

FURTHER ANALYSIS CONFIRMS RARE EARTHS and NIOBIUM AT MPOSA DEPOSIT

KEY POINTS

- Following on from the initial, pathfinder, analysis of Rare Earth Elements (REE) and Niobium, in Heavy Mineral (HM) Concentrates from Mposa, further assay work testing was undertaken to test the full suite of Rare Earths (Total Rare Earths: TREO = REE + Yttrium).
- Five high grade HM samples were selected by Chilwa from sonic core holes MPOSD 738 and MPOSD 729.
- All samples were assayed at ALS Perth using Inductively coupled plasma mass spectrometry (ICP- MS).
- The results of the analysis are as follows:
 - **MPOSD738, 2.00-2.70m – 1,758 ppm of TREO for 0.70m**
 - **MPOSD738, 5.80-7.00m – 9,268 ppm of TREO for 1.20m**
 - **MPOSD738, 14.00-15.00m – 4,541 ppm of TREO for 1.00m**
 - **MPOSD729, 0.60-1.40m – 3,110 ppm of TREO for 0.80m**
 - **MPOSD729, 4.00-4.60m – 2,851 ppm of TREO for 0.60m**
- All drillholes were terminated at the base of the sand layer, on the basal clay (“footwall”) unit.

Chilwa’s Managing Director, Cadell Buss, commented:

“Whilst our focus still remains on the mineral sands potential at Lake Chilwa, these results demonstrate that more work is required to determine if a Rare Earth mineral resource can be determined for Mposa. It further validates our opinion that these are results that cannot be ignored. Additionally, given that these results confirm the original, pathfinder test results, we need to determine if we can find the primary source (s) of the REE mineralisation on the Chilwa property.

“With the impending arrival of the diamond rig and the interpretation of the aeromagnetic and radiometric survey, we can determine the best path forward to commence exploring for this”.



