CHILWA MINERALS

ANNUAL REPORT 2024

For the year ended 30 June 2024

CORPORATE DIRECTORY

DIRECTORS

Mr Alexander Shaw Non-Executive Chairman

Mr Cadell Buss Managing Director

Mr Manuel Mota Non-Executive Director

Mr Dennis Wilkins Non-Executive Director

COMPANY SECRETARY

Mr Dennis Wilkins

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

L1 / Suite 3, 17 Ord Street, West Perth 6005
Telephone: +61 8 6424 8500

SHARE REGISTER

Automic Group
Level 2, 267 St Georges Terrace, Perth WA 6000
Telephone: 1300 288 664 (within Australia)
Telephone: +61 2 9698 5414 (outside Australia)
Email: hello@automic.com.au

AUDITOR

PKF Perth
Level 8, 905 Hay Street
Perth WA 6000

STOCK EXCHANGE LISTING

Chilwa Minerals Limited shares are listed on the Australian Securities Exchange (ASX: CHW)

WEBSITE

www.chilwaminerals.com.au

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement can be found on the Company's website:

https://chilwaminerals.com.au/corporate-governance

Chilwa Minerals Limited
ABN 43 656 965 589

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Alexander Shaw
Chairman

CHAIRMAN'S LETTER

I am honoured to have assumed the role of Chairman and pleased to present the Annual Report for 2024, our inaugural year as an ASX listed entity.

The 2024 Financial Year marked a pivotal period for our Company, beginning with an Initial Public Offering (IPO) to raise A$8 million that was strongly supported by a range of both institutional and private investors and resulted in the Company's successful admission to the official list of the ASX main board on 5 July 2023.

This milestone met a key condition precedent under the Share Sale Agreement to acquire 100% of the Chilwa Heavy Mineral Sands Project in Malawi, Africa, enabling the Company to complete this transformational acquisition pursuant to the IPO prospectus, and lay the foundations for an exciting future.

Known as "The Warm Heart of Africa", Malawi is an underexplored country and an emerging mining destination with a stable, supportive Government and a newly developed infrastructure network. Not only are we excited by the potential of our project but also confident in its strategic location, situated amongst several significant mining operations.

The Chilwa Project is an advanced stage exploration project with an existing inferred category JORC-compliant (2012) Mineral Resource estimate, completed concept studies and key mineralogical and metallurgical test work. Since listing on the ASX, we have wasted no time in deploying funds towards both physical on ground exploration and evaluation of technical opportunities to fast-track Project development.

Initial exploration programs have largely focused on the Mposa area and provided highly encouraging results, showing thickness of mineralisation in the holes drilled to date that exceeds the historic 5.5m average thickness of the current Mposa Main MRE, of 19.4Mt @ 4.3% THM is based upon. The intersected THM% grades, are in some cases ~4x greater than those used in the MRE, which the Company believes is due to improved sample recoveries due to the use of sonic drilling.

We have also completed aeromagnetic and radiometric surveys over the entire Chilwa Critical Minerals Project, purchased a Separation Lab from ALS to significantly improve assay turnaround times, and held constructive community engagement meetings with the Government and local villages around the city of Zomba, Malawi.

> "
> This milestone met a key condition precedent under the Share Sale Agreement to acquire 100% of the Chilwa Heavy Mineral Sands Project in Malawi, Africa

The strong partnership with our major shareholder, Mota Engil Group, has provided significant benefits to the Company with positive impacts attributed through Mota-Engil's provision of services, infrastructure and key facilities in Malawi. In January, we were pleased to enhance and extend this agreement for a further two years and look forward to continuing this supportive relationship.

I would like to congratulate the growing team at Chilwa Minerals and their efforts over the past twelve months in progressing the project to where it is today.

As we look to the year ahead, we remain focused on advancing this Critical Minerals project and expanding on our successes to date. Thank you for your continued support and trust in our Company. We look forward to sharing more updates on our progress over the coming year.

