

9 October 2024

Dear Shareholders

CHILWA MINERALS LTD – 2024 ANNUAL GENERAL MEETING

I am pleased to invite you to attend the 2024 annual general meeting of Chilwa Minerals Ltd (**Chilwa**) which will be held at 10:00am (AWST) on Thursday 7 November 2024 (**Meeting**) at Karstens Conference Centre, Level 1, 111 St Georges Terrace, Perth WA 6000.

Meeting materials

In accordance with the *Corporations Act 2001* (Cth), the Notice of Meeting and the accompanying Explanatory Statement are being made available to shareholders electronically. The Chilwa Notice of Meeting is available for you to view and download on the Chilwa website at www.chilwaminerals.com.au/ or from the ASX Announcements website (www.asx.com.au) using the ASX code: CHW.

Shareholder participation

Shareholders will be able to participate in person at the Meeting venue.

Your participation in the Meeting is important to us. If you are unable to attend the Meeting at the scheduled time, you can participate in the Meeting by lodging a proxy vote. As voting on all resolutions at the Meeting will be conducted by poll, your lodged proxy vote will be included in the vote on each resolution.

Shareholders can either lodge the proxy appointment online at <https://investor.automic.com.au/#/loginsah> or sign and return the proxy form to the Company's share registry, Automic, in accordance with the instructions on the form, so that it is received by 10:00am (AWST) on 5 November 2024.

Communication preferences

Chilwa is committed to promoting positive environmental outcomes, so we encourage all shareholders to provide an email address to receive their communications electronically. This ensures we are providing you with the information you need in the fastest, most cost-effective manner possible, while also significantly reducing our environmental impact.

You can make an election as to whether you would like to receive certain documents, including annual reports and documents related to shareholder meetings (for example, notices of meeting and proxy/voting forms), as follows:

1. You can make a standing election to receive the documents in physical or electronic form;
2. You can make a one-off request to receive a document in physical or electronic form; or
3. You can elect not to receive certain documents such as annual reports.

To provide your preferences online, visit <https://investor.automic.com.au/#/home> and follow the prompts to update your information, add your email address and update your 'Communications' preferences.

For a detailed overview of Chilwa's performance and operations for the year ended 30 June 2024, I encourage you to read the 2024 Annual Report prior to the Meeting. The 2024 Annual Report can be found on the Chilwa website at www.chilwaminerals.com.au.

If you are unable to access the meeting materials online, please call the Company Secretary on +61 8 9389 2111.
For and on behalf of the Board,

Dennis Wilkins
Company Secretary



CHILWA MINERALS LIMITED
ABN 43 656 965 589

**Notice of 2024 Annual General Meeting
Explanatory Statement
and Proxy Form**

TIME: 10:00 am (AWST)

DATE: 7 November 2024

PLACE: Karstens Conference Centre
Level 1, 111 St Georges Terrace,
Perth WA 6000

This Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (0)8 9389 2111.

Chilwa Minerals Limited

ABN 43 656 965 589

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Chilwa Minerals Limited (**Company**) will be held on Thursday, 7 November 2024 commencing at 10:00 am (AWST) at Karstens Conference Centre, Level 1, 111 St Georges Terrace, Perth WA 6000 for the purpose of transacting the following business, in each case, as more particularly described in the Explanatory Statement accompanying this Notice.

Registration for the Meeting will open at 9:30 am (AWST) on 7 November 2024.

Terms and abbreviations used in this Notice of Meeting, Explanatory Statement and Proxy Form are defined in the Glossary.

REPORTS AND ACCOUNTS

To receive and consider the Financial Report of the Company, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2024.

Note: there is no requirement for Shareholders to approve these reports.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purpose of section 250R(2) of the Corporations Act, the Remuneration Report, which forms part of the Directors' Report for the financial year ended 30 June 2024, be adopted.'

Note: In accordance with section 250R(3) of the Corporations Act, the vote on this Resolution will be advisory only and does not bind the Directors or the Company.

A Voting Prohibition Statement for this Resolution is set out below.

RESOLUTION 2 – RE-ELECTION OF ALEXANDER SHAW AS A DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of article 12.3 of the Constitution, Listing Rule 14.4 and for all other purposes, Dr Alexander Shaw, who retires by rotation in accordance with the Constitution and the Listing Rules and, being eligible, offers himself for re-election as a Director, is re-elected as a Director."

RESOLUTION 3 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purposes of section 648G of the Corporations Act and for all other purposes, approval be given for the Company to amend the Constitution by reinserting the proportional takeover provisions set out in article 9 of the Constitution as set out in Appendix A to the Explanatory Statement, with effect from the close of the Meeting."

RESOLUTION 4 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO ALEXANDER SHAW

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and for all other purposes, approval be given for the Company to grant 1,000,000 Performance Rights to Dr Alexander Shaw, non-executive Director, or his nominee, under the Company's Long Term Incentive Plan on the terms set out in the Explanatory Statement."

A Voting Exclusion Statement and a Voting Prohibition Statement for this Resolution are set out below.

RESOLUTION 5 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO CADELL BUSS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and for all other purposes, approval be given for the Company to grant 1,500,000 Performance Rights to Mr Cadell Buss, Managing Director, or his nominee, under the Company's Long Term Incentive Plan on the terms set out in the Explanatory Statement."

A Voting Exclusion Statement and a Voting Prohibition Statement for this Resolution are set out below.

RESOLUTION 6 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO MANUEL MOTA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and for all other purposes, approval be given for the Company to grant 750,000 Performance Rights to Mr Manuel Mota, non-executive Director, or his nominee, under the Company's Long Term Incentive Plan on the terms set out in the Explanatory Statement."

A Voting Exclusion Statement and a Voting Prohibition Statement for this Resolution are set out below.

RESOLUTION 7 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO DENNIS WILKINS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act and Listing Rule 10.14 and for all other purposes, approval be given for the Company to grant 500,000 Performance Rights to Mr Dennis Wilkins, non-executive Director and Company Secretary, or his nominee, under the Company's Long Term Incentive Plan on the terms set out in the Explanatory Statement."

