

\$40M Funding Arranged to Acquire Cortadera Issue of Tranche 1 shares

Further to the announcement dated 6 August 2021, Hot Chili Limited (ASX: HCH) (OTCQB: HHLKF) ("Hot Chili" or the "Company") is pleased to announce that the issue of 665,004,511 Shares under Tranche 1 of the Placement (**Tranche 1 Placement Shares**) under Australian Securities Exchange (ASX) listing rules 7.1 and 7.1A has been completed.

A total of 354,184,879 new Shares were issued within the Company's 15% placement capacity under listing rule 7.1 and a total of 310,819,632 new Shares were issued within the Company's additional 10% placement capacity under listing rule 7.1A.

The issue of 428,745,489 Shares (**Tranche 2 Placement Shares**), including 93,750,000 Shares (\$3 million) to Blue Spec Sondajes Chile SpA, a Company associated with Hot Chili's chairman Murray Black, under Tranche 2 of the Placement will be subject to shareholder approval.

New Shares will be issued at a price of 3.2 cents (\$0.032) each.

The Company will convene a general meeting seeking shareholder approval of the issue of Tranche 2 Placement Shares, to be held on 15 September 2021. A notice of meeting will be mailed shortly.

Share Purchase Plan offer

Full details of the SPP Offer will be set out in the prospectus for the SPP Offer which follows this announcement.

The SPP Offer period will open on Tuesday, 17 August 2021 and is expected to close at 5pm WST on Friday, 10 September 2021.

This announcement is authorised by the Board of Directors for release to ASX.

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