Sincerely,

Alexander Shaw
Non-Executive Chairman

REVIEW OF OPERATIONS

The 2024 Financial Year commenced with the Company being admitted to the official list of the ASX main board on 5 July 2023. This milestone was a key condition precedent under the Share Sale Agreement of the Chilwa Heavy Mineral Sands Project in Malawi and enabled immediate completion of the transformational acquisition, as predicated in our IPO Prospectus.

ASX Listing and Project Acquisition

Chilwa was incorporated for the purpose of acquiring the Lake Chilwa Heavy Mineral Sands Project (Project) in Malawi, Africa. The Project was previously owned by Luso Global Mining (Luso). Luso is a part of the Mota Engil Group, a Portuguese multinational organisation.

Chilwa completed its Initial Public Offering pursuant to a prospectus dated 5 April 2023 and a supplementary prospectus dated 26 June 2023 (together, the Prospectus). As a result, the Company issued 40 million new fully paid Ordinary shares, which raised $8 million before costs for the Company, and commenced trading on the Australian Securities Exchange (ASX) on 5 July 2023[1].

The Company subsequently acquired 100% of the Chilwa Heavy Mineral Sands Project pursuant to the Share Sale Agreement and issued 18.75 million performance rights to Luso as part of the Projects acquisition terms. The Directors and management of the Company were also issued 6,250,000 Performance Rights, all of which vest upon milestones as set out in the Prospectus[2].

Chilwa Heavy Mineral Sands Project

The Project is located around the northern, western and southern shores of Lake Chilwa in southern Malawi, Africa. The Project comprises two licences with a total land area of 878.7km^2, includes a JORC 2012 compliant Mineral Resource Estimate (MRE) and is prospective for further mineralisation in both the existing as well as previously unexplored areas of the licences.