A Voting Exclusion Statement and a Voting Prohibition Statement for this Resolution are set out below.

By order of the Board



DENNIS WILKINS
Director & Company Secretary
12 September 2024

VOTING EXCLUSIONS AND PROHIBITIONS

Resolution 1

Voting Prohibition

The Company will disregard any votes cast on Resolution 1:

- by or on behalf of a member of the KMP whose remuneration details are included in the Remuneration Report for the year ended 30 June 2024 or a Closely Related Party of any such member of the KMP (regardless of the capacity in which the vote is cast); or
- as a proxy by a person who is a member of the KMP at the time of the Meeting, or by a Closely Related Party of any such member of the KMP,

unless the vote is cast as proxy for a person entitled to vote on Resolution 1 and:

- the vote is cast in accordance with a direction on the Proxy Form specifying how the proxy is to vote on the Resolution; or
- the vote is cast by the Chair and the Proxy Form expressly authorises the Chair to exercise the proxy and vote as the Chair decides even though the Resolution is connected directly or indirectly with the remuneration of members of the KMP.

Resolutions 4, 5, 6, and 7

Voting Exclusion

The Company will disregard any votes cast in favour of Resolutions 4, 5, 6, and 7 by or on behalf of:

- a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Long Term Incentive Plan; or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition

A vote on Resolutions 4, 5, 6, and 7 must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an Associate of such a related party (**Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of an Excluded Party.

Further, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 4, 5, 6, and 7 if:

- the proxy is either:
 - a member of the KMP; or
 - a Closely Related Party of such a member; and

- the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an Excluded Party, the above prohibition does not apply if:

- the proxy is the Chair; and
- the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the KMP.

NOTES

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your Shareholding, and your vote is important. Voting on each item of business will be conducted by poll. The Board encourages all Shareholders to either vote at the Meeting or lodge a Proxy Form prior to the deadline (being no later than 10:00 am (AWST) on 5 November 2024. Information on how to lodge a proxy is set out on the Proxy Form.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (AWST) on 5 November 2024.

VOTING DURING THE MEETING

If you hold Shares in the Company, you will be able to vote on the Resolutions during the Meeting. Voting on each item of business will be by poll. However, the Directors are strongly encouraging Shareholders to lodge their Proxy Form in accordance with the instructions below to assist in the orderly conduct of the Meeting.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed personalised Proxy Form and return by no later than 10:00 am (AWST) on 5 November 2024:

- By **lodging your Proxy Form online** at <https://investor.automic.com.au/#/loginsah>; or
- By delivering your completed Proxy Form **by email** to meetings@automicgroup.com.au; or
- by **posting** your completed Proxy Form to Automic, GPO Box 5193, Sydney NSW 2001; or
- by delivering your completed Proxy Form **by fax** to Automic at +61 2 8583 3040; or
- by delivering your Completed Proxy Form **by hand** to Automic at Level 5, 126 Philip Street, Sydney NSW 2000.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder entitled to attend and vote at the Meeting has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company and can be an individual or a body corporate; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, each proxy may exercise one-half of the votes.

CHAIR AS PROXY

If you appoint the Chair of the Meeting as your proxy (or the Chair becomes your proxy by default) and you do not direct your proxy how to vote on the proposed Resolutions set out in this Notice, then you will be authorising the Chair to vote as the Chair decides on the proposed Resolutions (even if the Resolution is connected with the remuneration of a member of the Company's KMP). Where permitted, the Chair intends to vote (where appropriately authorised) as proxy in favour of each Resolution.

If you appoint the Chair as your proxy and wish to direct the Chair how to vote, you can do so by marking the boxes for the relevant Resolution (i.e., by directing to vote "For", "Against" or "Abstain").

If you appoint a member of the KMP (other than the Chair) or any Closely Related Party of a member of the KMP as your proxy, you must direct that person how to vote on Resolutions 1, 4, 5, 6, and 7 if you want your Shares to be voted on those Resolutions. If you appoint a member of the KMP (other than the Chair) or any Closely Related Party of a member of the KMP and you do not direct them how to vote on Resolutions 1, 4, 5, 6, and 7, such a person will not cast your votes on those Resolutions and your votes will not be counted in calculating the required majority for the poll on those Resolutions.

CORPORATE REPRESENTATIVES

A body corporate who is a Shareholder or proxy must appoint an individual as its corporate representative if it wishes to attend and vote at the Meeting. If you are a corporate representative, you will need to provide evidence of your appointment as a corporate representative with the Share Registry prior to the Meeting or have previously provided the Company with evidence of your appointment.

POWERS OF ATTORNEY

If you appoint an attorney to attend and vote at the Meeting on your behalf, the power of attorney (or a certified copy) must be received by the Share Registry by 10:00 am (AWST) on 5 November 2024, unless the power of attorney has previously been lodged with the Share Registry.

SHAREHOLDER QUESTIONS

Shareholders will be able to ask questions relevant to the business of the Meeting at the Meeting.

Shareholders who are unable to attend the Meeting or wish to submit questions prior to the Meeting may submit written questions by emailing the Company Secretary at info@chilwaminerals.com.au. In order for questions to be appropriately considered it is recommended that questions be received by 5:00 pm (AWST) on 5 November 2024.

The more frequently raised Shareholder issues will be addressed by the Chair during the course of the Meeting. While there will be an allotted time for questions, the Board will endeavour to respond to as many Shareholder questions as possible. However, there may still not be sufficient time available at the Meeting to address all of the questions raised. Please note that individual responses will not be sent to Shareholders.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of Chilwa Minerals Limited in connection with the business to be conducted at the Annual General Meeting to be held on 7 November 2024 commencing at 10:00 am (AWST).

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting. This Explanatory Statement forms part of, and should be read together with, the Notice of Meeting. Capitalised terms used in this Explanatory Statement are defined in the Glossary.