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OVERVIEW

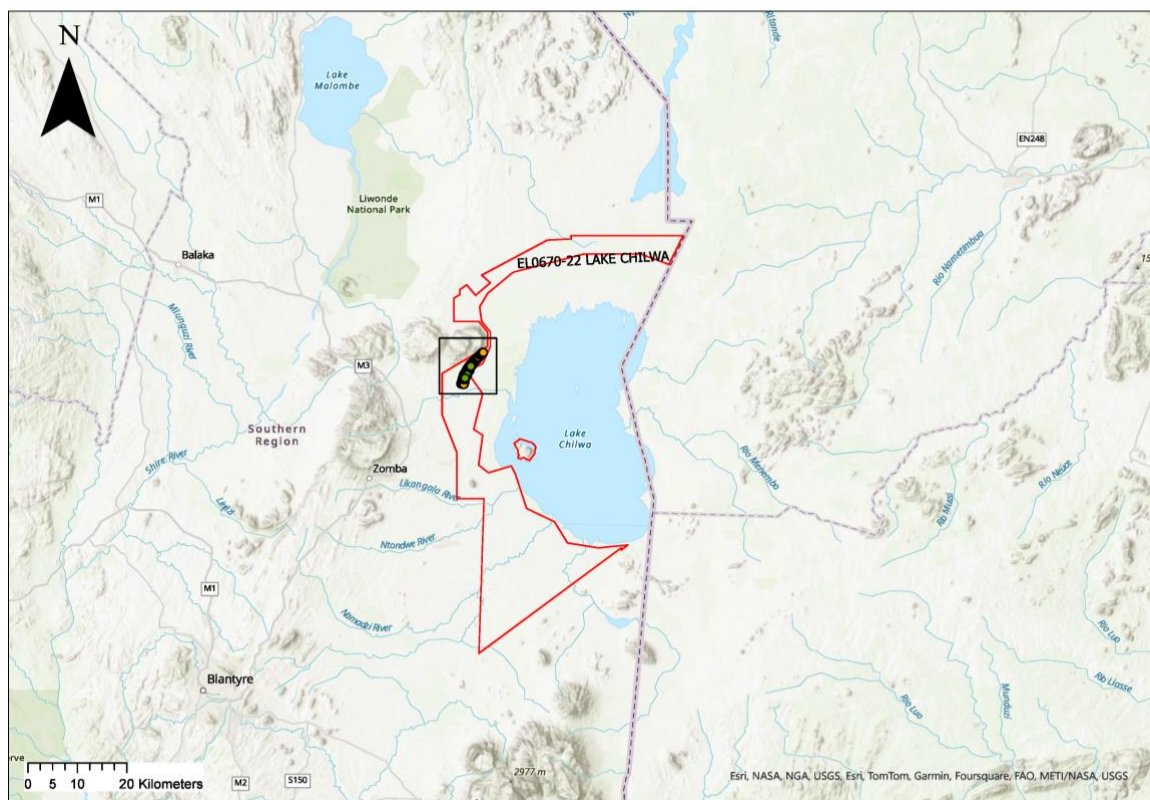


Figure 1- Chilwa Minerals Project - Area of current drilling.

Chilwa Minerals Limited (ASX: CHW) (“**Chilwa**” or the “**Company**”) is pleased to announce that it has received further REE and Niobium results from the ongoing sonic drill program at the Mposa deposit, part of the Chilwa Project, in southeast Malawi.

The sonic drill program is predominantly planned for the assessment of the heavy mineral sands potential of the project. Refer ASX announcement 17 July 2024

There are approximately 12 known carbonatites within and surrounding the Lake Chilwa Project¹, primarily located to the west and south of Lake Chilwa (interpreted to be an endorheic basin, that is, a basin that that does not drain into the ocean). It is postulated that minerals containing REE and Niobium mineralisation may have eroded from the carbonatites and accumulated and concentrated in the basin.

The results in this announcement relate to individual samples of HM concentrates taken from two, high grade holes that were drilled for mineral sands. These results demonstrate that REE and Niobium mineralisation occurs in the HM rich, upper sedimentological unit. Units containing low grade HM mineralisation were not assayed, neither was any material from the clay footwall, as the primary goal of the analysis, was to determine if REE mineralisation is present in the HM bearing units.

