Announcement

2 February 2026

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Hot Chili to Undertake a Capital Raising by Private Placement

PERTH, Australia, 2 February 2026 - Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) ("Hot Chili" or the "Company") is pleased to announce it has engaged joint lead managers to undertake a capital raising by way of a placement of shares to institutional, professional, and other investors to raise up to approximately A$40.0 million.

Proposed Placement

The Company has appointed Veritas Securities Limited, Cormark Securities Inc. and Desjardins Capital Markets as joint lead managers ("JLMs") and BMO Capital Markets, as co-manager (together with the JLMs, the "Agents"), to raise up to approximately A$40.0 million ("Capital Raising") on a "best endeavours basis" by way of a private placement ("Placement") of up to 24,274,600 new fully paid ordinary shares ("Shares") offered to institutional, professional, and other investors.

The issue of the Shares under the Placement will not be subject to shareholder approval and will be made within the Company's 25% placement capacities under Australian Securities Exchange ("ASX") listing rules 7.1 and 7.1A.

The Shares will be issued at a price of A$1.65 per Share (C$1.56 per Share) and will rank equally with all other Shares currently on issue.

The issue price of A$1.65 per Share represents an approximate 15.0% discount to the Company's last closing price and an approximate 13.6% discount to the 5-day volume weighted average price of Hot Chili shares traded on ASX prior to the Company entering into a trading halt on 2 February 2026.

The issue of the Shares under the Placement is expected to occur on 12 February 2026, or on such other date as the Company and the JLMs may agree.

The Placement is being made in Australia under an offer to investors who qualify as professional or sophisticated investors under sections 708(8), (10) and (11) of the *Corporations Act 2001* (C'h) (the "Australian Placing"). The Placement is being made in Canada on a private placement basis pursuant to Part 5A of National Instrument 45-106 – *Prospectus Exemptions* ("NI 45-106") as amended and supplemented by Coordinated Blanket Order 45-935 *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* ("LIFE Exemption") in each of the provinces and territories of Canada, other than Quebec, for aggregate gross proceeds of up to C$20,000,136 (approximately A$21,101,642) or up to 12,820,600 Shares (the "Canadian Placing"). The Shares issued pursuant to the LIFE Exemption under the Canadian Placing will not be subject to a hold period pursuant to applicable Canadian securities laws. There is an offering document related to the Canadian Placing that can be accessed on SEDAR+ (www.sedarplus.ca) under the Company's profile and on the Company's website at www.hotchili.net.au. Prospective investors in the Canadian Placing should read the offering document before making an investment decision.

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The Shares under the Placement may also be offered in the United States pursuant to available exemptions from the registration requirements of the United States Securities Act of 1933, as amended, ("1933 Act"), and applicable state securities laws, and in those other jurisdictions outside of Australia, Canada and the United States provided it is understood that no prospectus filing or comparable obligation, ongoing reporting requirement or requisite regulatory or governmental approval arises in such other jurisdictions.

The Placement remains subject to the receipt of all necessary approvals, including the approval of the TSX Venture Exchange ("TSXV").

Purpose of Capital Raising and Use of Funds

The Placement aims to increase Hot Chili's trading liquidity on the TSXV and maintain the Company's strategic funding optionality, while ensuring Costa Fuego remains one of a limited number of globally significant copper developments, not owned by a major mining company, that could deliver meaningful new copper supply this decade.

Proceeds from the Placement will provide funding to aggressively accelerate the La Verde Cu-Au discovery to establish a maiden mineral resource and further define the potential size, scale and grade of a high-grade starter pit for the Costa Fuego Project, development of the Company's Huasco Water Project, commencement of the Costa Fuego Feasibility Study, completion and submission of the Costa Fuego Environmental Impact Assessment, ongoing exploration, strategic funding activities, and for general working capital purposes.

At the closing of the Placement, the Company will pay to the Agents a cash commission equal to 6.0% of the gross proceeds of the Placement and will issue to the Agents such number of non-transferable and unlisted options in the Company (the "Broker Options") as is equal to 5.0% of the number of Shares issued under the Placement. Each Broker Option will be exercisable to acquire one Share at a price of A$2.145 per Share on or before the date that is 30 months following the issue of the Broker Options.