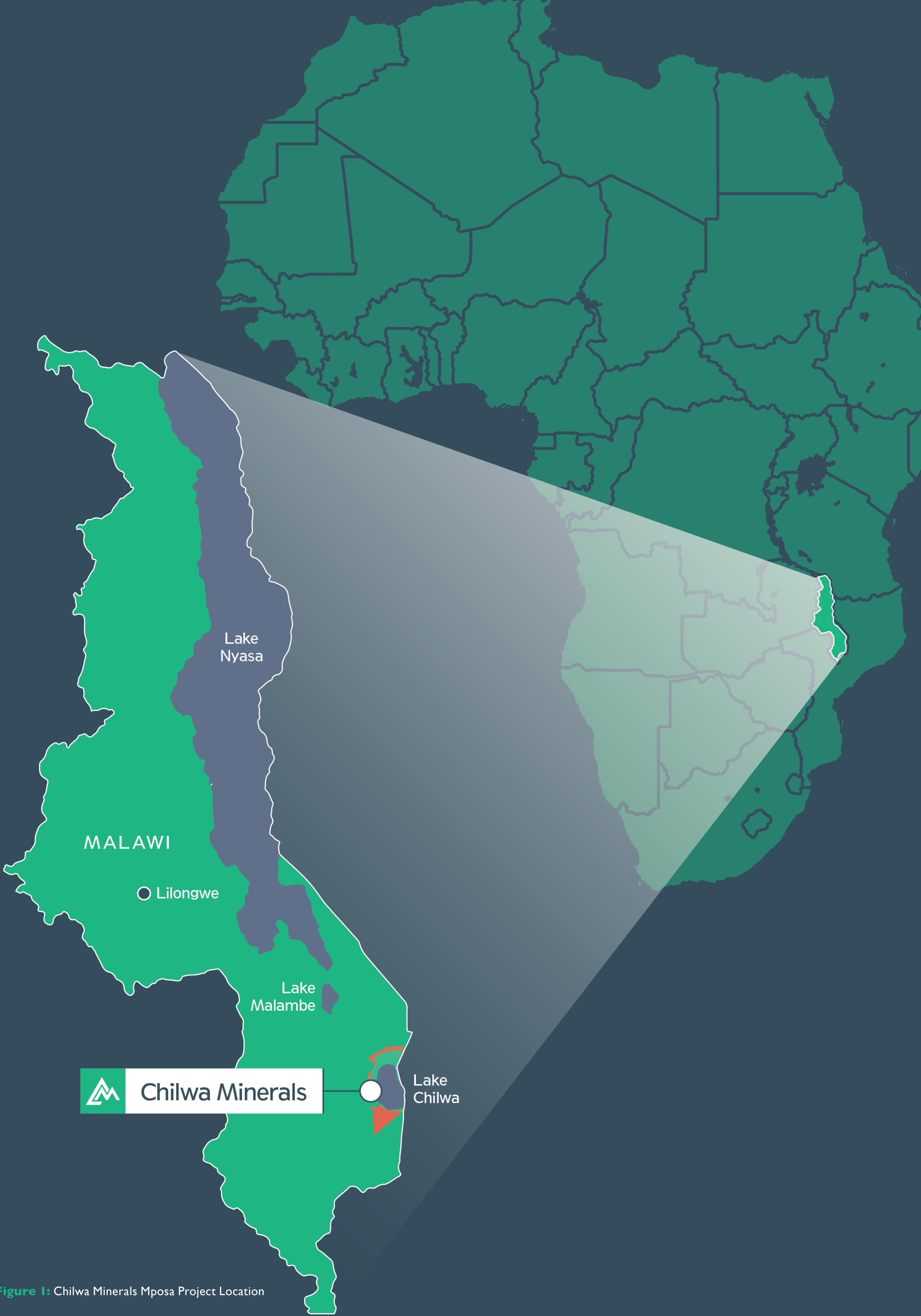

Figure 1: Chilwa Minerals Mposa Project Location

Mineral Resource Estimate

A Mineral Resource Estimate for the Project has been classified and reported in accordance with the JORC Code (2012)[1]. The Mineral Resource Estimate has been classified as Inferred, at a 1.0 % THM cut-off, is estimated to contain 2.4 Mt of THM, and is allocated across the Project deposits in **Table A** below.

Table A - Inferred Mineral Resources at 1.0% THM as at 31 July 2022

Deposit	Volume (million m3)	Tonnes (million t)	Dry Density (t/m3)	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.

1. Refer to Chilwa Minerals Prospectus dated 5 April 2023 and released to the ASX on 3 July 2023

Exploration and Evaluation

INITIAL DRILLING CAMPAIGN AT MPOSA

The Company chose Mposa as the preferred location for its initial drilling campaign at the Chilwa Project in Malawi (Project). Mposa accounts for 19.4 Mt of HMS at 4.3%, containing 0.83 Mt THM at a 1% THM cut-off grade, which is 30% of the total resource estimate for the Project[2].

An initial 6,000m infill and extensional drilling program at the Mposa Main (Mposa) target area commenced on 9 October 2023[3]. The drilling program was designed to test the extent of potential mineralisation at depth as well as its lateral continuity by twinning selected existing holes as well as drilling further holes in the areas adjacent to Mposa.

The Mposa resource is currently determined from 340 holes. The average drill hole depth was only 6.23m with the shallowest hole being 2m and the deepest hole 11m. Many of these holes terminated in mineralisation due to the use of an air core rig, which was unable to penetrate the water table. Recoveries from this drilling were also variable, averaging <70%.

As a result, a sonic drill rig was selected for the initial drilling program to improve sample recoveries, as well as achieve deeper penetration into the target. A sonic rig has several advantages to air core, notably, it involves the complete encapsulation of the sample within the core barrel which prevents drillholes from collapsing, enhancing the recovery of intact samples. Moreover, sonic drilling enables drilling operations to be conducted beneath the water table, a scenario where conventional methods encountered challenges.