¹ Refer to ASX announcement 17 July 2024

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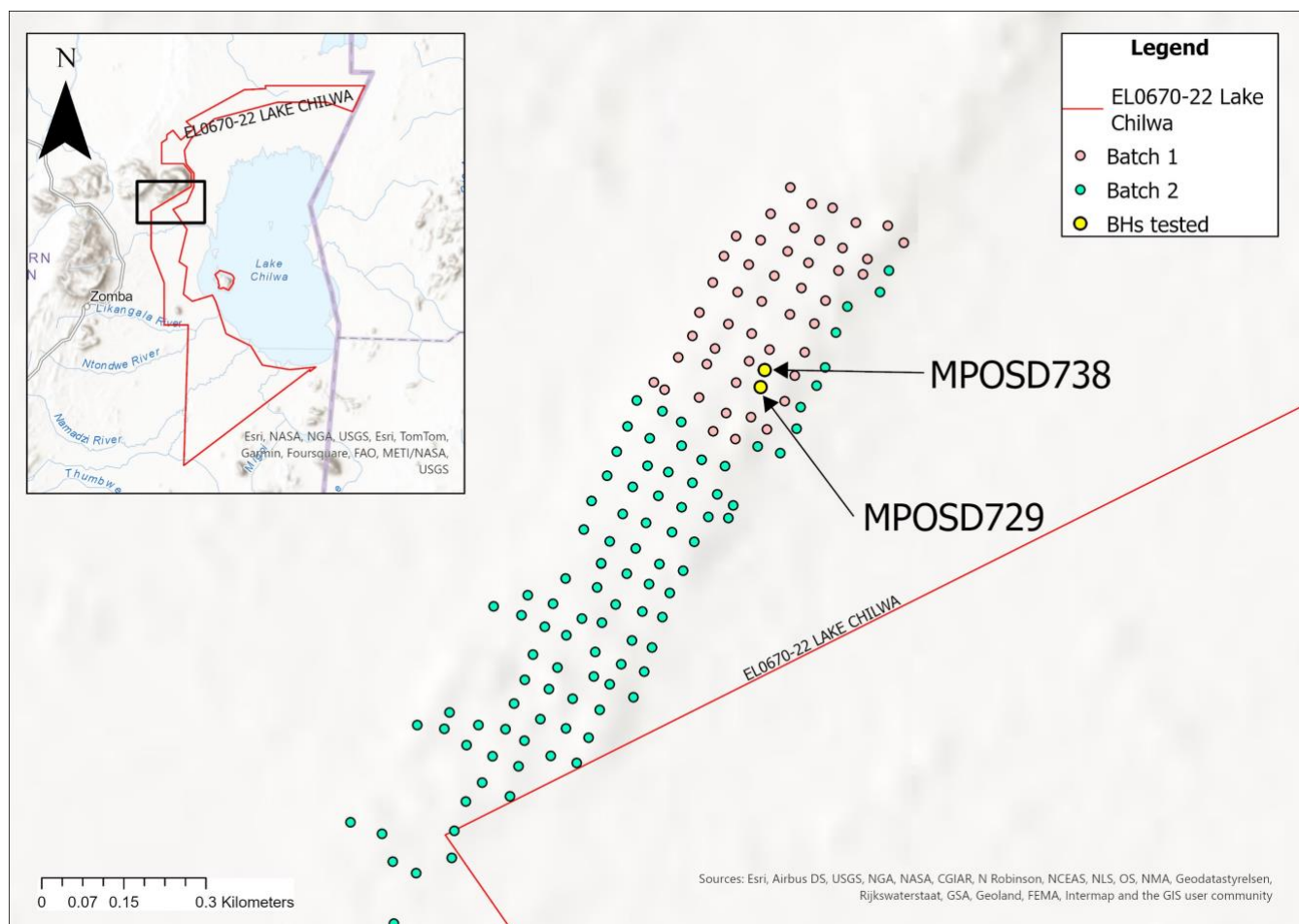


Figure 2 – Mposa Drilling Program Showing Received REE Assay Results indicated in yellow.

ASX Announcement**FURTHER ANALYSIS CONFIRMS RARE EARTHS
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Element (ppm)	SAMPLE NAME				
	MPOSD738 2.00-2.70m (MPO70567)	MPOSD738 5.80-7.00m (MPO70572)	MPOSD738 14.00-15.00 (MPO70584)	MPOSD729 0.60-1.40m (MPO70632)	MPOSD729 4.00-4.60m (MPO70636)
Er	49	74	65	74	58
Eu	3	11	11	5	3
Ga	8	16	20	12	12
Gd	28	160	72	52	44
Hf	668	1,108	1,320	844	716
Ho	13	22	18	19	16
La	212	1,569	668	414	406
Lu	11	16	17	14	11
Nd	177	1,353	584	341	322
Pr	51	374	162	95	92
Rb	5	3	6	6	4
Sm	31	229	96	59	52
Tb	6	20	10	10	8
Tm	8	12	12	12	12
Y	368	584	468	544	428
TREO	1,638	5,551	3,529	2,501	2,185
TREE	1,270	4,967	3,061	1,957	1,757
NdPr (%)	18	35	24	22	24
Nb (ppm)	2,000	2,030	2,200	1,820	1,830

Next Steps

The Company is expecting the interpretation results of the recently completed aeromagnetic and radiometric survey over the entire project area (EL 0671-21 and EL 0671-22). This interpretation will allow the company to better understand the subsurface geology, particularly as it relates to the presence of potential primary REE and Niobium mineralisation. The results derived from the interpretation of the aeromagnetic and radiometric data, will guide Chilwa in selecting anomalies that will be tested using diamond core drilling.

The results of the aeromagnetic and radiometric interpretation are expected in the coming weeks.

