value. If the Fund s Shares trade at a discount to its net asset value, the risk of loss may increase for purchasers in a public offering. See Risks and Special Considerations-Net Asset Value Discount.

Neither the Securities and Exchange Commission (SEC) nor any state securities commission has approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

This Prospectus, together with any Prospectus Supplement, sets forth concisely the information about the Fund that a prospective investor should know before investing. You should read this Prospectus and applicable Prospectus Supplement, which contain important information, before deciding whether to invest in the Shares. You should retain the Prospectus and Prospectus Supplement for future reference. A Statement of Additional Information (SAI), dated October 3, 2013, containing additional information about the Fund, has been filed with the SEC and is incorporated by reference in its entirety into this Prospectus. The Table of Contents for the SAI is on page 39 of this Prospectus. You may call 1-866-839-5205, email InvestorRelations@aberdeen-asset.com or write to the Fund at 1735 Market Street, 32nd Floor, Philadelphia, Pennsylvania 19103 to obtain, free of charge, copies of the SAI and the Fund s annual and semi-annual reports to shareholders, as well as to obtain other information about the Fund and to make shareholder inquiries. The Fund s SAI, as well as the annual and semi-annual reports to shareholders, are also available on the Fund s website at www.aberdeench.com. The SEC maintains a website at http://www.sec.gov that contains the SAI, other material incorporated by reference into the Fund s registration statement and additional information about the Fund.

Our Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

Prospectus dated October 3, 2013

TABLE OF CONTENTS

You should rely only on the information contained in, or incorporated by reference into, this Prospectus and any related Prospectus Supplement in making your investment decisions. The Fund has not authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The Fund is not making an offer to sell the Shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this Prospectus and any Prospectus Supplement is accurate only as of the dates on their covers. The Fund s business, financial condition and prospects may have changed since the date of its description in this Prospectus or the date of its description in any Prospectus Supplement.

PROSPECTUS SUMMARY

The following information is only a summary. You should consider the more detailed information contained in the Prospectus and in any related Prospectus Supplement and in the SAI before purchasing Shares, especially the information under Risks and Special Considerations on page 23 of the Prospectus.

The Fund	The Fund is a non-diversified, closed-end management investment company organized as a Maryland corporation. See The Fund.
The Offering	The Fund s Shares are listed for trading on the NYSE MKT under the symbol CH. As of August 30, 2013, the net assets of the Fund were $108,847,507 and the Fund had outstanding 9,386,497 Shares. The sale price of the Fund s Shares, as reported by the NYSE MKT on August 30, 2013 was $13.67 per Share. The net asset value of the Fund s Shares at the close of business on August 30, 2013 was $11.60 per Share. See Description of Shares.
	We may offer, from time to time, in one or more offerings, up to $75,000,000 of our Shares on terms to be determined at the time of the offering. The Shares may be offered at prices and on terms to be set forth in one or more Prospectus Supplements. The offering price of our Shares will not be less than the net asset value of our Shares at the time we make the offering, exclusive of any underwriting commissions or discounts. You should read this Prospectus and the applicable Prospectus Supplement carefully before you invest in our Shares. Our Shares may be offered directly to one or more purchasers, through agents designated from time to time by us, or to or through underwriters or dealers. The Prospectus Supplement relating to the offering will identify any agents, underwriters or dealers involved in the sale of our Shares, and will set forth any applicable purchase price, fee, commission or discount arrangement between us and our agents or underwriters, or among our underwriters, or the basis upon which such amount may be calculated. See Plan of Distribution. We may not sell any of our Shares through agents, underwriters or dealers without delivery of a Prospectus Supplement describing the method and terms of the particular offering of our Shares.
Use of Proceeds	We intend to use the net proceeds from the sale of our Shares primarily to invest in accordance with our investment objectives and policies. Proceeds will be invested within approximately 60 days of receipt by the Fund. See Use of Proceeds.
Investment Objective	The Fund s investment objective is to seek total return, consisting of capital appreciation and income, by investing primarily in Chilean securities. There can be no assurance that the Fund s investment objective will be achieved. See Investment Objective.
Investment Policies	Under normal market conditions, substantially all, but not less than 80%, of the Fund s net assets will be invested in Chilean securities. The Fund s portfolio of Chilean securities (the Chilean Portfolio), under normal conditions, will consist principally of Chilean equity securities; however, it may also include Chilean debt securities. A substantial portion of the equity securities acquired by the Fund are expected to be dividend-paying securities. Chilean companies listed on the stock exchanges are required by law to pay out as dividends at least 30% of annual audited net income, unless shareholders approve a lower dividend distribution.

The Fund defines Chilean securities as (a) securities of companies, the principal trading market for which is in Chile, (b) securities issued or guaranteed by the Republic of Chile or the Central Bank of Chile, (c) peso-denominated securities issued by companies to finance operations in Chile or (d) securities of companies that derive more than 50% of their revenues or profits from goods or services produced in Chile or sales made in Chile or have more than 50% of their assets in Chile.

Chilean equity securities in which the Fund invests consist predominantly of common stocks, although the Fund may also invest to a limited extent in preferred stocks, convertible securities and, to the extent a market exists for them and investing in them is permitted under Chilean law, warrants.

