



# ASX Announcement

9 May 2018

Company Announcements Office

Australian Securities Exchange

## NOTICE UNDER ASX LISTING RULE 3.10.5A

Hot Chili Limited ("Vault" or the "Company") has issued a total of 98,378,610 ordinary fully paid shares at \$0.03 each and 52,189,305 free attaching unlisted options exercisable at \$0.10 each on or before 31 May 2020 to investors and advisers (the **Placement**). The Placement was announced to the market on 30 October 2017 and completed on 9 May 2018.

Of the 98,378,610 fully paid ordinary shares issued, 60,248,907 were issued under ASX Listing Rule 7.1A available capacity and the balance of 38,129,703 shares and 52,189,305 unlisted options were issued under ASX Listing Rule 7.1. Pursuant to ASX Listing Rule 3.10.5A, the Company provides the following information in relation to the Placement made under ASX Listing Rule 7.1A.

a) The dilutive effect of the Placement on existing shareholders of the Company is as follows:

	Shares	Dilution
Shares on issue pre-Placement	602,543,430	
Shares issued under LR 7.1 capacity	38,129,703	5.44%
Shares issued under LR 7.1A capacity	60,248,907	8.60%
Total Shares on issue post Placement	700,922,040	
Total dilution effect		14.04%

If the options had been exercised immediately on issue and assuming that no other options or convertible notes had been exercised, an additional dilution of 6.93% would have occurred.

Details of the Company's issued capital following the completion of the Placement held by pre-Placement and new shareholders are as follows:

	Shares	Percentage
Pre-Placement shareholders who did not participate in the Placement	492,916,291	70.3%
Pre-Placement shareholders who did participate in the Placement	145,994,296	20.8%
New shareholders who participated in the Placement	62,011,453	8.8%

- b) The equity securities were issued for cash consideration (the options were free attaching options). The Company issued the securities as a Placement under ASX Listing Rule 7.1A in order to initiate exploration, evaluation and development of the El Fuego project and to provide working capital for the Company. It was the most efficient mechanism for raising funds at the time and a Share Purchase Plan had been undertaken at the end of 2017.
- c) There was no underwriting for this Placement.
- d) The Company will pay estimated cash costs of \$227,978 for the capital raising which will include management and selling fees paid to advisors and will also include placement administration costs being legal expenses, share registry, share quotation fees and ASIC costs.