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Figure 5 – Chilwa Minerals Project

AUTHORISATION STATEMENT

This update has been authorised to be given to ASX by the Board of Chilwa Minerals Limited.

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-ENDS-

JORC 2012 Inferred Mineral Resource Estimate

A Mineral Resource Estimate (MRE) for the Project has been classified and reported in accordance with the JORC code (2012). The Mineral Resource Estimate has been classified as Inferred and at a 1.0 % THM cut-off contains 2.4 Mt of THM. The MRE is allocated across the Project deposits in **Table I** below.

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Table 1 Inferred Mineral Resources at 1.0% THM as at 31 July 2022 (Refer IPO Prospectus 5th April 2023)

Deposit	Volume (million m ³)	Tonnes (million t)	Dry Density (t/m ³)	Gangue (%)	Ilmenite (%)	Slimes (%)	THM (%)	Zircon (%)
Bimbi	1.5	2.6	1.7	0.7	4.3	15.3	5.3	0.3
Northeast Bimbi	3.6	6.1	1.7	0.3	2.2	15.9	2.7	0.1
Mposa (Main)	11.7	19.4	1.7	0.7	3.2	11.7	4.3	0.4
Mposa (North)	0.6	1.0	1.7	0.3	1.4	8.3	1.9	0.2
Mpyupyu (dune)	2.0	3.5	1.7	1.2	5.7	15.3	7.1	0.2
Mpyupyu (flat)	9.5	16.4	1.7	0.5	2.9	15.4	3.6	0.2
Nkotamo	0.1	0.2	1.5	1.1	3.0	28.3	4.2	0.2
Halala	6.0	8.9	1.5	0.9	2.6	9.8	3.7	0.2
Beacon	0.4	0.6	1.5	0.6	1.8	17.7	2.5	0.1
Namanja West	2.0	2.9	1.5	0.8	2.3	14.7	3.3	0.2
Total	37.5	61.6	1.6	0.7	3.0	13.3	3.9	0.3

- Estimates of the Mineral Resource were prepared by AMC Consultants (UK) Limited (AMC).
- In situ, dry metric tonnes have been reported using varying densities and slime cut-off per deposit.
- Material below 30% slimes for Halala, 20% slimes for Bimbi, Northeast Bimbi and Mpyupyu (dune and flat) and 25% slimes for Mposa Main and Mposa North. All other deposits are a stated using 30% slimes cut-off.
- Tonnages and grades have been rounded to reflect the relative uncertainty of the estimates and resultant confidence levels used to classify the estimates. As such, columns may not total.
- Estimates of the Mineral Resource have been constrained by ultimate pit shells to demonstrate Reasonable Prospects for Eventual Economic Extraction
- Estimates are classified as Inferred according to JORC Code.

Forward Looking Statements and Important Notice

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although Chilwa believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved where matter lay beyond the control of Chilwa and its Officers. Forward looking statements may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

Competent Person Statement

The information in this report that relates to the Mposa drilling exploration results estimate is based on, and fairly represents, information and supporting documentation prepared by Mr Mark Jason Burnett, who is a Fellow of the Geological Society of London and a Chartered Geologist. Mr Burnett is an employee of AMC Consultants (UK) Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burnett confirms there is no potential for a conflict of interest in acting as a Competent Person and has provided his prior written consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although Chilwa believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved where matter lay beyond the control of Chilwa and its Officers. Forward looking statements may be affected by a variety of variables and changes in underlying assumptions that

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are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein.