Although the Fund invests principally in Chilean equity securities, it may invest a substantial portion of its assets in Chilean debt securities when AAML believes that it is appropriate to do so in order to achieve the Fund s investment objective. AAML expects to do so, for example, when interest rates on Chilean debt securities are high in comparison with anticipated returns on equity securities. AAML may invest in securities of companies that it determines to be suitable investments for the Fund regardless of their rating. The Fund may invest up to 35% of the Chilean Portfolio in high yield securities. The Fund may not, however, invest more than 5% of the Chilean Portfolio in Chilean debt securities rated C or below by Chilean rating services or unrated securities which AAML determines to be of comparable quality. Because interest on most Chilean debt securities is inflation-adjusted, the variation in the value of Chilean debt securities in relation to fluctuations in the value of the Chilean peso tends to be less than would otherwise be the case.

The Fund may invest up to 20% of the Chilean Portfolio in unlisted Chilean securities, including investments in new and early-stage companies, provided that not more than 3% of the Chilean Portfolio may be invested in unlisted securities of Chilean companies that, at the time of investment, had less than one year of operations, including operations of predecessor companies. The Fund invests only in unlisted equity securities that, in the opinion of AAML, present opportunities for substantial growth over a period of two to five years, notwithstanding that such investments may be illiquid and may present risks not normally existing in publicly owned, more established companies with possibly higher market capitalizations.

The Fund will not invest 25% or more of its total assets in the securities of companies in the same industry (although the Fund may invest in securities issued by the government of the United States without regard to this limitation). In selecting industries and companies for investment by the Fund, AAML will consider factors such as overall growth prospects, competitive positions in domestic and export markets, technology, research and development, productivity, labor costs, raw material costs and sources, profit margins, return on investment, capital resources, government regulation and management.

The Fund purchases and holds securities with a view toward maximizing the total return to the Fund and does not expect to trade in securities for short-term gain. The Fund may, for cash management purposes, invest up to 25% of its net assets in certain short-term investments and may, for temporary defensive purposes, invest up to 100% of its assets in certain short-term instruments. For more information, including a description of the types of short-term instruments in which the Fund may invest, see Investment Policies.

In addition to the foregoing restrictions, the Fund is subject to Chilean Law No. 18,657 (Law No. 18,657), which limits the Chilean Portfolio to: (a) shares of Chilean open corporations, i.e., corporations that publicly offer their shares; (b) securities issued or guaranteed by the Chilean government; (c) securities issued by the Central Bank of Chile; (d) securities issued or guaranteed by Chilean banks or financial institutions; (e) letters of credit issued by Chilean banks, financial institutions or other authorized entities; (f) bonds and negotiable instruments registered in the Chilean Securities Register; (g) quotas of investment funds; and (h) other securities duly authorized by the Chilean Superintendency of Securities and Insurance (SVS).

Diversification rules under Law No. 18,657 provide that investors such as the Fund may not hold more than 5% of any Chilean issuer s voting stock (subject to an increase to up to 10% for newly-issued shares, including through the exercise of preemptive rights) and not more than 10% of the Chilean Portfolio may be invested in securities issued or guaranteed by any single Chilean issuer (other than securities issued or guaranteed by the Chilean government or by the Central Bank of Chile). Further, at least 80% of the Chilean Portfolio must be invested in shares or in debt obligations of Chilean companies or the Chilean government, the maturity of which at the date of purchase exceeds four years, with not less than 60% of the Chilean Portfolio invested in shares of open corporations.

Not more than 40% of the Fund s total portfolio may be invested in securities issued or guaranteed by entities belonging to the same entrepreneurial group. An entrepreneurial group is defined as any group of entities where links with respect to their ownership, administration or credit responsibility exist that make it reasonable to assume that the economic and financial performance of its members is guided by or subordinated to the group s common interest or that there are shared financial risks in credits granted to them or in the acquisition of securities issued by them.

Investment Restrictions	The Fund has certain investment restrictions that may not be changed without approval by a majority of the Fund s outstanding voting securities. These restrictions concern issuance of senior securities, borrowing, lending, concentration, diversification and other matters. See Investment Restrictions.
Risks (See generally Risks and Special Considerations for more information on these and other risks)	The value of the Fund s assets, as well as the market price of its shares, will fluctuate. You can lose money on your investment. Investing in the Fund involves other risks, including the following:

- *General*. The Fund is a non-diversified, closed-end investment company designed primarily as a long-term investment and not as a trading tool. The Fund invests generally in a portfolio of Chilean securities. An investment in the Fund s Shares may be speculative and involves a high degree of risk. The Fund should not be considered a complete investment program. Due to the uncertainty in all investments, there can be no assurance that the Fund will achieve its investment objective.

- *Investment and Market Risk.* An investment in the Fund s Shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in Shares represents an indirect investment in the securities owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. The value of the securities in which the Fund invests will affect the value of the Shares. Your Shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions. The financial crisis that began in 2008 has caused a significant decline in the value and liquidity of many securities of issuers worldwide. In response to the crisis, governments and central banks around the world have taken steps to support financial markets. The

3

withdrawal of this support, failure of efforts to respond to the crisis, or investor perception that such efforts are not succeeding could also negatively affect financial markets generally as well as the value and liquidity of certain securities.