REPORTS AND ACCOUNTS

The Company's Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2024 will be laid before the Meeting. A copy of the Company's Annual Report for the year ended 30 June 2024, which includes these reports, is available on the Company's website at <https://www.chilwaminerals.com.au> and on ASX's website www.asx.com.au, under the Company's code "CHW".

There is no requirement for Shareholders to approve these reports. Shareholders will be given a reasonable opportunity at the Meeting to ask questions or make comments about these reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Company's Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 Background

Section 250R(2) of the Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the outcome of the vote and the discussion will be considered by the Board when evaluating the remuneration arrangements of the Company in the future.

The Remuneration Report of the Company for the period ended 30 June 2024 is set out in the Company's Annual Report. This report includes information about the principles used to determine the nature and amount of remuneration and sets out the remuneration arrangements for each Director and member of the KMP.

As set out in the Remuneration Report, in determining executive remuneration, the Board aims to ensure that remuneration practices:

- (a) are competitive and reasonable, enabling the Company to attract and retain key talent while building a diverse, sustainable, and high achieving workforce;
- (b) are aligned to the Company's strategic and business objectives and the creation of Shareholder value;
- (c) promote a high performance culture recognising that leadership at all levels is a critical element in this regard;
- (d) are transparent; and
- (e) are acceptable to Shareholders.

Further details regarding the Company's remuneration policy and structure of executive and non-executive remuneration are set out in the Annual Report.

Shareholders will be given a reasonable opportunity to ask questions about, or comment on, the Remuneration Report at the Meeting.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

1.2 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Statement and the Remuneration Report, all the Directors consider that Resolution 1 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF ALEXANDER SHAW AS A DIRECTOR

2.1 Background

Dr Alexander Shaw was appointed as a Director on 1 February 2022. The Board do not consider Dr Shaw to be an independent Director, as he is a nominee Director for the Mota-Engil Group, Chilwa's major Shareholder.

Article 12.3 of the Constitution and Listing Rules 14.4 and 14.5 require that a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected (other than the Managing Director), and that an election of a Director must be held at each annual general meeting. The Directors to retire at an annual general meeting are those who have held office the longest since their last election. If two or more Directors have held office for the same period, those Directors may agree between themselves which of them will retire, otherwise they are to draw lots.

Accordingly, Dr Shaw retires as a Director of the Company and, being eligible, offers himself for re-election as a Director.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

2.2 Director's biography and experience

Alexander Shaw is a highly accomplished geologist with 20 years of global experience in exploration and production. He has spent the majority of his career exploring for and developing diamond, base and precious metal deposits within Africa, Central and South America.

He has significant knowledge of the region having obtained a DPhil in geosciences from the University of Oxford. His academic research focused on the Mega Kalahari Basin and during his commercial career he has managed exploration programmes, developed and operated mining projects in Zambia and the DRC with First Quantum Minerals.

Dr Shaw is a Fellow of the Geological Society of London and also a member of the following professional bodies: Australian Institute of Geoscientists, Southern Africa Institute of Mining and Metallurgy, American Institute of Professional Geologists and the Society of Economic Geologists.

Dr Shaw is the managing director and CEO of Luso Global Mining BV, an entity which is a wholly owned subsidiary of the Mota-Engil Group, Chilwa's major Shareholder.

Dr Shaw holds securities in the Company, as detailed in his Appendix 3X lodged with ASX on 10 July 2023, available on the ASX website at www.asx.com.au (code: CHW) and on the Company's website at <https://chilwaminerals.com.au>.

Further details about Dr Shaw are set out in the Annual Report which is available at <https://chilwaminerals.com.au>.

2.3 Directors' recommendation

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 2 is in the best interests of the Company, as Dr Shaw has a wealth of experience and expertise which is valuable to the Company. The Directors (other than Dr Shaw because of his interest in this Resolution) unanimously recommend that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

3.1 Background

Section 648G of the Corporations Act permits a company to include, in its constitution, proportional takeover provisions prohibiting the registration of a transfer of securities resulting from a proportional takeover bid unless and until a shareholders' resolution to approve the proportional takeover bid is passed in accordance with those provisions by the holders of the shares of the class to which the shares being bid for belong.

The proportional takeover provisions allow holders of the relevant shares to decide whether a proportional takeover bid is acceptable and should be allowed to proceed.

Under section 648G(1) of the Corporations Act, a company's proportional takeover provisions, unless sooner omitted from the company's constitution, will cease to apply at the end of three years unless another specified period applies. When the provisions cease to apply, the company's constitution is, by force of section 648G(3) of the Corporations Act, altered by omitting the provisions.

Article 9 of the Constitution contains the proportional takeover provisions the subject of section 648G of the Corporations Act as set out in Appendix A to the Explanatory Statement. The proportional takeover provisions will cease to apply in March 2025, in accordance with sections 648G(1) and 648G(3) of the Corporations Act.

Resolution 3 seeks to amend the Constitution by renewing, in article 9, the proportional takeover provisions for a further three-year period from the date of this Meeting.

Resolution 3 is a special resolution, requiring it to be passed by at least 75% of votes cast by the Shareholders entitled to vote on it.

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion of proportional takeover provisions in a constitution.

3.2 Effect of the proportional takeover provisions

A proportional takeover bid involves the bidder offering to buy a proportion only of each Shareholder's Shares. The provisions proposed to be reinstated to the Company's Constitution state that, in the event of a proportional takeover bid being made, the Directors must hold a meeting of the Shareholders entitled to vote for the purpose of considering and, if thought fit, passing a resolution to approve that proportional takeover bid. The bidder and its associates are not allowed to vote on the resolution.

A resolution approving the bid must be voted on by the day that is 14 days before the last day of the bid period, during which the offers under the proportional takeover bid remain open, or a later day allowed by ASIC. The resolution will be passed if more than 50% of votes are cast in favour of the approval. If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn.