APPENDIX A – DRILLHOLE COLLAR INFORMATION

Hole ID	Northing	Easting	RL	Dip	Depth
MPO-SD-729	769176.2	8320617	637.24	-90	15
MPO-SD-738	769183.8	8320649	637.6	-90	15

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APPENDIX B – JORC TABLE I

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Prior to the commencement of drilling, logging, and sampling, the geological team developed a standardized set of protocols and procedures.</p> <p>Sonic core drilling, using a CRS-V CompactRotoSonic Crawler 2011 was undertaken.</p> <p>The core was logged, as a first pass, at the rig, then was relogged and sampled at the Chilwa base camp, located in Zomba.</p> <p>Sampling was based on geological changes observed in the core, with a minimum sample length of 20cm, in batch 1, being taken. The maximum sample length is 1.30m in granular material. A single 3m sample was taken within a poorly recovered clay unit.</p> <p>The ordinary sample length is 1.0m</p> <p>Samples were dispatched in a single batch of 796 samples to the preparation laboratory in Johannesburg (ALS, Johannesburg), where they are dried and split. The sub sample (approximately 500g) is sent as air freight to ALS (Perth) where it was initially analysed for slimes %, Oversize % and THM%.</p> <p>Five samples were selected from two sonic core holes (MPSO738 and MPSO 729) based on their THM grades and were analysed using ICP-MS.</p> <p>A combination of X-ray Fluorescence (XRF) and Inductively coupled plasma mass spectrometry (ICP-MS) Li Metaborate Fusion was used by ALS to analyse the REE content of samples submitted by Chilwa.</p> <p>The Competent Person notes that reliance was placed on ALS’ internal quality controls.</p> <p>As these results will not be used in a mineral resource estimate and given that Chilwa will be undertaking additional test work and analysis, the Competent Person is of the opinion that the</p>

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Criteria	JORC Code explanation	Commentary
		procedures followed are acceptable for this press release
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	<p>Drilling was undertaken using a single barrel (CB3 SW CoreBarrel 2m), which produced core of Inner Diameter (ID) = 76mm and Outer Diameter (OD) = 102mm). Where waterlogged sediment or loose sediment was encountered, an Aqualock (AL70) Sampler 2m barrel was used, which produced core of Inner Diameter (ID) = 70mm and Outer Diameter (OD) = 92mm.</p> <p>Drill rods are 1m in length.</p> <p>Drilling was conducted on a regular grid of 50 x 50 m in the centre of the Mposa deposit, with the grid spacing increasing to the north and south, to 50 m x 100 m in those areas that were known from previously drilling to be low grade, or were associated with thin HMS sequences</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>Linear core recovery was determined on a run-by-run basis, ranging from 40% to 100% (Average: 95%).</p> <p>All core samples were immediately bagged in polyethene sausage bags to reduce slimes loss.</p> <p>Where a lot of water, or loose material was encountered, an Aqualock (AL70) Sampler 2m barrel was used.</p> <p>No currently known relationship appears to exist between the sample length (or weight) and the assayed Rare Earth Elements. Additional work is required to determine if any relationships are present. There does appear to be a relationship between depth and HM mineralisation, however additional work is required to determine if this relationship holds true over the entire Mposa deposit.</p> <p>Additional work is required to determine the relationship, if any, between THM concentration and REE mineralisation, or REE mineralisation and depth and/ or sedimentology.</p>
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of</i>	Each sample was logged in the field as well as at Chilwa's base camp in Zomba for: dominant sediment

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Criteria	JORC Code explanation	Commentary
	<p><i>detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>type, colour (using a Munsell colour chart), hardness, coarseness, sorting, and roundness.</p> <p>An estimation of heavy mineral content was made using a calibrated, handheld XRF, potential REE mineralisation was not tested for.</p> <p>Logging was qualitative (descriptive) and quantitative in nature.</p> <p>All intervals were logged according to the established protocols.</p> <p>All core was photographed using a Canon, model LC-E10E. The resolution is 6000 x 4000 (high) (average size 8.1MB, 74 dpi, 24 bit). All photographs have a colour calibration card and scale bar in the photograph.</p> <p>It is the Competent Persons opinion that the core logging was done to the level of detail that will allow it to be used to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p>
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Samples were selected on an individual basis, using the THM assayed values as a guide. The current assumption is that high grade HM mineralisation has a higher likelihood of being associated with REE mineralisation. The purpose of the analysis was to determine the REE, Nb and Y content of the HMC for the five selected samples.</p> <p>The Competent Person notes that only high-grade samples were selected – low grade material as well as the footwall clays should be analysed for their TREO content in order to determine, what relationships exist, if any between HM mineralisation, sedimentary facies or sample depth.</p>
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p>	<p>Rare Earth Element Analysis:</p> <p>Each composite sample was pulverised in a tungsten carbide pulveriser bowl. Note that tungsten carbide contains both tungsten and cobalt. Due to the highly</p>