- *Chilean Securities Risk*. Because the Fund s investments are primarily in Chilean securities, the Fund is particularly vulnerable to loss in the event of adverse political, economic, financial and other developments that affect Chile, including fluctuations of Chilean currency versus the U.S. dollar. Like other investors in the Chilean securities markets, the Fund is subject to general economic and political conditions in Chile. The Fund s investing in Chilean securities involves certain considerations not typically associated with investing in the United States, including generally (a) controls on foreign investment and limitations on repatriation of capital invested in Chile; (b) greater price volatility, substantially less liquidity and significantly smaller market capitalization of the Chilean securities markets; (c) currency devaluation and other currency exchange rate fluctuations; (d) more substantial governmental involvement in the economy; and (e) political uncertainty and other considerations. More specifically, (1) the Fund may not repatriate capital for five years after investment in Chile except under limited circumstances to pay expenses; (2) there can be no assurance that Chilean inflation might not adversely affect the performance of the Chilean economy or its securities market; (3) governmental and political events in Chile could affect future economic policies, specifically, strengthened or lessened restrictions on and government intervention in international trade and the risk of armed military conflict; (4) the impact on the economy as a result of potential civil war and social instability as a result of religious, ethnic and/or socioeconomic unrest; (5) because of the limited forward market for the purchase of dollars in Chile and the limited circumstances under which the Fund hedges against declines in the value of the Chilean peso generally, the Fund will be adversely affected by Chilean peso devaluations against the U.S. dollar; (6) the Fund s ability to make defensive investments may be limited by the application of repatriation restrictions and requirements to maintain minimum percentages of assets in shares of Chilean companies; and (7) due to differences between U.S. and Chilean accounting, auditing and financial reporting standards, certain material disclosures may not be made by issuers of, and less information may be available to, the Fund and other investors investing in Chilean securities.

On March 25, 2011, the Fund filed an application with the Chilean Foreign Investment Committee (the Foreign Investment Committee) to enter into a foreign investment contract pursuant to which the proceeds of this offering will be invested in Chile. On April 21, 2011, the Executive Vice President of the Foreign Investment Committee granted the authorization to invest in Chile under this application, in advance of the Foreign Investment Committee formal approval. Pursuant to the authorization of the Executive Vice President of the Foreign Investment Committee, the Fund has the right to invest the proceeds of this offering in Chile at any time. The Fund received formal approval from the Foreign Investment Committee at a meeting held on December 26, 2011. On January 13, 2012, the Fund entered into a Foreign Investment Agreement with the State of Chile formalizing the Fund s right to invest in Chile up to an amount of USD 75,000,000 within three years of the date of the agreement.

The Fund is subject to supervision and regulation by the SVS. Failure by the Fund to comply with diversification or other SVS requirements applicable to the Fund could, in addition to causing the loss of certain favorable Chilean tax treatment for the Fund, result in the assessment of fines by the SVS or other disciplinary actions.

- *Central and South American Regional Economic Risk.* The Chilean economy may be affected by the economies of other Central and South American countries. Frequently, high interest rates, economic volatility, inflation, currency devaluations, and high unemployment rates may occur in these economies. These countries may also be subjected to disruptive political or social events. Any event in one country can have a significant effect on this region. Commodities (such as oil, gas, and minerals) represent a significant percentage of the region s exports, and many economies are particularly sensitive to fluctuations in commodity prices.

- *Emerging Market Risk*. The Fund invests primarily in Chilean securities. Chile is considered an emerging market by international agencies and global securities indices. The term emerging market refers to an economy that is in the initial stages of industrialization and has been historically marked by low per capita income and lack of capital market transparency, but appears to be implementing political and/or market reforms resulting in greater capital market transparency, increased access for foreign investors and generally improved economic conditions. Emerging markets tend to be more volatile than mature markets, and as a result, the Fund s value could move sharply up or down. The risks that apply to foreign investments are magnified in emerging market investments. The registration and settlement arrangements for securities in emerging markets may be less developed than in more mature markets so the operational risks of investing are higher. Emerging market countries may have less stable governments, more volatile currencies and less established markets than do countries with more developed economies. Political risks and adverse economic circumstances are more likely to arise.

- *Foreign Securities Risk.* Investments in foreign securities that are traded on foreign markets, including Chilean securities, are subject to risks of loss that are different from the risks of investing in U.S. securities. These include the possibility of losses due to currency fluctuations (see Currency Exchange Rate Fluctuations), or to adverse political, economic or diplomatic developments in Chile, including possible increases in taxes. Additionally, accounting, auditing, financial reporting standards and other regulatory practices and requirements for securities in which the Fund may invest vary from those applicable to entities subject to regulation in the United States. The Chilean securities market for both listed and unlisted securities may be more volatile and less liquid than the major U.S. markets. In addition, the cost to the Fund of buying, selling and holding securities in the Chilean market may be higher than in the United States. Any higher expenses of non-U.S. investing may reduce the amount the Fund can earn on its investments and typically results in a higher operating expense ratio than for investment companies that invest only in the United States. Regulatory oversight of the Chilean securities market may differ from that of U.S. markets. There also may be difficulty in invoking legal protections across borders.

