



ASX ANNOUNCEMENT

Friday 15th July 2016

Issue of Shares under Placement

Hot Chili Limited (ASX Code: HCH) advises that it has today issued 72,000,000 new fully paid ordinary shares under the first tranche of the Placement to sophisticated and professional investors previously announced on 8 July 2016 (Placement).

The Company provides the following Information in accordance with ASX Listing Rules 3.10.5A and 7.1A.4(b) in relation to the shares issued under ASX Listing Rule 7.1A only:

1. The Company issued 42,000,000 of the Placement shares under its ASX Listing Rule 7.1A issuing capacity.
2. The dilutive effect of the shares issued under ASX Listing Rule 7.1A is approximately 9.23% (based on pre-existing capital position of 455,079,278 shares).
3. The shares issued under ASX Listing Rule 7.1A were issued for cash consideration to raise A\$2.52 million. The Board determined it appropriate to raise funds through a placement to sophisticated and professional investors, as it was considered to be the most efficient mechanism for raising required funds at the time.
4. The Placement was not underwritten.
5. The Company has incurred, or is expected to incur, approximately \$256,000 in relation to raising funds under the entire Placement. This amount includes the estimated costs of issuing a cleansing prospectus and a notice of general meeting to seek shareholder approval (amongst other things) for the second tranche of the Placement.

For more information please contact:

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Forward Looking Statements

This Announcement is provided on the basis that neither the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Announcement and nothing contained in the Announcement is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Announcement contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties, and may differ materially from results ultimately achieved.

The Announcement contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of the Announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the Announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Announcement nor any information contained in the Announcement or subsequently communicated to any person in connection with the Announcement is, or should be taken as, constituting the giving of investment advice to any person.