> "The Chilwa Project is an advanced stage exploration project with an existing inferred category JORC-compliant (2012) Mineral Resource estimate, completed concept studies and key mineralogical and metallurgical test work.
>
> – Alexander Shaw, Chairman

2. Refer to Chilwa Minerals Prospectus dated 5 April 2023 and released to the ASX on 3 July 2023
3. Chilwa Minerals (ASX: CHW) – ASX Announcement 10 October 2023 – Drilling Commences at Mposa

Recoveries obtained using the sonic drill rig have averaged 85% and in some cases 100% was achieved[4]. The maiden four holes identified thicker unconsolidated sedimentary package and competent rock (footwall/bedrock) at significantly greater than anticipated depths[5].

Following the completion of the first two holes, the Company decided to shift the drilling program to the southern part of the Mposa area, a distance of approximately seven kilometres, in order to determine the southerly extent of the Mposa deposit. Having established the northerly and southern extents of the Mposa deposit, the Company amended the drilling program, (10 holes drilled along an East–West transect) to gain an understanding of the stratigraphic composition of Mposa[6].

The mineral sands horizons intersected in the initial sonic drill program are between 6m and 13m in thickness, with an average sand thickness of 5.75m being encountered in the holes drilled to date. The sonic drilling returned excellent sample recoveries of 95%, as compared to prior drilling that averaged <70%. Just before the end of the reporting period, the first Total Heavy Mineral (THM) assay results were received from the first 50 sonic drillholes for 575m with significant high-grade results in the first batch[7] including:

- **4.3m @ 26.3% THM** from surface (MPO-SD-758), incl. **1m @ 45.0% THM** from surface
- **5m @ 25.8% THM** from surface (MPO-SD-748), incl. **4m @ 31.3% THM** from surface
- **5m @ 24.1% THM** from surface (MPO-SD-719), incl. **4m @ 29.3% THM** from surface
- **6.6m @ 18.9% THM** from surface (MPO-SD-776), incl. **4m @ 27.4% THM** from surface
- **7m @ 18.5% THM** from surface (MPO-SD-784), incl. **4m @ 28.1% THM** from surface
- **6m @ 16.9% THM** from surface (MPO-SD-792), incl. **4m @ 23.4% THM** from surface
- **6.3m @ 16.6% THM** from surface (MPO-SD-768), incl. **4m @ 21.9% THM** from surface
- **6m @ 16.4% THM** from surface (MPO-SD-783), incl. **3m @ 29.0% THM** from surface
- **6m @ 16.3% THM** from surface (MPO-SD-747), incl. **3m @ 28.8% THM** from surface
- **6.8m @ 16.1% THM** from surface (MPO-SD-739), incl. **4.55m @ 21.9% THM** from surface
- **6m @ 14.4% THM** from surface (MPO-SD-775), incl. **4m @ 20.3% THM** from surface
- **10m @ 12.8% THM*** from surface (MPO-SD-791), incl. **3m @ 36.6% THM** from surface
- **13m @ 10.5% THM** from surface (MPO-SD-728), incl. **4m @ 22.1% THM** from surface

The intersections showed consistency throughout the drilling results, with higher grades found at the surface or near it, at the beginning of the sand horizon. Of the holes in the initial program, three (6%) have been drilled near historic holes, providing a good indication of the grade uplift potential of the current program. The average depth to the end of mineralisation (or end of hole) of the close holes was 6.6m for the original holes and 11.2m for the recent holes. The average THM grade for the previous holes drilled was 5.09% and average grades for the first batch of this campaign is 6.6 %, showing a 30% increase in grade so far, which may be due to the higher sample recovery achieved via the use of sonic core drilling.

4. Chilwa Minerals (ASX: CHW) – ASX Announcement 14 November 2024 – Significantly Deeper Footwall Identified at Mposa
5. Chilwa Minerals (ASX: CHW) – ASX Announcement 14 November 2024 – Significantly Deeper Footwall Identified at Mposa
6. Chilwa Minerals (ASX: CHW) – ASX Announcement 14 November 2024 – Significantly Deeper Footwall Identified at Mposa
7. Chilwa Minerals (ASX: CHW) – ASX Announcement 24 June 2024 – Significant High Grade Mineral Sands Assays from Mposa