- *Equity Securities Risk*. Equity securities, such as common stock, generally represent an ownership interest in a company. The value of equity securities, including common stock, preferred stock and convertible stock, will fluctuate in response to factors affecting the particular company, as well as broader market and economic conditions.

5

Moreover, in the event of the company s bankruptcy, claims of certain creditors, including bondholders, will have priority over claims of common stock holders and are likely to have varying types of priority over holders of preferred and convertible stock. Consistent with its objective, the Fund will invest a substantial portion of its assets in Chilean equity securities. Although equity securities have historically generated higher average returns than fixed income securities, equity securities have also experienced significantly more volatility in those returns. An adverse event, such as an unfavorable earnings report, may depress the value of a particular equity security held by the Fund. Also, the prices of equity securities, particularly common stocks, are sensitive to general movements in the stock market. The Fund s share price can fall because of weakness in the Chilean market, a particular industry or specific holdings. The Chilean market as a whole can decline for many reasons, including adverse political or economic developments in Chile or elsewhere, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. Investments in futures and options, if any, are subject to additional volatility and potential losses.

- *High Yield/Junk Bond Securities Risk*. Although the Fund invests principally in Chilean equity securities, it may invest a substantial portion of its assets in Chilean debt securities when AAML believes that it is appropriate to do so in order to achieve the Fund s investment objective of total return. The Fund may invest in Chilean debt securities of any rating, including high yield securities. Investment in high yield securities involves substantial risk of loss. Below investment grade non-convertible debt securities or comparable unrated securities, as determined by AAML, are commonly referred to as junk bonds and are considered predominantly speculative with respect to the issuer s ability to pay interest and principal and are susceptible to default or decline in market value due to adverse economic and business developments. The market values for high yield securities tend to be very volatile, and these securities are less liquid than investment grade debt securities. If the Fund invests in such securities, your investment in the Fund is subject to the following specific risks:

- increased price sensitivity to changing interest rates and to a deteriorating economic environment;

- greater risk of loss due to default or declining credit quality;

- adverse company-specific events are more likely to render the issuer unable to make interest and/or principal payments; and

- if a negative perception of the high yield market develops, the price and liquidity of high yield securities may be depressed. This negative perception could last for a significant period of time.

Adverse changes in economic conditions are more likely to lead to a weakened capacity of a high yield issuer to make principal payments and interest payments than an investment grade issuer. An economic downturn could severely affect the ability of highly leveraged issuers to service their debt obligations or to repay their obligations upon maturity. The secondary market for high yield securities may not be as liquid as the secondary market for more highly rated securities, a factor which may have an adverse effect on the Fund s ability to dispose of a

particular security.

There are fewer dealers in the market for high yield securities than for investment grade obligations. The prices quoted by different dealers may vary significantly and the spread between the bid and asked price is generally much larger than for higher quality instruments. Under adverse market or economic conditions, the secondary market for high yield securities could contract further, independent of any specific adverse changes in the condition of a particular issuer, and these instruments may become illiquid. As a result, the Fund could find it more difficult to sell these securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Prices realized upon the sale of such lower rated or unrated securities, under these circumstances, may be less than the prices used in calculating the Fund s net asset value (NAV).

• *Inflation Risk*. Inflation risk is the risk that the value of assets or income from investments will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of the Fund s Shares and dividends can decline. Chile historically has had a volatile inflation rate, and if Chile s inflation rate were to enter a period of extreme volatility, the value of the Fund s holdings in Chilean securities would fluctuate correspondingly.

• *Management Risk*. AAML s judgment about the attractiveness, relative value or potential appreciation of a particular security or investment strategy may prove to be incorrect.

• *Conflicts of Interest Risk*. AAML s advisory fees are based on the lower of the Fund s market value or NAV. Consequently, AAML will likely benefit from an increase in the Fund s net assets resulting from this offering. In addition, a Director who is an interested person (as such term is defined under the Investment Company Act of 1940, as amended (the 1940 Act)) of the Fund or the portfolio manager of the Fund could benefit indirectly from this offering because of such affiliations. Currently, the Fund has no directors in this category.

• *Currency Exchange Rate Fluctuations*. The Fund invests substantially in instruments denominated in foreign currencies-primarily the Chilean peso. The Fund does not currently intend to hedge against currency risk; consequently, the Fund s equity securities are subject to the risk that some holdings may lose value because of a decline in the value of the Chilean currency or adverse political or economic events in Chile or elsewhere. Fluctuations in the value of non-U.S. currencies relative to the U.S. dollar can adversely affect the U.S. dollar value of the Fund s assets. A decline in the value of such a foreign currency can require the Fund to liquidate portfolio securities to pay distributions previously calculated in U.S. dollars and can increase the relevant foreign currency cost of expenses incurred in U.S. dollars. Currency exchange losses can reduce or eliminate the Fund s ability to make ordinary income distributions.

• *Liquidity Risk*. It may be difficult for the Fund to buy and sell significant amounts of Chilean securities without an unfavorable impact on prevailing market prices. Trading on the Bolsa de Comercio de Santiago (the Santiago Stock Exchange), Chile s principal stock exchange, is not as active as trading on the NYSE MKT or other major stock exchanges in the United States. Consequently, larger purchases or sales of these securities by the Fund in a short period of time may cause abnormal movements in the market prices of these securities. As a result, these securities may be difficult to dispose of at a fair price at the times when the Fund believes it is desirable to do so. The Fund may also have difficulty purchasing securities in companies in which the Fund would otherwise invest. Investment of the Fund s capital in securities that are less actively traded or that over time experience decreased trading volume may restrict the Fund s ability to take advantage of other market opportunities.

