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## Preliminary IPO Prospectus Lodged for TSXV Listing Application

Hot Chili Limited (ASX: HCH) (OTCQB: HHLKF) ("Hot Chili" or the "Company") is pleased to announce the launch of a Canadian secondary market Initial Public Offering (IPO), following lodgement of a preliminary prospectus with the Securities Commissions in the Provinces of Canada, other than Quebec.

The preliminary prospectus and associated IPO are key steps in Hot Chili's application to dual list the Company on the TSX Venture Exchange (TSXV) and fund an ambitious phase of growth and development ahead of the Company's transition into a future copper producer.

The preliminary prospectus contains an offering of new ordinary shares (**Share** or **Shares**) of the Company to raise funds from institutional investors in Canada, the USA and other jurisdictions outside of Australia (**Offering**). iA Capital Markets and Cormark Securities Inc. are acting as co-lead underwriters for the Offering (**Underwriters**).

The offering price and size will be determined between the Company and the Underwriters in the context of the market following shareholder resolution of a proposed fifty (50) to one (1) consolidation (**Consolidation**) at the Company's General Meeting scheduled for November 15, 2021.

The proposed Consolidation will reduce the number of ordinary shares currently on issue from approximately 4.4 billion to 87.5 million and provide a more effective capital structure of the Company, and a more appropriate share price for a wider range of investors, particularly institutional investors.

If the Consolidation is approved, the ordinary shares of the Company would begin trading on the ASX on a post-consolidation basis on November 17, 2021, with pricing of the IPO to be determined after that point.

Net proceeds from the IPO are proposed to be used to upgrade the Cortadera Resource, advance the Costa Fuego Preliminary Feasibility Study (PFS), test several high-priority exploration targets and for general corporate purposes.

As previously announced, the Company intends to submit an application to list its Shares on the TSXV and has reserved the symbol "HCH".

Listing will be subject to the Company fulfilling all of the initial listing requirements and conditions of the TSXV, and there is no assurance such a listing will be obtained. Closing of the IPO (**Closing**) is conditional upon the Shares from the IPO being approved for listing on the TSXV.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to persons in the United



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States absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

An indicative timetable of the offering is as follows:

<b>ASX trading on a post-Consolidation basis starts on a deferred settlement basis</b>	November 17, 2021
<b>Pricing Date:</b>	Expected the week of November 22, 2021
<b>Filing of Final Prospectus</b>	Expected the week of November 22, 2021
<b>Closing of the Offering:</b>	Expected the week of November 29, 2021
<b>Quotation of HCH on the TSXV</b>	On or around November 30, 2021

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

**For more information please contact:**

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or visit Hot Chili's website at [www.hotchili.net.au](http://www.hotchili.net.au)

## Technical Information

All technical information in this document has been prepared by or under the supervision of Grant King, Chief Operating Officer of the Company. Mr. King is the "qualified person" for the purposes of NI 43-101.

For further information on the Productura Project, please see the report titled "Productura Copper Project Preliminary Feasibility Study, Chile", effective dated 28 October 2021, prepared by Boris Caro of Caro & Navarro Limitada, Leendert (Leon) Lorenzen of Mintrex Pty Ltd, Tom Kendall of Mintrex Pty Ltd, and Elizabeth Haren of Haren Consulting, available on the website of the Company and under the profile of the Company on [www.sedar.com](http://www.sedar.com).

For further information on the Cortadera Project, please see the report titled "Cortadera Copper Deposit, Mineral Resource Estimate, Chile", effective dated 28 October 2021 prepared by Elizabeth Haren of Haren Consulting, available on the website of the Company and under the profile of the Company on [www.sedar.com](http://www.sedar.com).

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.