The Directors will breach the Corporations Act if they fail to ensure the resolution is voted on. If no resolution is voted on by the deadline, the bid is taken to have been approved.

The proportional takeover provisions do not apply to full takeover bids, and only apply for three years after the date they are renewed. The provisions may be refreshed for a further three-year period, but only by a special resolution passed by Shareholders.

3.3 Reasons for proposing the Resolution

If Resolution 3 is not passed, the proportional takeover provisions will lapse in March 2025. If the proportional takeover approval provisions are not in the Constitution, a proportional takeover bid may enable control of the Company to pass without Shareholders having the chance to sell all of their shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without paying an adequate amount for that control.

The proportional takeover provisions decrease this risk because they allow Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

3.4 Impact of previous proportional takeover provisions

While the proportional takeover provisions contained in article 9 of the Constitution were in effect following adoption on 24 March 2022, no takeover bids for the Company were made, either proportional or otherwise.

Accordingly, no actual advantages or disadvantages of the proportional takeover provisions contained in article 9 of the Constitution, for the Directors or the Shareholders, could be reviewed. The Directors are not aware of any potential takeover bid that was discouraged by the previous inclusion of proportional takeover provisions in the Constitution.

3.5 No knowledge of present acquisitions proposals

At the date of this notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

3.6 Potential advantages and disadvantages of the proportional takeover provisions for the Directors and Shareholders

The Directors of the Company consider that the proposed renewal of the proportional takeover provisions has no potential advantages or disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be accepted. The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) Shareholders have the right to decide by majority vote whether a proportional takeover bid should proceed;
- (b) the provisions may assist Shareholders to avoid being locked in as a minority;
- (c) the bargaining power of Shareholders is increased and this may assist in ensuring that any proportional bid is adequately priced; and
- (d) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid and whether to approve or reject that offer.

Some potential disadvantages for Shareholders include:

- (a) the provisions are a hurdle to, and may discourage the making of, proportional takeover bids in respect of the Company;
- (b) Shareholders may lose an opportunity of selling some of their shares at a premium; and
- (c) the chance of a proportional takeover bid being successful may be reduced.

The Board considers that the potential advantages for Shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, Shareholders as a whole should be able to decide whether or not a proportional takeover bid is successful.

3.7 Application to set aside proportional takeover provisions

In accordance with section 648G(6) of the Corporations Act, Shareholders who together hold not less than 10% of the issued securities in the Company to which the proportional takeover provisions apply may, within twenty-one (21) days of the renewal of article 9 of the Constitution, apply to the Court to have the purported renewal set aside. The proportional takeover provisions will only be validly renewed once and if such an application is made and determined.

3.8 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

4. RESOLUTIONS 4, 5, 6, AND 7 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO DR SHAW, MR BUSS, MR MOTA AND MR WILKINS

4.1 General

Dr Alexander Shaw is the chair and a non-executive Director of the Company and holds 200,000 Shares. Mr Cadell Buss is the Managing Director of the Company and holds 544,796 Shares and 4,400,000 Performance Rights. Mr Manuel Mota is a non-executive Director of the Company and holds 725,000 Shares. Mr Dennis Wilkins is a non-executive Director and Company Secretary of the Company and does not hold Shares.

Mr Mota is the chair of Luso Global Mining BV, an entity which is a wholly owned subsidiary of the Mota-Engil Group, Chilwa's major Shareholder, and an employee of the Mota-Engil Group. Dr Shaw is the managing director and CEO of Luso Global Mining BV. Mr Mota and Dr Shaw are the nominee Directors on the Board for the Mota-Engil Group.

Resolutions 4, 5, 6, and 7 seek Shareholder approval for the grant of:

- (a) 1,000,000 Performance Rights to Dr Alexander Shaw;
 - (b) 1,500,000 Performance Rights to Mr Cadell Buss;
 - (c) 750,000 Performance Rights to Mr Manuel Mota; and
 - (d) 500,000 Performance Rights to Mr Dennis Wilkins,
- (together, the **Participating Directors**).

The Company proposes to grant a total of 3.75 million Performance Rights to the Participating Directors. Each Performance Right, when duly exercised, will convert to one Share. The Performance Rights will be issued to Dr Shaw, Mr Buss, Mr Mota and Mr Wilkins, or their nominees, on the terms and conditions set out in Table 1 below.

Table 1: Director Performance Rights

Participant	Number of Performance Rights	Vesting conditions	Grant Date	Expiry date
Alexander Shaw	1,000,000	Approval and issue of a Mining Licence for the Chilwa Critical Minerals Project by 30 November 2028	30 Nov 2024	30 Nov 2028
Cadell Buss	1,500,000	Approval and issue of a Mining Licence for the Chilwa Critical Minerals Project by 30 November 2028	30 Nov 2024	30 Nov 2028
Manuel Mota	750,000	Approval and issue of a Mining Licence for the Chilwa Critical Minerals Project by 30 November 2028	30 Nov 2024	30 Nov 2028
Dennis Wilkins	500,000	Approval and issue of a Mining Licence for the Chilwa Critical Minerals Project by 30 November 2028	30 Nov 2024	30 Nov 2028

4.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within fifteen (15) months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Participating Directors is a related party of the Company.

Each of Resolutions 4, 5, 6, and 7 relate to the proposed grant of Performance Rights to a Participating Director, or their nominee, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

4.3 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an Associate of a director of the company (Listing Rule 10.14.12); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its shareholders.

The proposed grant of Performance Rights to the Participating Directors, or their nominees, pursuant to Resolutions 4, 5, 6, and 7 fall within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

If Resolutions 4, 5, 6, and 7 are passed, the Company will be able to proceed with the grant of the Performance Rights and any subsequent issue of Shares upon the vesting of such Performance Rights will not count towards the Company's 15% placement capacity under Listing Rule 7.1 (without the need for separate Shareholder approval under Listing Rule 7.1).

If Resolutions 4, 5, 6, and 7 are not passed, the Company will not be able to proceed to grant the Performance Rights to the Participating Directors, or their nominees. The Company may then need to consider alternative arrangements to appropriately remunerate and incentivise the Participating Directors.