- *Net Asset Value Discount*. Shares of the Fund, a closed-end investment company, may trade in the market at a discount from their net asset value.

- *Market Discount Risk*. The Fund s common stock may trade at a discount relative to NAV. See Description of Shares for a chart that shows how the market value of the Fund s Shares has fluctuated compared to its NAV throughout the Fund s history. The August 30, 2013 sale price represents a 17.84% premium over the per share NAV on the same day; however, there can be no assurance that this premium will continue after this offering or that the shares will not again trade at a discount, as they have for most of the Fund s history. Common shares of closed-end investment companies, including the Fund, frequently trade at prices lower than their NAV. The provisions of the 1940 Act, require, as a condition to the completion of this offering, that the public offering price of the shares of common stock, less the sales load and discounts, must equal or exceed the NAV per share of the Fund s common stock (calculated within 48 hours of pricing). An investor who buys the Fund s common stock in the offering at a price that reflects a premium to NAV may experience a decline in the market value of these shares of common stock independent of any change in their NAV.

The market price of the Fund s common stock may be affected by such factors as the market supply and demand of the common stock. To the best of the Fund s knowledge, based upon filings made by the respective entities with the SEC, as of June 30, 2013, two stockholders owned approximately 19.61% of the Fund s outstanding common stock. Any substantial dispositions or acquisitions of common stock by these investors could affect the supply or demand for, and possibly the market price of, the common stock. The Fund s common stock is designed primarily for long-term investors, and you should not purchase shares of common stock if you intend to sell them shortly after purchase.

- *Distribution Rate*. There can be no assurance that the Board of Directors of the Fund (the Board) will maintain the Fund s distribution rate at a particular level, or that the Board will continue a managed distribution policy (discussed in greater detail below). Additionally, distributions may include return of capital as well as net investment income and capital gains. A return of capital is a return to investors of a portion of their original investment in the Fund. In general terms, a return of capital would involve a situation in which a Fund distribution (or a portion thereof) represents a return of a portion of a shareholder s investment in the Fund, rather than making a distribution that is funded from the Fund s earned income or other profits. Although return of capital distributions may not be currently taxable, such distributions would decrease the basis of a shareholder s Shares and therefore may increase a shareholder s tax liability for capital gains upon a sale of Shares, even if sold at a loss to the shareholder s original investment. If the Fund s investments do not generate sufficient income, the Fund may be required to liquidate a portion of its portfolio to fund these distributions. See Dividends and Distributions.

• *Non-Diversified Status*. As a non-diversified investment company, the Fund can invest more of its assets in fewer issuers than an investment company that is diversified, exposing the Fund to greater risk. The Fund, however, is subject to Chilean laws limiting investments in a single issuer and intends to comply with the diversification requirements imposed by the U.S. Internal Revenue Code of 1986, as amended (the Code), for qualification as a regulated investment company.

• *Unlisted Securities Risk*. The Fund may invest up to 20% of the Chilean Portfolio in unlisted Chilean securities. Because the market for unlisted securities is not liquid, it may be difficult for the Fund to sell these securities at a desirable price. Unlisted securities are not subject to the disclosure and other investor protection requirements of Chilean law applicable to listed securities.

• *Anti-Takeover Charter Provisions*. The Fund s Articles of Incorporation and By-laws include provisions that could limit the ability of other entities or persons to acquire control of the Fund or to change the composition of its Board of Directors. Such provisions could limit the ability of stockholders to sell their shares at a premium over prevailing market prices by discouraging a third party from seeking to obtain control of the Fund. These provisions include staggered terms of office for the Directors, advance notice requirements for stockholder proposals, and super-majority voting requirements for conversion of the Fund to an open-end investment company or certain merger, asset sale or similar transactions. In certain circumstances, these provisions might also inhibit the ability of stockholders to sell their shares at a premium over prevailing market prices.

• *Market Disruption Risk*. Certain events have had a disruptive effect on the securities markets, such as terrorist attacks (including the terrorist attacks in the United States on September 11, 2001), war and other geopolitical events, earthquakes, storms and other disasters. In addition, the equity and debt capital markets in the United States and internationally have recently experienced a financial crisis that has caused a significant decline in the value and liquidity of many securities. In response to the crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks took steps to support financial markets. The withdrawal of this support could also negatively affect the value and liquidity of certain securities. The Fund cannot predict the effects of similar events in the future on the markets or economy of Chile or other countries and this market environment could make identifying investment risks and opportunities especially difficult for the Investment Adviser.

• *Tax Risk*. The Fund may invest in securities of which the federal income tax treatment may not be clear or may be subject to recharacterization by the U.S. Internal Revenue Service (the IRS) or the Chilean Servicio de Impuestos Internos (the Chilean IRS). It could be more difficult for the Fund to comply with the United States tax requirements applicable to regulated investment companies, or with the Chilean tax requirements applicable to foreign investors, if the tax characterization of the Fund s investments or the tax treatment of the income from such investments were successfully challenged by the IRS or by the Chilean IRS.