Figure 2: Mposa Drilling Program Showing Drill Collar Locations for Assay results received or currently being analysed (green) – As at 30 June 2024

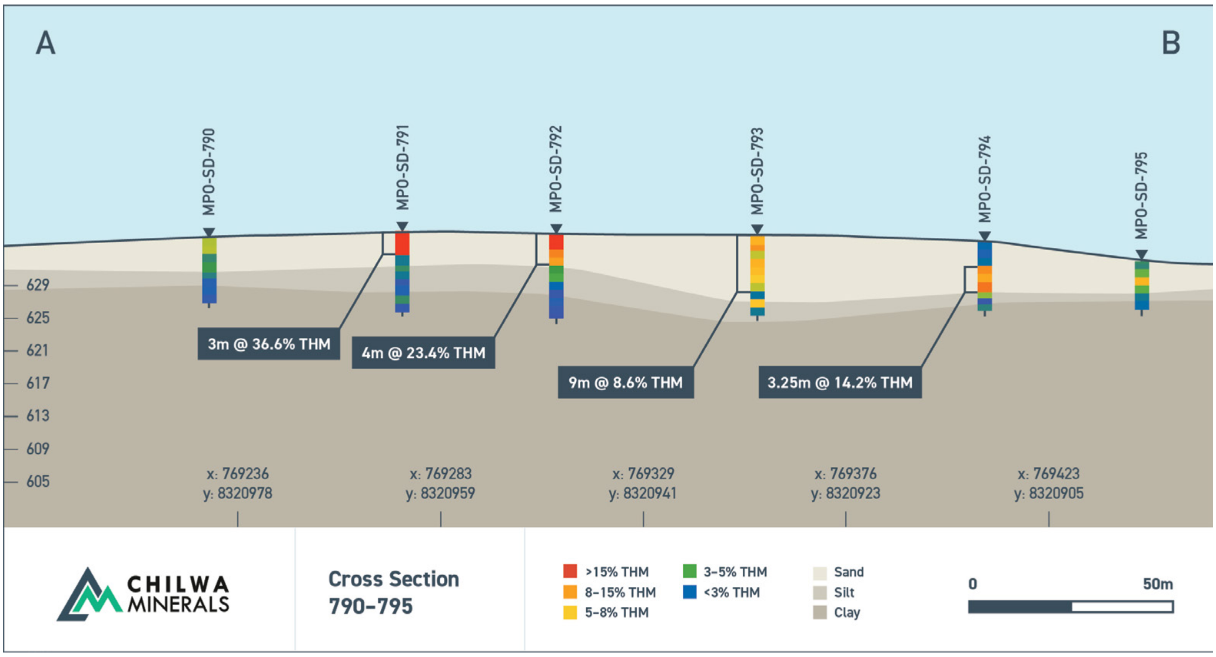

Figure 3: Mposa Cross section A-B showing drillholes

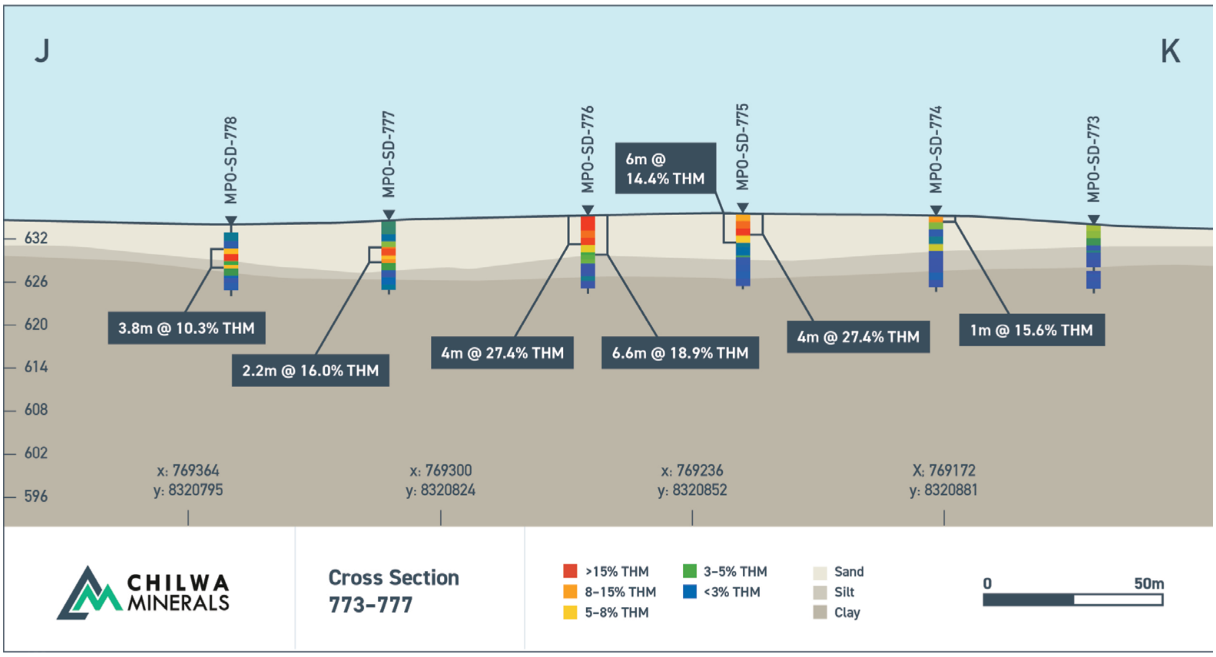

Figure 4: Mposa Cross section J-K showing drillholes

Metallurgical Testwork

Light Deep Earth Laboratory commenced metallurgical testwork on Mposa sonic drill samples, with first samples sent to the laboratory in Pretoria, South Africa, in the March quarter 2024[8].

The metallurgical testwork will be overseen by leading Perth based Mineral Sands Consultants TZMI, which previously completed work on the 2015 Lake Chilwa Scoping Study for the former owners of the project.

The focus of the metallurgical test work is to confirm previous results as well as identify optimisation improvements. Rather than stopping at the production a mineral sands concentrate, the testwork will assess the potential to produce individual mineral sands products. The Company anticipates that the results will be available early in the FY2025 reporting period.

Diamond Drilling

Prior to the commencement of drilling, it was expected that the targeted mineral sand horizon would be thicker than the 6.2m average depth that the Mineral Resource is based upon. The initial holes at the north, south and central portions of Mposa intersected the consolidated bedrock at depths ranging from 35 to 51 metres below surface. Of this, the thickness of the mineral sand horizon measured in the core varies from 2 to 12 metres, with interbedded clays occurring below (Figure 5).

Field assessment of the clay horizons below the mineral sands indicated elevated rare earth element grades that may represent accumulations from nearby known carbonatites. As a result of these early indications of rare earths, the Company flew aeromagnetics and radiometrics to better plan drilling of these targets.

Chilwa will utilise a diamond rig to test the full sequence of clays and sands on a wide spaced drill pattern, with the sonic rig continuing with the originally planned drill spacing. Drilling undertaken by the sonic rig was modified with holes ending as soon as the clays have been intersected.

The diamond drill rig has been sourced by project partner and major shareholder Luso Global Mining (a subsidiary of the Mota-Engil Group). Their fleet of equipment in Africa will enable expedited mobilisation to site, and further highlights the value this partnership brings to the Company.

Diamond drilling is expected to commence in the fourth quarter of 2024.