4.4 Information required by section 219 of the Corporations Act and Listing Rule 10.15

- (a) The Performance Rights will be granted to Dr Alexander Shaw, Mr Cadell Buss, Mr Manuel Mota and Mr Dennis Wilkins, or their nominees, on the terms and conditions set out in Appendix C and pursuant to the Long Term Incentive Plan, a summary of which is set out in Appendix B.

Each of the Participating Directors is a related party of the Company under Listing Rule 10.14.1 and Chapter 2E of the Corporations Act by virtue of being a Director.

Subject to Shareholder approval, the proposed financial benefit to be given is the granting of:

- (i) 1,000,000 Performance Rights to Dr Alexander Shaw, or his nominee;
- (ii) 1,500,000 Performance Rights to Mr Cadell Buss, or his nominee;
- (iii) 750,000 Performance Rights to Mr Manuel Mota, or his nominee; and
- (iv) 500,000 Performance Rights to Mr Dennis Wilkins, or his nominee,

for no consideration.

- (b) The current total remuneration package of each Participating Director (on an annualised basis) is set out in Table 2 below.

Table 2: Director remuneration

Participating Director	Salary and fees
Alexander Shaw	\$80,000 ¹
Cadell Buss	\$350,000 plus superannuation ²
Manuel Mota	\$40,000 plus superannuation
Dennis Wilkins	\$40,000 ³

Notes:

1. Paid to KBMEC Limited, a company controlled by Dr Shaw.
2. In addition, Mr Buss is entitled to bonus payments of up to \$140,000 subject to him achieving specified key performance milestones, being: completion of 6,000 metres of drilling and receipt of assay results from that drilling program; and achievement of a maiden indicated mineral resource and achievement of an indicated mineral resource of over 3mt of THM at 1% cut off grade.
3. Director fees paid to DWCorporate Pty Ltd, a company of which Mr Wilkins is principal. In addition to Mr Wilkins' remuneration as a Director, fees are paid to DWCorporate Pty Ltd for company secretarial, accounting and bookkeeping services to the Company. The amounts paid are at usual commercial rates with fees charged on an hourly basis.

The remuneration paid to Directors in the financial year ended 30 June 2024 is set out in the Annual Report.

- (c) The Company has previously issued 4,400,000 Performance Rights to Mr Buss at an issue price of \$0.0001 per Performance Right.
- (d) The grant of further Performance Rights will encourage the Participating Directors to continue to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through increasing Share ownership. Under the Company's current circumstances, the Directors consider that the incentives represented by the grant of these Performance Rights are, for a company without an income stream, a cost effective and efficient means for the Company to provide a reward and an incentive.

The number of Performance Rights to be offered to the Directors has been determined based upon a consideration of:

- (i) their total remuneration;
- (ii) each Director's contribution to the progression of the Company's strategic objectives;
- (iii) a review of peer companies' equity-based remuneration to executive and non-executive directors; and
- (iv) the incentives which are generally perceived to be required to attract and retain directors who have appropriate knowledge and expertise for an exploration company with limited cash reserves.
- (e) The highest and lowest closing market sale prices of the Shares in the 12 months prior to the date of this Notice were \$0.80 per Share (27 August 2024) and \$0.12 per Share (24 November 2023).
- (f) The Company has not received an independent valuation in relation to the Performance Rights the subject of Resolutions 4, 5, 6, and 7. The fair value of the Performance Rights proposed to be issued will be determined in accordance with Australian Accounting Standards and is dependent on the date on which the Participating Directors are deemed to have received their offers to participate in the Long Term Incentive Plan.

The fair value of Performance Rights issued to Mr Buss in previous years is detailed in the Annual Report.

The number of Performance Rights is fixed, and the value will change as the underlying Share price changes. The indicative value of the Performance Rights as at the date of this Notice, based upon the closing Share price on 11 September 2024 of \$0.76, is set out in Table 3 below.

Table 3: Value of Performance Rights – recent closing Share price

Name	Relationship	Number of Performance Rights	Vesting	Value
Alexander Shaw	Director	1,000,000	On satisfaction of vesting conditions– refer Section 4.1	\$760,000
Cadell Buss	Director	1,500,000	On satisfaction of vesting conditions– refer Section 4.1	\$1,140,000
Manuel Mota	Director	750,000	On satisfaction of vesting conditions– refer Section 4.1	\$570,000
Dennis Wilkins	Director	500,000	On satisfaction of vesting conditions– refer Section 4.1	\$380,000

- (g) The issue of the Performance Rights will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Performance Rights vest and are exercised. The potential dilution effect on a fully diluted basis is summarised in Table 4.

Table 4: Potential dilution effect

Performance Rights	Dilutionary effect
1,000,000 Performance Rights proposed to be issued to Dr Shaw, or his nominee	1.5%
1,500,000 Performance Rights proposed to be issued to Mr Buss, or his nominee	2.2%
750,000 Performance Rights proposed to be issued to Mr Mota, or his nominee	1.1%
500,000 Performance Rights proposed to be issued to Mr Wilkins, or his nominee	0.7%

The above table assumes the current Share capital structure as at the date of this Notice and that no Shares are issued other than the Shares issued on exercise of the Performance Rights. The exercise of all of the Performance Rights proposed to be issued to the Participating Directors, or their nominees, will result in a total dilution of all other Shareholders' holdings of 5.2%. The actual dilution will depend on the extent that additional Shares are issued by the Company.

- (h) The Performance Rights will be issued on a date which will be no later than three years after the date of the Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules.
- (i) The Performance Rights will be granted for nil consideration.
- (j) A summary of the material terms of the Long Term Incentive Plan is set out in Appendix B.
- (k) No loans will be made by the Company in relation to the acquisition of Performance Rights or any shares issued under the Long Term Incentive Plan to the Participating Directors or their nominees.
- (l) Details of any securities issued under the Long Term Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons who become entitled to participate in an issue of securities under the Long Term Incentive Plan after Resolutions 4, 5, 6, and 7 are approved and who are not named in the Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14 (if approval is required under that Listing Rule).