• *Repurchase Agreements Risk*. Repurchase agreements may involve risks in the event of counterparty default or insolvency of the seller, including possible delays or restrictions with respect to the Fund s ability to dispose of the underlying securities, and the possibility that the collateral might not be sufficient to cover any losses incurred by the Fund.

- *Securities Lending Risk.* In connection with its loans of portfolio securities, the Fund may be exposed to the risk of delay in recovery of the loaned securities or possible loss of rights in the collateral should the borrower become insolvent. The Fund also bears the risk of loss on the investment of cash collateral. There is also the risk that, in the event of default by the borrower, the collateral might not be sufficient to cover any losses incurred by the Fund. There can be no assurance that the return to the Fund from a particular loan, or from its loans overall, will exceed the related costs and any related losses.

- *Foreign Custody.* The Fund s custodian generally holds the Fund s non-U.S. securities and cash in non-U.S. bank sub-custodians and securities depositories generally in Chile. Regulatory oversight of non-U.S. banks and securities depositories may differ from that in the U.S. Additionally, laws applicable to non-U.S. banks and securities depositories may limit the Fund s ability to recover its assets in the event the non-U.S. bank, securities depository or issuer of a security held by the Fund goes bankrupt.

- *Tax Considerations.* The Fund intends to qualify and to continue to qualify as a regulated investment company under the Internal Revenue Code. If it so qualifies, it generally will be relieved of U.S. federal income tax on its investment company taxable income and net capital gains, if any, which it distributes to shareholders in accordance with requirements under the Internal Revenue Code. In order to continue to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to minimize its U.S. federal income tax liability, it is the Fund s policy to distribute substantially all of its net income and capital gains, if any, to shareholders. To the extent that the Fund has earnings available for distribution, its distributions in the hands of shareholders may be treated as ordinary dividend income, although certain distributions may be reported by the Fund as capital gain distributions, which would be treated as long-term capital gain, or qualified dividend income, which may be eligible for long-term capital gain tax rates for a shareholder if certain holding period rules are satisfied by the Fund and the shareholder. However, at this time, the Fund does not expect material amounts of its dividends to be treated as qualified income. Dividends and capital gains distributions paid by the Fund are not expected to qualify for the corporate dividends-received deduction. Distributions in excess of the Fund s current and accumulated earnings and profits will first reduce a shareholder s basis in his shares and, after the shareholder s basis is reduced to zero, will constitute capital gains to the shareholder who holds his shares as capital assets. Subject to certain limitations imposed by the Internal Revenue Code, foreign taxes withheld from distributions or otherwise paid by the Fund may be creditable or deductible by U.S. shareholders for U.S. federal income tax purposes, if the Fund is eligible to and makes an election to treat the shareholders as having paid those taxes for U.S. federal income tax purposes. No assurance can be given that the Fund will be eligible to make this election each year, but it intends to do so if it is eligible. If the election is made, the foreign withholding taxes paid by the Fund will be includable in the U.S. federal taxable income of shareholders. Non-U.S. investors may not be able to credit or deduct the foreign taxes, but they may be deemed to have additional income from the Fund equal to their share of the foreign taxes paid by the Fund subject to U.S. withholding tax. Investors should review carefully the information discussed under the heading Taxation and should discuss with their tax advisers the specific tax consequences of investing in the Fund.

Investment Adviser

Aberdeen Asset Managers Limited serves as the investment adviser to the Fund (AAML or the Investment Adviser) pursuant to an advisory contract with the Fund (the Advisory Agreement). AAML, a Scottish company, is authorized and regulated in the U.K. by the Financial Conduct Authority and is a U.S. registered investment adviser under the Investment Advisers Act of 1940, as amended (the Advisers Act). The Investment Adviser is located at Bow Bells House, 1 Bread Street, London, U.K., EC4M 9HH.

The Investment Adviser is a wholly-owned subsidiary of Aberdeen Asset Management PLC (Aberdeen PLC), which is the parent company of an asset management group managing approximately $317.9 billion in assets as of June 30, 2013 for a range of pension funds, financial institutions, investment trusts, unit trusts, offshore funds, charities and private clients, in addition to U.S. registered investment companies. The registered offices of Aberdeen PLC are located at 10 Queen s Terrace, Aberdeen, Scotland AB 10 1 YG. Aberdeen PLC, its affiliates and subsidiaries are referred to collectively herein as Aberdeen. Aberdeen PLC was formed in 1983 and was first listed on the London Stock Exchange in 1991.

The Advisory Agreement provides that the Fund will pay the Investment Adviser a fee computed at the annual rate of 1.20% of the first $50 million of the Fund s Average Weekly Base Amount (as defined below), 1.15% of amounts from $50-100 million, 1.10% of amounts from $100-150 million, 1.05% of amounts from $150-200 million and 1.00% of amounts over $200 million, calculated weekly and paid quarterly. Average Weekly Base Amount is defined in the Advisory Agreement as the average of the lesser of the market value of the Fund s outstanding shares and the Fund s net assets, determined as of the last trading day of each week during a quarter. Effective March 6, 2013, the Investment Adviser has contractually agreed to waive 0.21% of the annual advisory fee based on the Fund s Average Weekly Base Amount, calculated weekly and paid quarterly. The contractual advisory fee waiver shall continue in effect until March 1, 2014, unless otherwise agreed by the Investment Adviser and the Fund. Prior to March 6, 2013, the Investment Adviser voluntarily waived an equal portion of its advisory fee.