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Criteria	JORC Code explanation	Commentary
	<p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>abrasive nature of mineral sand concentrates, it is likely that tungsten and cobalt contamination has occurred.</p> <p>The samples were then analysed using a combination of X-ray Fluorescence (XRF) and Inductively coupled plasma mass spectrometry (ICP-MS) Li Metaborate Fusion. The Competent Person notes that no specific procedures were in place to confirm sample representivity for REE analysis and/ or the presence of tungsten and cobalt contamination.</p> <p>This must be rectified if it is determined that there is potential for reasonable prospects of economic extraction of REEs at Mposa.</p> <p>Full reliance was placed on ALS' internal QAQC controls and procedures.</p> <p>The Competent Person notes this weakness, however as these assays will not be used in a mineral resource estimate and that the purpose of this exercise was to determine if REE mineralisation is associated with high grade HM units,</p> <p>The Competent Person is satisfied that these assay results can be reported in their current form, as the assay results will not be used for a mineral resource estimate. The assay results are considered to be indicative only, no independent QAQC was undertaken. . It is the Competent Person's recommendation that additional assay work needs to be undertaken on all units encountered in holes MPOSD 738 and MPOSD 729 to determine what sedimentological units REE mineralisation is associated with.</p>
Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>Two or more Chilwa geologists have inspected the core. All core has been photographed. Significant intersections were checked by Senior Management.</p> <p>The Competent Person reviewed the sampling techniques and data during a site visit in November 2023 to verify the drilling, logging and sampling techniques. That review was specifically related to HMS processes and procedures.</p> <p>Three percent (3%) of the historical holes were "twinned" in Batch 1. The Competent Person notes</p>

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Criteria	JORC Code explanation	Commentary
		<p>that the distance between the historical collar position and the sonic hole is too far to be considered as a true “twin”.</p> <ul style="list-style-type: none"> • MPOSD795 Twinning CWACMPA – 36005 (~9m difference between collar positions) • MPOSD794 Twinning CWACMPA-36004-50 (~6m difference between collar positions) • MPOSD741 Twinning CWACMPA- 40002-75 (~10m difference between collar positions) <p>Primary data was collected using a standard set of paper templates in the field. The data was then entered into an Excel spreadsheet.</p> <p>Assay data are imported directly from digital assay files and are merged in the database with sample information. Data is backed up regularly in off-site secure servers.</p> <p>The database is stored at Chilwa’s head office in Perth and is regularly backed up. Logging entries are reviewed by the Project geologist for accuracy.</p> <p>The remaining half core is stored at Chilwa’s base camp in Malawi.</p> <p>No adjustment to the assay values has been made.</p> <p>Logging entries are reviewed by the Project geologist for accuracy.</p>
Location of data points	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used.</p> <p>Quality and adequacy of topographic control.</p>	<p>All drilling has been surveyed by qualified surveyors, using a GNSS Leica GSI 6 GNSS with base station and rover.</p> <p>All survey work references UTM zone 36S, using the WGS 84 datum.</p> <p>No downhole surveys were required as all holes were vertical and relatively shallow.</p> <p>A LIDAR, drone survey has been completed for the entire licence area.</p> <p>Seven ground control points were used to calibrate the LIDAR survey. The vertical horizontal variances were all within acceptable tolerance levels.</p>