Further announcement of Placement details

The Company's securities will continue to be in trading halt on ASX and TSXV until an announcement regarding the result of the Placement. The Placement announcement is anticipated to be made prior to commencement of trading on ASX on Wednesday, 4 February 2026 (AEST).

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

Hot Chili's Managing Director and Chief Executive Officer Mr Christian Easterday is responsible for this announcement and has provided sign-off for release to the ASX and TSXV.

For more information please contact:

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US Securities Laws

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States. The securities have not been and will not be registered under the 1933 Act or any state securities laws, and may not be offered or sold within the United States unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Forward Looking Statements

This news release contains certain statements that are "forward-looking information" within the meaning of Canadian securities legislation and Australian securities legislation (each, a "forward-looking statement"). Forward-looking statements reflect the Company's current expectations, forecasts, and projections with respect to future events, many of which are beyond the Company's control, and are based on certain assumptions. No assurance can be given that these expectations, forecasts, or projections will prove to be correct, and such forward-looking statements included in this news release 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 "believe", "could", “estimate”, "expect", "may", "plan", “planned”, “planning”, "potential", "project", “projections”, "should", “up-scale”, "will", “would” and similar expressions are intended to identify forward-looking statements.

The forward-looking statements within this news release are based on information currently available and what management believes are reasonable assumptions. Forward-looking statements speak only as of the date of this news release. In addition, this news release may contain forward-looking statements attributed to third-party industry sources, the accuracy of which has not been verified by the Company.

In this news release, forward-looking statements relate, among other things, to: the terms of the Placement, the use of proceeds from the Placement, the timing and ability of the Company to close the Placement, the Company's ability to obtain all regulatory, including the approval of the TSXV, and shareholder approvals, certain fees and commissions payable under the Placement, the increase in trading liquidity on the TSXV, the ability to maintain strategic funding optionality, the potential of Costa Fuego, and timing and ability to complete the Company's stated business objectives, including the delineation of a mineral resource in respect of the La Verde deposit, the ability to further define the size, scale and grade of a high-grade starter pit for the Costa Fuego Project, the timing and completion of a Feasibility Study and an Environmental Impact Assessment in respect of Costa Fuego, the development of the Company's Huasco Water project and the completion of strategic funding activities.

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 news release, including, but not limited to, the following material factors: obtaining all regulatory approvals for the Placement; operational risks; 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; economic and market conditions; and other risks and uncertainties described elsewhere in this news release and elsewhere in the Company's public disclosure record.

Although the forward-looking statements contained in this news release are based upon assumptions which the Company believes to be reasonable, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this news release, the Company has made assumptions regarding: completion of the Placement; regulatory approval for the Placement; the risks related to the use of proceeds from the Placement; market volatility; negative effects of dilution on the market price of the Company's ordinary shares; the ability to obtain permits for operations; sovereign risks associated with the Company's foreign operations; the risks related to political instability and expropriation; the uncertainty of the economic viability and estimation of mineral resources; the future price of minerals, including copper and gold; success of the exploration activities and the specifications, targets, results, analyses, interpretations, benefits, costs and timing of them; currency exchange rate fluctuations; prospects, projections and success of the Company and its projects; assumptions, limitations and qualifications in the current technical report in respect of Costa Fuego; the timing and ability of the Company to receive necessary regulatory approvals; environmental risks; labour and employment risks; planned exploration programs and expenditures; current conditions and expected future developments; current information available to the management of the Company; the general business and prospects of the Company, as well as other considerations that are believed to be appropriate in the circumstances. The Company has included the above summary of assumptions and risks related to forward-looking

information provided in this news release to provide investors with a more complete perspective on the Company's future operations, and such information may not be appropriate for other purposes. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom.

For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made herein, please refer to the public disclosure record of the Company, including the Company's most recent Annual Report, which is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile. New factors emerge from time to time, and it is not possible for management to predict all 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 news release are expressly qualified by the foregoing cautionary statements and are made as of the date of this news release. 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 news release or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise. Investors should read this entire news release and consult their own professional advisors to ascertain and assess the income tax and legal risks and other aspects of an investment in the Company.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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