Portfolio Managers

The Fund is managed by the Global Emerging Markets Team. The following persons have the most significant responsibility for the day-to-day management of the Fund s portfolio Devan Kaloo, Head of Emerging Markets; Fiona Manning, CFA, Investment Manager; Andy Brown, CFA, Investment Manager; Stephen Parr, Investment Manager; and Nick Robinson, CFA, Investment Manager. See Management of the Fund Portfolio Management.

Administrator

Brown Brothers Harriman & Co. (BBH & Co.), 40 Water Street, Boston, MA 02109, is U.S. administrator for the Fund and certain other U.S. registered closed end funds advised by AAML and its affiliates (the Funds). The Funds pay BBH & Co. monthly for administrative and fund accounting services, at an annual rate of .02% of the Funds aggregate assets up to $250 million, .015% for the next $250 million, and .01% in excess of $500 million. Each Fund pays its pro rata portion of the fee based on its level of assets.

BTG Pactual Chile S.A. Administradora de Fondos de Inversión de Capital Extranjero (formerly, Celfin Capital S.A. Administradora de Fondos de Capital Extranjero) (BTG Pactual Chile, and collectively with BBH & Co., the Administrator) serves as the Fund s Chilean administrator. For its services, BTG Pactual Chile is paid a fee, out of the advisory fee payable to AAML that is calculated weekly and paid quarterly at an annual rate of 0.05% of the Fund s average weekly market value or net assets (whichever is

	lower). In addition, BTG Pactual Chile receives a supplemental administration fee paid by AAML and an annual reimbursement of out-of-pocket expenses and an accounting fee. See Management of the Fund Administrator.
Custodian	BBH & Co., 40 Water Street, Boston, MA 02109, acts as the Fund s custodian. See Management of the Fund Custodian.
Transfer Agent	Computershare Trust Company, N.A., 250 Royall Street, Canton, MA 02021, serves as the Fund s stock transfer agent and dividend paying agent. See Management of the Fund Transfer Agent.
Dividends and Distributions	The Board of Directors has implemented a managed distribution policy of paying quarterly distributions at an annual rate, set once a year, that is a percentage of the rolling average of the Fund s prior four quarter-end net asset values. The current rolling distribution rate is 10%, but this rate may be changed by the Board in response to, among other things, market conditions. The distributions are made from current income, supplemented by realized capital gains and, to the extent necessary, paid-in capital. Any distributions made from paid-in-capital would represent a return of a stockholder s original investment in the Fund. A return of capital to stockholders would reduce the Fund s net asset value and, over time, potentially increase the Fund s expense ratio. A return of capital reduces the amount of a stockholder s tax basis in such stockholder s shares. When a stockholder sells shares in the Fund, the amount, if any, by which the sales price exceeds the stockholder s basis in the Fund s shares is gain subject to tax. There can be no assurance that the Board will continue a managed distribution policy. See Dividends and Distributions.
	The exact amount of distributable income for each fiscal year can only be determined as of the end of the Fund s fiscal year, December 31. Under Section 19 of the 1940 Act, the Fund is required to indicate the sources of certain distributions to shareholders. The estimated distribution composition may vary from quarter to quarter because it may be materially impacted by future income, expenses and realized gains and losses on securities and fluctuations in the value of the currencies in which Fund assets are denominated. Based on generally accepted accounting principles, for the semi-annual period ended June 30, 2013, which includes the distribution payable on July 12, 2013, referenced in the Financial Highlights , the Fund estimates that the distributions consisted of 14% net investment income, 1% short-term capital gains, 34% net realized long-term capital gains and 51% return of capital.
	The Fund s policy is to distribute at least annually to its stockholders substantially all of its net investment income. The Fund determines annually whether to distribute any net realized long-term capital gains in excess of net realized short-term capital losses (including capital loss carryover); however, it currently expects to distribute any excess annually to its stockholders.
	Dividends, interest and net realized capital gains may be remitted out of Chile at any time, subject to a 10% Chilean tax. The 10% Chilean tax is not applicable to capital gains from the sale of shares of open corporations fulfilling certain requirements, from publicly traded bonds issued by certain entities or companies, or from mutual fund quotas, provided certain requirements are met. No tax is applied

against remittances of capital after the five-year investment period required by Chilean law, provided that if the Fund s Taxable Profit Fund (Fondo de Utilidades Tributables) has retained taxable or financial earnings that have not been distributed, then a remittance of capital is applied first to such retained earnings subject to the 10% tax. Once the retained earnings have been remitted, then the repatriated capital is

	not subject to tax. See Taxation Chilean Taxes.
Dividend Reinvestment and Direct Stock Purchase Plan	Computershare Trust Company, N.A. sponsors and administers a Dividend Reinvestment and Direct Stock Purchase Plan (the Plan), which is available to shareholders. Additional information about the Plan and a brochure that includes the terms and conditions of the Plan may be obtained at www.computershare.com/buyaberdeen or by calling Computershare Trust Company, N.A. at 1-800-647-0584. For both purchases and reinvestment purposes, shares acquired through the Plan will be purchased in the open market at the current share price and cannot be issued directly by the Fund.
Taxation	Withholding and/or other taxes may apply in the countries in which the Fund invests, which will reduce the Fund s cash return in those countries. The Fund intends to elect, when eligible, to pass-through to the Fund s shareholders the ability to claim (subject to limitations) a deduction or credit for the amount of foreign income and similar taxes paid by the Fund. Tax considerations for an investor in the Fund are summarized under Taxation. See also Risks and Special Considerations.