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Criteria	JORC Code explanation	Commentary
		The Competent Person is of the opinion that the quality and adequacy of the survey work undertaken to locate drill hole collars is acceptable. The quality and adequacy of topographic control is also considered to be acceptable. And the topography can be used for Mineral Resource Estimation and mine planning purposes.
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>The drill spacing is on a nominal 50 m, across strike and 50m along strike grid. This spacing is increased to a 50 m x 100 m in the north and south of the Mposa area in those areas associated with low HM grades and/ or thin HM bearing units associated with low grades and/ or high slimes. deposit, were</p> <p>No sample compositing was applied, however neither were all units within the selected holes assayed for REE.</p> <p>The Competent Person notes that the selective sampling method employed for this exercise is not ideal, however the intent of this exercise was to establish if REE mineralisation is present in those units that contain high grade HM. These results will not, and may not, be used to support the estimation of a Mineral Resource or Ore Reserve, the Competent Person,</p>
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<p>All holes were drilled vertically, which is near normal to the low angle bedding and is therefore considered to be unbiased.</p> <p>The sonic drill grid orientation covers the known extent of mineralisation along and across strike.</p> <p>All holes were drilled vertically, which is near normal to the low angle bedding and is therefore considered to be unbiased.</p> <p>The Competent Person considers there is no sample bias of the mineralisation due to hole orientation.</p>
Sample security	<i>The measures taken to ensure sample security.</i>	<p>The core is stored and sampled in Chilwa's secured base camp facility in Zomba.</p> <p>Following sampling the total number of samples was cross checked to confirm that all of the samples were taken.</p>

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		<p>A hand over sheet was signed off prior to the sample being dispatched to Johannesburg for preparation and sub sampling.</p> <p>All samples are packaged individually and placed in a larger calico bag (runs of 12 samples); these are then placed into a large bulk bag (a total of 150 to 200 samples). This bag is then sealed and dispatched.</p> <p>The sample inventory for each batch was signed off by the transport company and again by ALS Johannesburg on receipt. All hard-copy documents relating to sample transport are filed in hard copy. This includes inventory verifications at the different collection and dispatch points, export permits, and inspection certificates.</p> <p>Sample preparation was completed in ALS Johannesburg then the samples were transported to ALS Perth for analysis using the laboratories standard chain of custody procedure.</p> <p>The database is stored in the cloud.</p> <p>The remaining core is stored at the Chilwa's base camp in Zomba. The remaining material from Batch 1 and 2 sample preparation, is currently in storage at ALS Johannesburg, however, is scheduled to be returned to Malawi when a new, ALS run and managed, preparation laboratory is established in Zalewa.</p>
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	<p>No audits have been undertaken to date.</p> <p>It is the Competent Person's opinion that the results presented in this press release are indicative only and that additional assay work, with an independent QAQC program as well as mineralogical test work must be completed.</p>

1.1 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical</i>	On 27 September 2022, Chilwa Minerals Africa Limited (Chilwa) was granted Exploration Licence EL 0670/2 allowing them to explore for HMS deposits over an area of 865.896km ² . The licence is valid for

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Criteria	JORC Code explanation	Commentary
	<p>sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>three years, with an option to extend the term in accordance with Section 119 of the (Malawian) Mines and Minerals Act (Act number 8 of 2019).</p> <p>Chilwa engaged Savjani and Company (Savjani), a Malawian legal firm, who have their chambers in Blantyre, Malawi, to review the tenement status. AMC has had sight of the legal opinion as provided by Savjani, who notes that the ELs are in good standing and that there are no known impediments to operate in the area.</p>
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>Academic research into the deposition of the HMS deposits around Lake Chilwa have been undertaken since the 1980's. Limited work has been undertaken to determine the presence of REE bearing minerals in the HMS mineralisation known to occur in and around Lake Chilwa, only summary results are available for review.</p> <p>Exploration of the HMS mineralisation in the lake Chilwa area has been undertaken by various government concerns and companies, commencing with Claus Brinkmann between 1991 and 1993 as part of an initiative by the German Government to aid mineral development in Malawi.</p> <p>Millennium Mining Limited (MML) concluded exploration work in the area, focusing on the northern deposits of Halala and Namanja during the early 2000s.</p> <p>In 2014, Tate Minerals (Tate) undertook a desktop review of the work undertaken by Claus Brinkmann and entered into a Joint Venture agreement with Mota-Engil Investments (Malawi) Limited (MEIML) to explore EL 0572/20, an EL that contains the current target area.</p> <p>In August 2015, MEIML commenced a drilling programme on the Mpyupyu, Halala, Mposa, and Bimbi targets. This work was completed in November 2015.</p> <p>The Competent Person is unaware of any exploration work having been undertaken to determine the presence of REE and Nb mineralisation in the Lake Chilwa HM deposits.</p>