- (m) A voting exclusion statement applies to each of Resolutions 4, 5, 6, and 7 as set out in the Notice of Meeting.

4.5 Directors' recommendation

In line with best practice identified by ASIC Regulatory Guide 76, none of the Directors make any recommendation in relation to Resolutions 4, 5, 6, and 7 because they may all have a conflict of interest. All of the Directors have therefore declared a material personal interest in Resolutions 4, 5, 6, and 7 at Board meetings and the Board has exercised its right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

GLOSSARY

Annual General Meeting or **Meeting** means the annual general meeting convened by the Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2024.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the financial market that it operates.

AUD\$, \$ and dollars means Australian dollars, unless otherwise stated.

Auditor means the auditor of the Company, being PKF Perth.

Auditor's Report means the Auditor's report on the Financial Report.

AWST means Australian Western Standard Time (Perth time).

Board means the current board of Directors of the Company.

Chair means the chair of the Meeting.

Chilwa Critical Minerals Project means the Company's Chilwa Critical Minerals Project in Malawi.

Closely Related Party has the meaning given in the Corporations Act.

Company or **Chilwa** means Chilwa Minerals Limited (ACN 656 965 589).

Constitution means the constitution of the Company, as amended.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company.

Explanatory Statement means the Explanatory Statement accompanying the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company.

KMP means the key management personnel of Chilwa from time to time.

Listing Rules means the listing rules of the ASX.

Long Term Incentive Plan means the Company's Long Term Incentive Plan, a summary of the terms and conditions of which is set out in Appendix B.

Notice or **Notice of Annual General Meeting** or **Notice of Meeting** means this notice of Annual General Meeting.

Participating Directors has the meaning given in Section 4.1 of the Explanatory Statement.

Performance Right means a right to be issued a Share granted under the Long Term Incentive Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means any of the resolutions set out in the Notice of Annual General Meeting.

Section means a section of this Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic Group.

Shareholder means a holder of a Share.

APPENDIX A

PROPORTIONAL TAKEOVER PROVISIONS

9. PROCEDURE TO APPROVE PROPORTIONAL TAKEOVER BID

9.1 Definitions

In this article:

Approving Resolution means a resolution to approve the Proportional Takeover Bid;

Approving Resolution Deadline means the day that is 14 days before the last day of the bid period during which offers under the Proportional Takeover Bid remain open or a later day allowed by ASIC;

Eligible Member has the meaning given in article 9.2(a)(iii); and

Proportional Takeover Bid has the meaning given in the Corporations Act.

9.2 Resolution to approve Proportional Takeover Bids

- (a) Where offers have been made under a Proportional Takeover Bid in respect of Securities:
 - (i) the registration of a transfer giving effect to a takeover contract for the Proportional Takeover Bid is prohibited unless and until an Approving Resolution is passed or is taken to have been passed in accordance with this article;
 - (ii) the Approving Resolution shall be voted on in either of the following ways as determined by the Directors:
 - (A) at a meeting; or
 - (B) by means of a postal ballot;
 - (iii) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held bid class securities (**Eligible Member**) is entitled to vote on the Approving Resolution;
 - (iv) an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected; and
 - (v) the Directors must ensure that the Approving Resolution is voted on in accordance with this article 9.2 before the Approval Resolution Deadline.
- (b) If the Directors determine that the Approving Resolution shall be voted on at a meeting, then the provisions of this Constitution that apply to a general meeting of the Company shall apply with such modifications as the circumstances require as if the meeting were a general meeting of the Company.
- (c) If the Directors determine that the Approving Resolution shall be voted on by means of a postal ballot:
 - (i) the Directors shall dispatch to Eligible Members:
 - (A) a notice proposing the Approving Resolution;
 - (B) a ballot paper for the purpose of voting on the Approving Resolution;
 - (C) a statement setting out the details of the Proportional Takeover Bid; and
 - (D) a memorandum explaining the postal ballot procedure which is to govern voting in respect of the Approving Resolution;

- (ii) a vote recorded on a ballot paper shall not be counted for the purposes of determining whether or not the Approving Resolution is passed, unless the ballot paper is:
 - (A) correctly completed and signed under the hand of the Eligible Member or that person's attorney duly authorised in writing or if the Eligible Member is a body corporate, in a manner set out in section 127(1) or (2) of the Corporations Act or under the hand of its attorney so authorised; and
 - (B) received at the Registered Office on or before the time and date specified for its return in the notice proposing the Approving Resolution, such date to be not less than 18 days before the end of the period during which offers under the Proportional Takeover Bid remain open; and
 - (iii) on the date specified for the return of ballot papers in the notice proposing the Approving Resolution or the Business Days following that date, the Directors shall arrange for a count of the ballot papers returned and determine whether the Approving Resolution has been passed or rejected and shall upon completion of counting disclose the results of the ballot and the Approving Resolution shall accordingly be deemed to have been voted on upon the date of such declaration.
- (d) Subject to article 9.2(f), to be effective, an Approving Resolution must be passed before the Approving Resolution Deadline.
- (e) Where a resolution to approve the Proportional Takeover Bid is voted on before the Approving Resolution Deadline in accordance with this article 9.2, the Company must, on or before the Approving Resolution Deadline, give:
 - (i) the bidder; and
 - (ii) if the Company is listed - each relevant financial market,a written notice stating that a resolution to approve the Proportional Takeover Bid has been voted on and whether the resolution has been passed or rejected.
- (f) Where, as at the end of the day before the Approving Resolution Deadline, no resolution to approve the Proportional Takeover Bid has been voted on in accordance with this article 9.2, a resolution to approve the Proportional Takeover Bid is taken to have been passed on the Approving Resolution Deadline in accordance with this article 9.2.
- (g) If an Approving Resolution is voted on before the Approving Resolution Deadline in accordance with this article 9.2 and is rejected,
 - (i) despite section 652A of the Corporations Act:
 - (A) all offers under the Proportional Takeover Bid that have not been accepted as at the end of the Approving Resolution Deadline; and
 - (B) all offers under the Proportional Takeover Bid that have been accepted, and from whose acceptance binding contracts have not resulted, as at the end of the Approving Resolution Deadline,are taken to be withdrawn at the end of the Approving Resolution Deadline;
 - (ii) as soon as practicable after the Approving Resolution Deadline, the bidder must return to each person who has accepted an offer referred to in article 9.2(g)(i)(B), any documents that the person sent the bidder with the acceptance of the offer;
 - (iii) the bidder:
 - (A) is entitled to rescind; and
 - (B) must rescind as soon as practicable after the Approving Resolution Deadline,