SUMMARY OF FUND EXPENSES

Shareholder Transaction Expenses	
Maximum Sales Load (as a percentage of offering price)(1)	%
Offering Expenses (as a percentage of offering price)(1)	%
Dividend Reinvestment and Cash Purchase Plan Fees(2)	None
Annual Operating Expenses (as a percentage of average net assets attributable to the Fund s common stock)	
Management Fee(3)	1.14%
Other Expenses(4)(5)	0.63%
Total Annual Operating Expenses(6)	1.77%

---

(1) If the Shares are sold or through underwriters, the Prospectus Supplement will set forth any applicable sales load and the estimated offering expenses.

(2) If you participate in the Dividend Reinvestment and Direct Stock Purchase Plan sponsored and administered by Computershare Trust Company, N.A., you will be subject to any fees imposed by Computershare Trust Company, N.A.

(3) See Management of the Fund The Investment Adviser for additional information. The management fee excludes taxes paid by the Fund.

(4) Other Expenses have been estimated for the current fiscal year.

(5) Includes an administration fee of 0.02% of average net assets attributable to the Fund s common stock. See Management of the Fund - Administrator for additional information.

(6) The Investment Adviser has contractually agreed to waive 0.21% of the annual advisory fee based on the Fund s Average Weekly Base Amount, calculated weekly and paid quarterly. The Average Weekly Base Amount is defined as the average of the lesser of the market value of the Fund s outstanding shares and the Fund s net assets, determined as of the last trading day of each week during a quarter. The net total annual operating expenses after applying the advisory fee waiver is 1.56%. The contractual advisory fee waiver shall continue in effect until March 1, 2014, unless otherwise agreed by the Investment Adviser and the Fund.

Example

An investor would pay the following expenses on a $1,000 investment in the Fund, assuming a 5% annual return:

One Year	Three Years	Five Years	Ten Years
$ 16	$ 49	$ 85	$ 185

The above table and example are intended to assist investors in understanding the various costs and expenses directly or indirectly associated with investing in Shares of the Fund. The Example assumes that all dividends and other distributions are reinvested at net asset value and that the percentage amounts listed in the table above under Total Annual Operating Expenses remain the same in the years shown. The above table and example and the assumption in the example of a 5% annual return are required by regulations of the SEC that are applicable to all investment companies; the assumed 5% annual return is not a prediction of, and does not represent, the projected or actual performance of the Fund s Shares. For more complete descriptions of certain of the Fund s costs and expenses, see Management of the Fund and Expenses.

The example should not be considered a representation of past or future expenses, and the Fund s actual expenses may be greater than or less than those shown. Moreover, the Fund s actual rate of return may be greater or less than the hypothetical 5% return shown in the example.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Fund s financial performance. Information is shown for the Fund s last ten fiscal years and most recent fiscal half-year. Certain information reflects financial results for a single Fund Share. The following information (other than the information presented for the six months ended June 30, 2013) has been audited by PricewaterhouseCoopers LLP (PwC), independent registered public accounting firm for the Fund. The report of PwC for the fiscal year ended December 31, 2012, together with the financial statements of the Fund, are included in the Fund s December 31, 2012 Annual Report, and the Fund s unaudited financial statements are included in the Fund s June 30, 2013 Semi-Annual Report and are incorporated by reference into the SAI, which is available upon request.

		For the Fiscal Years Ended December 31,					
	6/30/2013	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
PER SHARE OPERATING PERFORMANCE (a)							
Net asset value, beginning of period	$ 15.05	$ 14.49	$ 22.05	$ 18.77	$ 11.05	$ 18.78	$ 17.33
Net investment income	0.11	0.13	0.16	0.04	0.11	0.20	0.11
Net realized and unrealized gain/(loss) on investments and foreign currency related transactions	(1.63)	2.02	(4.89)	6.64	8.68	(7.01)	3.85
Net increase/(decrease) in net assets resulting from operations	(1.52)	2.15	(4.73)	6.68	8.79	(6.81)	3.96
Dividends and distributions to shareholders:							
Net investment income	(0.77)	(0.13)	(0.13)	(0.01)	(0.33)	(0.16)	(0.12)
Net realized gain		(1.47)	(2.75)	(3.45)	(0.74)	(0.76)	(2.39)
Total dividends and distributions to shareholders	(0.77)	(1.60)	(2.88)	(3.46)	(1.07)	(0.92)	(2.51)
Anti-dilutive impact due to capital shares tendered				0.06			
Increase to Net Assets Value due to shares issued through shelf offering		0.01	0.05				
Net asset value, end of period	$ 12.76	$ 15.05	$ 14.49	$ 22.05	$ 18.77	$ 11.05	$ 18.78
Market value, end of period	$						