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FURTHER ANALYSIS CONFIRMS RARE EARTHS AND NIOBIUM AT MPOSA DEPOSIT



Criteria	JORC Code explanation	Commentary
		Research, both academic and commercial, has been undertaken on the carbonatites and nepheline syenite's in the region and within the EL (Chisi Island)
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Lake Chilwa is a closed, saline lake, which formed as a result of tectonic activities along the East African Rift.</p> <p>The lake previously drained to the north, but the mouth eventually silted up and the lake was subsequently completely closed off. A 25 km long sand bar formed along the north shore of the lake, closing off the drainage to the north.</p> <p>The Lake Chilwa (Project) HMS targets consists of beach and dune deposits located on palaeostrandline deposits that were deposited and preserved through several cycles of lake level fluctuations and stable periods.</p> <p>The main HM deposits are located on a very distinct strandline where the conditions of sediment supply, lake level, and hydrological were favourable for the formation and preservation of the sand deposits.</p> <p>Sediment, including HMs, were eroded and supplied by several streams and rivers flowing into the lake from surrounding basement gneiss and alkaline intrusion complexes.</p> <p>The HM characteristics of each deposit are determined by the provenance rock types of rocks. Some deposits have local point sources contributing to the HM assemblage.</p> <p>Given the presence of carbonatites and nepheline syenite's in the region, there is potential for REE containing minerals to occur in the HMS deposits.</p>
Drill hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ downhole length and interception depth 	<p>All holes were drilled vertically with the drilling trend orientated to the nominal strike/trend of the Mposa, based on historical drilling.</p> <p>A total of 579 sonic drillholes, amounting to 4,996 m have been drilled on the Mposa deposit to date. This press announcement details the assay results of 50 of those holes.</p>

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	<p>○ hole length.</p> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<p>The minimum hole depth, to date, is 5m and the maximum depth is 17 m.</p> <p>All drill hole collar coordinates, hole lengths and final hole depths are listed in this announcement</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>The total of the following rare earth elements are reported: Cerium (Ce), Dysprosium (Dy), Erbium (Er), Europium (Eu), Gadolinium (Gd), Holmium (Ho), Lanthanum (La), Lutetium (Lu), Neodymium (Nd), Praseodymium (Pr), Promethium (Pm), Samarium (Sm), , Terbium (Tb), Thulium (Tm), Ytterbium (Yb) and Yttrium.</p> <p>Additionally, Niobium (Nb) is reported.</p> <p>No metal equivalent values are reported.</p>
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	<p>The drillholes are vertical and the mineralisation is generally horizontal to sub-horizontal, all intercepts represent true widths.</p> <p>The values presented in this press release are individual samples taken from the high-grade HM intersections of holes MPOSD 738 and MPOSD 729.</p> <p>The relationship between REE mineralisation and geological controls or horizons remains to be demonstrated.</p>
Diagrams	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	<p>Maps and a plan view of the drill hole collar locations are provided in the accompanying press release.</p>
Balanced reporting	<p><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></p>	<p>All relevant information has been included in this press release and is considered to represent a balanced report.</p>

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Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Chilwa Minerals are currently updating all of the historical work undertaken to date on the Project. The results of these studies will be reported as and when they are available.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Planned further work recommendations include: completion of and airborne geophysical survey, hand augering and termite mound sampling as well as trenching and pitting for bulk samples to be used for process test work. Chilwa will be analysing individual sample runs for REE mineralisation (all REO's as well as Th, U and Y). Mineralogical studies are planned to determine which minerals contain REEs.