- each binding takeover contract for the Proportional Takeover Bid; and
- (iv) a person who has accepted an offer made under the Proportional Takeover Bid is entitled to rescind the takeover contract between such person and the bidder.

9.3 Sunset

Articles 9.1 and 9.2 cease to have effect on the third anniversary of the later of the date of their adoption or, if those articles have been renewed in accordance with the Corporations Act, the third anniversary of the date of their last renewal.

APPENDIX B

SUMMARY OF THE LONG TERM INCENTIVE PLAN

The Directors have adopted a long term incentive plan (**LTIP**), to enable eligible persons to be granted options and/or Performance Rights (**Awards**), the principal terms of which are summarised below.

The maximum number of equity securities that can be issued under the LTIP for the purposes of Listing Rule 7.2 exception 13(b) is 3.5 million (as disclosed in the Company's initial public offer prospectus dated 5 April 2023), excluding any Award that would otherwise require the approval of Shareholders.

- (a) (**Eligibility**) The Board may, in its absolute discretion, invite an "Eligible Person" to participate in the LTIP. An "Eligible Person" means a person that is a "primary participant" (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an associated body corporate and has been determined by the Board to be eligible to participate in the LTIP from time to time.
- (b) (**Issue Cap**) Unless the Company is unlisted or the Company constitution provides otherwise, the Company must not make an offer of Awards for monetary consideration under the LTIP, where the total number of Shares to be issued under the LTIP (**LTIP Shares**) (or that will be issued upon conversion of convertible securities to be issued), when aggregated with the number of LTIP Shares that may be issued as a result of offers made under the LTIP, at any time during the previous 3 year period, would exceed 5% of the total number of Shares on issue at the date of the offer.
- (c) (**Disclosure**) All offers of Awards under the LTIP for no monetary consideration are made pursuant to Division 1A of Part 7.12 of the Corporations Act and accordingly the Company will not issue a disclosure document for such an offer.

If the Company makes an offer to issue Awards under the LTIP for monetary consideration, the Company will comply with the disclosure requirements in Division 1A of Part 7.12 of the Corporations Act.
- (d) (**Nature of Awards**) Each Option or Performance Right entitles the participant holding the option or Performance Right, to subscribe for, or be transferred, one Share. Any Share acquired pursuant to the exercise of an Award will rank equally with all existing Shares from the date of acquisition.
- (e) (**Vesting**) Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Persons. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:
 - (i) all or a percentage of unvested Options will vest and become exercisable;
 - (ii) all or a percentage of Performance Rights will be automatically exercised; and
 - (iii) any Shares issued or transferred to a participant under the LTIP that have restrictions (on their disposal, the granting of any security interests in or over, or otherwise on dealing with), will be free from any restrictions on disposal.
- (f) (**Exercise Period**) The period during which a vested Award may be exercised will commence when all Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the rules of the LTIP and the Company has issued a Vesting Notification to the participant, and ends on the Expiry Date (as defined at paragraph (i)(iv) below).
- (g) (**Disposal restrictions**) Awards granted under the LTIP may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a participant, other than to a nominated party (such as an immediate family member, trustee of a trust or company) in accordance with the LTIP, unless:

- (i) the prior consent of the Board is obtained; or
 - (ii) such assignment or transfer occurs by force of law upon the death of a participant to the participant's legal personal representative.
- (h) **(Cashless exercise)** Participants may, at their election, elect to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise of the Option (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the participant will receive Shares to the value of the surplus after the exercise price has been set off.

If a participant elects to use the Cashless Exercise Facility, the participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal to the value of the difference between the exercise price otherwise payable for the Options and the then market value of the Shares at the time of exercise (determined as the volume weighted average price on the ASX over the five trading days prior to providing a notice of exercise).

- (i) **(Lapse)** Unvested Awards will generally lapse on the earlier of:
 - (i) the cessation of employment, engagement or office of a relevant person;
 - (ii) the day the Board makes a determination that all unvested Awards and vested options of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
 - (iii) if any applicable Conditions are not achieved by the relevant time;
 - (iv) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date of an Award or any other date determined by the Board and as specified in the Offer (**Expiry Date**); or
 - (v) the Expiry Date.

Where a participant ceases to be employed or engaged by the Company and is not a "Bad Leaver" (as that term is defined in the LTIP), and the Awards have vested, they will remain exercisable until the Awards lapse in accordance with the LTIP rules or if they have not vested, the Board will determine as soon as reasonably practicable after the date the participant ceases to be employed or engaged, how many (if any) of those participant's Awards will be deemed to have vested and exercisable.

Where a participant becomes a "Bad Leaver" (as that term is defined in the LTIP), all Awards, unvested or vested, will lapse on the date of the cessation of employment, engagement or office of that participant.

APPENDIX C

SUMMARY OF THE MATERIAL TERMS OF PERFORMANCE RIGHTS

The Performance Rights will be subject to the following vesting criteria and issued on the terms summarised below:

(a) **Definitions**

Words with capitalised letters in this section have the following meaning, unless the context requires otherwise:

Holder means a holder of a Performance Right.