## Forward-Looking Statements

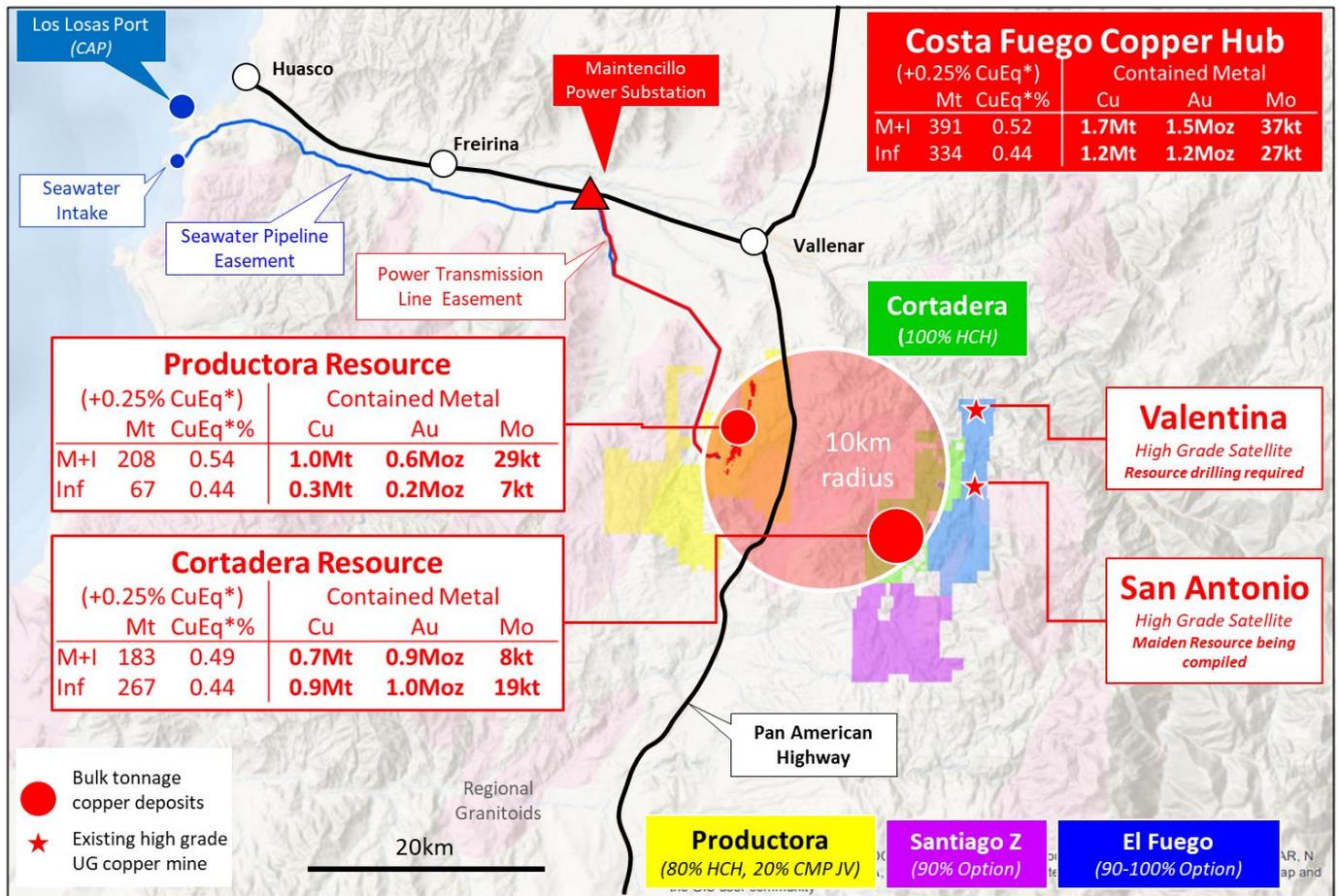
This press release contains certain statements which contain "forward-looking information" within the meaning of Canadian securities legislation (each a "forward-looking statement"). No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this presentation should not be unduly relied upon. Forward-looking information is by its nature prospective and requires the Company to make certain assumptions and is subject to inherent risks and uncertainties. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential", "capable", "budget", "pro forma" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A number of factors could cause actual results to differ materially from a conclusion, forecast or projection contained in the forward-looking statements in this document, including, but not limited to, the following material factors: the ability obtain sufficient financing, and otherwise to satisfy the conditions to complete the offering; the ability to obtain conditional listing approval of the TSXV and to satisfy the conditions of such conditional listing approval; if granted, economic and market conditions, operational risks associated with the COVID-19 pandemic; risks related to the cost estimates of exploration; sovereign risks associated with the Company's operations in Chile; changes in estimates of mineral resources of properties where the Company holds interests; recruiting qualified personnel and retaining key personnel; future financial needs and availability of adequate financing; fluctuations in mineral prices; market volatility; exchange rate fluctuations; ability to exploit successful discoveries; the production at or performance of properties where the Company holds interests; ability to retain title to mining concessions; environmental risks; financial failure or default of joint venture partners, contractors or service providers; competition risks; and other risks and uncertainties described elsewhere in this presentation and in the prospectus.

Although the forward-looking statements contained in this new release are based upon assumptions which the Company believes to be reasonable, the Company cannot be certain that actual results will be consistent with these forward-looking statements. Forward-looking statements speak only as of the date of this document. Factors emerge from time to time, and it is not possible for management to predict all of those factors or to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The forward-looking statements contained in this document are expressly qualified by the foregoing cautionary statements and are made as of the date of this document. Except as may be required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statement to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.





**Figure 1 Location of Productora and the Cortadera discovery in relation to the coastal range infrastructure of Hot Chili’s combined Costa Fuego copper project, located 600km north of Santiago in Chile.**

Refer to ASX Announcement “Costa Fuego Becomes a Leading Global Copper Project” (12th October 2020) for JORC Table 1 information related to the Cortadera JORC compliant Mineral Resource estimate by Wood and the Productora re-stated JORC compliant Mineral Resource estimate by AMC Consultants

\* Copper Equivalent (CuEq) reported for the resource were calculated using the following formula:  $CuEq = ((Cu \times Cu \text{ price } 1\% \text{ per tonne} \times Cu_{\text{recovery}}) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo_{\text{recovery}}) + (Au \text{ ppm} \times Au \text{ price per g/t} \times Au_{\text{recovery}}) + (Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag_{\text{recovery}})) / (Cu \text{ price } 1\% \text{ per tonne})$ . The Metal Prices applied in the calculation were: Cu=3.00 USD/lb, Au=1,550 USD/oz, Mo=12 USD/lb, and Ag=18 USD/oz. For Cortadera (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=56%, Mo=82%, and Ag=37%. For Productora (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=43% and Mo=42%. For Costa Fuego (Inferred + Indicated), the average Metallurgical Recoveries were: Cu=83%, Au=51%, Mo=67% and Ag=23%.

\*\* Reported on a 100% Basis - combining Cortadera and Productora Mineral Resources using a +0.25% CuEq reporting cut-off grade



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