

PRIVATE PLACEMENT TO RAISE A\$6M AND COMMENCEMENT OF SHARE PURCHASE PLAN

KEY POINTS

- Firm commitments received from existing shareholders and high net worth individuals to raise A\$6 million
- Support includes commitment from directors and major shareholder, Mota Engil, SGPS, SA via its subsidiary Luso Global Mining BV (subject to shareholder approval) to continue its ~30 % shareholding in Chilwa
- Opportunity for existing eligible shareholders to participate via a non-underwritten share purchase plan to target a further A\$0.5 million
- Funds raised will primarily be used to accelerate activities at the multi-commodity Mineral System emerging at the Chilwa Project in Malawi

OVERVIEW

Chilwa Minerals Limited (**CHW** or the **Company**) (ASX: CHW) is pleased to announce that it has received firm commitments to raise A\$6 million (**Placement**) at an issue price of \$0.86 per share, representing a 10% discount to the Company's last closing price of A\$0.96 on 10 October 2024.

In addition to the Placement, the Company intends to offer eligible existing CHW shareholders the opportunity to participate in a non-underwritten share purchase plan to target a further A\$0.5 million (**SPP**) (collectively, the Placement and SPP are the **Capital Raising**). The SPP will be on the same terms as the Placement.

Chilwa's Managing Director, Cadell Buss, commented:

"We are extremely thankful for the overwhelming support for this private placement, which reflects the company's progress since its listing just over a year ago. Despite challenging times in junior exploration, our continued investment in developing the asset has significantly benefited the Company and Shareholders. These additional funds will be used similarly to advance our exciting project.

I am particularly grateful to our shareholders and especially to Mota Engil (via Luso Global Mining) for their valued contributions both in this Placement and their in-country assistance."

Major Shareholder and Director Support

The Capital Raising is being supported by the Company's major shareholder, Luso Global Mining BV (**Luso**), which confirmed participation in the Placement subject to shareholder approval, which will be sought at an extraordinary general meeting of shareholders anticipated to occur mid-December 2024.

Luso has committed to subscribe for ~\$1.825m million in the Placement, to maintain their current holding level, demonstrating continued support for the Company and the long-term value proposition offered by the advancement of the Chilwa Project and the emerging mineral system contained within that tenure.



Directors Messrs Shaw, Mota and Buss have also confirmed that they will participate, subject to shareholder approval, in the placement for combined proceeds of ~\$157,000.

Mota Engil Deputy Chief Executive Officer and Chilwa Non-Executive Director, Manuel Mota, commented:

"The Chilwa team is reliably performing on multiple fronts, and we will continue to support their efforts through the Mota Engil Malawi in-country team. Furthermore, we are injecting funds into this private placement to preserve our equity stake. We are very excited about the upcoming year and expect continued advancement for the project."

Use of Proceeds

Funds raised pursuant to the Capital Raising, together with existing cash and sources of liquidity, will be used to accelerate exploration and development of the Chilwa Project, with proceeds being applied as follows:

- Increase exploration activities on the Heavy Mineral Sands efforts including doubling the current sonic drilling schedule;
- Increase exploration activities on the identified carbonatite targets;
- Increase turnaround times of minerology results by purchasing an Assay Laboratory; and
- manage corporate costs, general working capital and costs associated with the Capital Raising.

Details of the Placement

- The Placement comprises the issue of 6,982,558 fully paid Ordinary shares in CHW (**New Shares**) at an offer price of A\$0.86 per New Share, which represents a discount of 10% to the Company's last closing price of A\$0.96 on 10 October 2024; and
- 4,605,348 New Shares will be issued under the Placement pursuant to CHW's existing placement capacity under ASX Listing Rule 7.1. Shareholder approval will be sought in respect of ~2,377,210 New Shares to be issued to Luso and the participating directors. New Shares will rank equally with existing fully paid ordinary shares in CHW.
- Settlement of the New Shares issued under the Placement (other than to Luso and the participating directors) is scheduled to occur on Friday, 18 October 2024.

Details of the SPP

Eligible shareholders as at the record date of 5 pm (AWST time), 14 October 2024 with a registered address in Australia or New Zealand (**Eligible Shareholders**) will be invited to participate in the SPP. Eligible Shareholders will have the opportunity to apply for up to A\$30,000 worth of additional CHW shares at the Placement offer price of A\$0.86 per Share, subject to scale back at the Company's absolute discretion.

The SPP is expected to open on 16 October 2024 and closes at 5 pm (AWST time) on 30 October 2024 unless extended.

Further information regarding the SPP will be made available to Eligible Shareholders in an offer booklet (**Offer Document**) to be released to the ASX. The Offer Document will contain instructions on how to participate in the SPP, which is subject to the terms and conditions set out in the Offer Document.

Timetable

The key dates for the Placement and SPP are set out below:

Key Events	Date
Record date for SPP	5pm on 14 October 2024
Settlement of New Shares issued under the Placement	17 October 2024
Allotment of New Shares issued under the Placement	18 October 2024
SPP offer opens and Offer Document available to Eligible Shareholders	16 October 2024
SPP offer closes	30 October 2024
SPP issue and allotment date	5 November 2024
Normal trading of SPP shares commences	6 November 2024
Dispatch of holding statements for SPP shares	6 November 2024

All dates and times are indicative only and subject to change. The Company reserves the right to withdraw the SPP or amend all or any of these dates and times without notice, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. All dates and times are Australian Western Standard Time unless otherwise specified.

Additional Information

The information in this announcement does not constitute investment or financial product advice (nor taxation, accounting or legal advice), is not a recommendation to acquire CHW shares and is not intended to be used or relied upon as the basis for making any investment decision. This announcement was prepared without considering the investment objectives, financial situation, or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information with regard to their own investment objectives, financial situation and needs and should seek legal, accounting and taxation advice appropriate to their jurisdiction. CHW is not licensed to provide investment or financial product advice in respect of CHW shares. Cooling-off rights do not apply to the acquisition of CHW shares pursuant to the Placement or SPP

Forward-Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on CHW's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of CHW, which could cause actual results to differ materially from such statements. CHW makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement to reflect the circumstances or events after the date of this announcement.

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Authorisation Statement

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

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