Shares means fully paid ordinary shares in the capital of the Company.

Performance Hurdle means approval and issue of a Mining Licence for the Project by 30 November 2028.

Conversion Event means:

- (i) the achievement of the Performance Hurdle; or
- (ii) the happening of any of the events detailed in section (c)(v).

Deal means to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, otherwise deal with any right, title or interest, or agreement to do any of those actions.

Expiry Date means the expiry date for a Performance Hurdle as specified in the Performance Hurdle.

Performance Right means a right to be issued a Share upon achievement of the Performance Hurdle, issued for nil consideration and on the terms and conditions detailed in these Terms.

Shareholder means a holder of Shares.

Terms means these terms of issue which apply to Performance Rights.

Project means the Chilwa Critical Minerals Project in Malawi.

(b) **Performance Rights**

- (i) The Performance Rights are issued subject to the Terms.
- (ii) Where lawful, these Terms prevail to the extent of any inconsistency with the Constitution.
- (iii) Once a Conversion Event occurs in respect of Performance Rights and subject to section (c)(vi), that number of Performance Rights that are subject to the Conversion Event will be converted to Shares on the basis of one Share for each converting Performance Right, with the Shares ranking equally with all other Shares then on issue.

(c) **Conversion**

- (i) Subject to sections (c)(iv) and (c)(vi), the Company shall procure that the Performance Rights shall convert to Shares upon achievement of the Performance Hurdle before (and including) the Expiry Date on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.
- (ii) The Board, acting reasonably, will determine whether the Performance Hurdle has been achieved. The Board may cause the Company to obtain an opinion from a suitably qualified independent expert on whether the Performance Hurdle has been achieved.
- (iii) Conversion into Shares will occur as soon as practicable after achievement of the relevant Performance Hurdle but in any event within ten (10) business days after confirmation from the Board or the independent expert appointed under section (c)(ii) that the Performance Hurdle has been achieved.

- (iv) The Performance Hurdle must be met before the relevant Expiry Date, failing which the relevant class of Performance Rights the subject of the Expiry Date will automatically lapse.
- (v) All Performance Rights on issue will automatically convert into Shares up to a maximum number that is equal to 10% of the Company's issued share capital (as at the date of conversion) upon any of the following events occurring:
 - (A) an offeror (who at the date the Performance Rights are issued does not control the Company) under a takeover offer for all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or
 - (B) an arrangement (other than one under which a person who controls the Company at the date the Performance Rights are issued increases their control) under which all of the Company's Shares are to be either cancelled, transferred to a third party, or a Court by order approves the proposed scheme of arrangement.
- (vi) The Company will at the request of the Holder and if there are reasonable grounds to believe that a Performance Hurdle will be satisfied and conversion will result in a breach of section 606 of the Corporations Act, seek Shareholder approval under section 611. If approval is not obtained, the conversion of that number of Performance Rights will be delayed until conversion can occur without any breach of section 606.

(d) **Voting rights**

Each Holder has the right to receive notice of and attend but has no right to vote, except as required by law.

(e) **Dividends**

The Performance Rights do not have any right to receive dividends (whether cash or non-cash) from the profits of the Company at any time.

(f) **Dealings**

A Holder must not Deal with Performance Rights.

(g) **Access to documents and information**

A Holder has the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders, and a right to attend Shareholder meetings.

(h) **Other terms and conditions**

- (i) A Holder will not be entitled to a return on capital, whether in a winding upon, upon reduction of capital or otherwise.
- (ii) A Holder will not be entitled to participate in the surplus profit or assets of the Company on winding up
- (iii) There are no participating rights or entitlements inherent in the Performance Rights and Holders will not be entitled to participate in new issues (such as bonus issues) or pro-rata issues of capital to Shareholders.
- (iv) The Company will issue each Holder with a new holding statement for Shares upon conversion of Performance Rights as soon as practicable following the conversion of Performance Rights.
- (v) The Performance Rights will not be quoted on ASX and are not transferable.
- (vi) All Shares issued upon conversion will rank equally in all respects with the then-issued Shares. The Company must, within the time frame required by the Listing Rules, apply to ASX for quotation of the Shares on ASX.

- (vii) A Performance Right does not give the Holder any rights other than those expressly provided by these Terms and those provided at law where such rights cannot be excluded.
- (viii) The Terms may, subject to the Corporations Act, be amended as necessary by the Directors to comply with the Listing Rules or any directions of ASX regarding the Terms, it being understood that the Company shall use best endeavours to ensure that the Terms are amended only to the extent necessary to comply with the Listing Rules or any reasonable directions of ASX regarding the Terms, and provide both copies of all correspondence with ASX and the Holder a reasonable opportunity to make submissions to ASX.
- (ix) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth), which enables tax deferral on Performance Rights, will apply (subject to the conditions in that Act) to the Performance Rights.

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **10.00am (AWST) on Tuesday, 05 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Chilwa Minerals Limited, to be held at **10.00am (AWST) on Thursday, 07 November 2024 at Karstens Conference Centre, Level 1, 111 St Georges Terrace, Perth WA 6000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the “for”, “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4, 5, 6 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	RE-ELECTION OF ALEXANDER SHAW AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO ALEXANDER SHAW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO CADELL BUSS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO MANUEL MOTA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO DENNIS WILKINS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

<p>Individual or Securityholder 1</p> <div style="border: 1px solid black; height: 60px; margin: 5px;"></div> <p>Sole Director and Sole Company Secretary</p>	<p>Securityholder 2</p> <div style="border: 1px solid black; height: 60px; margin: 5px;"></div> <p>Director</p>	<p>Securityholder 3</p> <div style="border: 1px solid black; height: 60px; margin: 5px;"></div> <p>Director / Company Secretary</p>
--	--	--

Contact Name:

Email Address:

Contact Daytime Telephone	Date (DD/MM/YY)
<div style="border: 1px solid black; min-height: 30px;"></div>	<div style="border: 1px solid black; min-height: 30px;"></div>

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).