

Conversion of Convertible Notes

APPENDIX 2A

Hot Chili Limited (ASX:HCH) (TSXV:HCH) (OTCQX:HHLKF) (the “Company”) advises that, the Company has issued 33,704 ordinary fully paid shares to certain holders of convertible notes on conversion of 555 Convertible Notes issued on 22 June 2017 and 8 September 2017. The deemed price for the conversion of notes was \$1.6665 per share as per the terms and conditions of the notes.

An Appendix 2A follows.

The Company gives the following cleansing notice under section 708A(5)(e) of the *Corporations Act 2001*(Cth) (**Corporations Act**) that:

1. The Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act.
2. As at the date of this notice, the Company has complied with:
 - a. the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - b. section 674 of the Corporations Act.
3. As at the date of this notice, there is no information to be disclosed which is “excluded information”, as defined in sections 708A(7) or 708A(8) of the Corporations Act.

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

For more information please contact:

Christian Easterday Tel: +61 8 9315 9009

Managing Director Email: admin@hotchili.net.au

or visit Hot Chili’s website at www.hotchili.net.au