8. Chilwa Minerals (ASX: CHW) – ASX Announcement 14 March 2024 – Metallurgical Testwork on Mposa Sonic Drill Samples to Begin

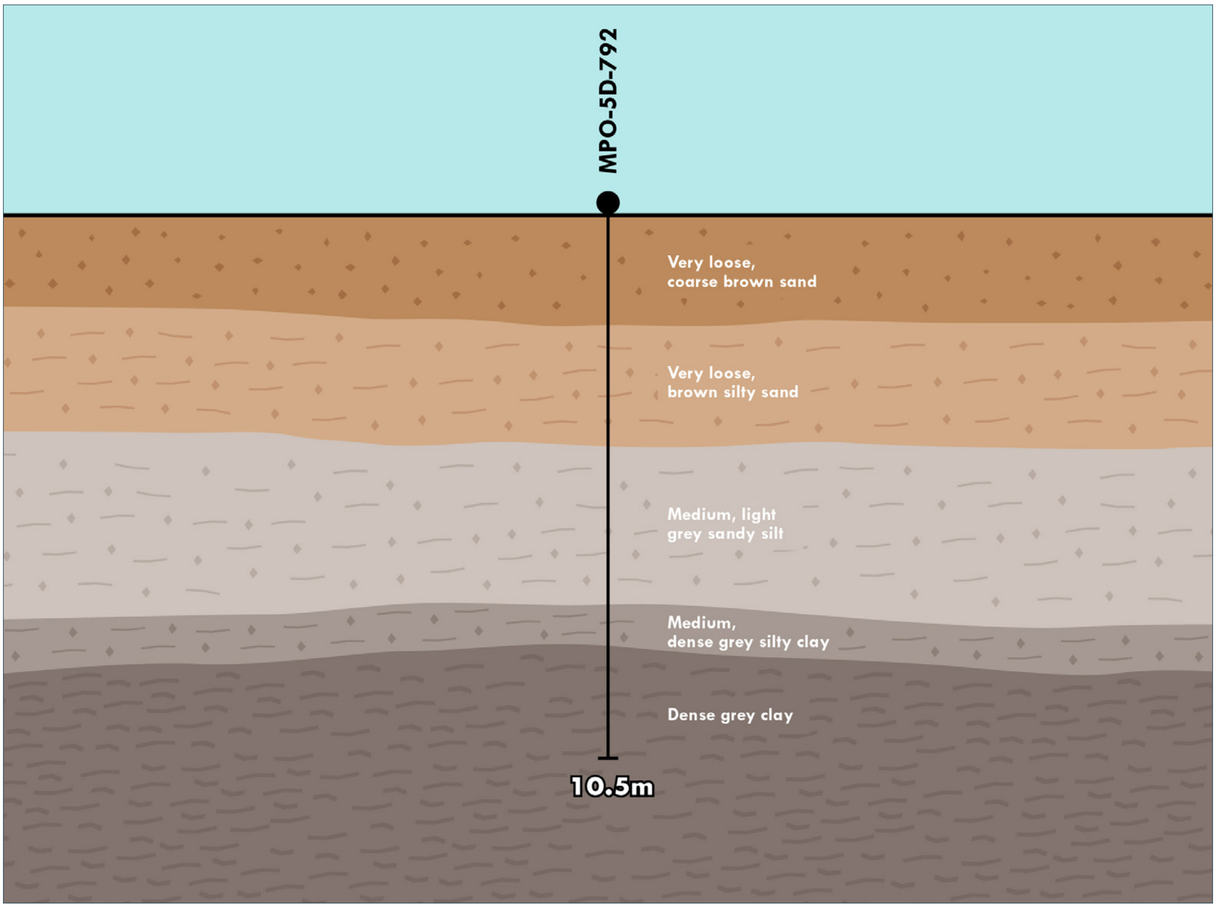

Figure 5: Schematic cross section showing typical variations downhole

New Priority Target Area Identified

Reconnaissance by Chilwa geologists along with Competent Person, Mr Mark Burnett during a site visit, indicated the presence of a large topographic high, which Chilwa will explore at Namasalima[9]. This target area is located between the Mposa and Bimbi deposits on the western shore of Lake Chilwa (Figure 6). It was identified as a target in 2016 following a radiometric survey and mapping with 173 auger holes being drilled on the target. As none of the historical data remains, Chilwa will explore the area to determine if this feature contains HMS mineralisation as well as completing an updated Lidar survey to confirm the elevation and location of the 631 amsl and 623 amsl terraces.

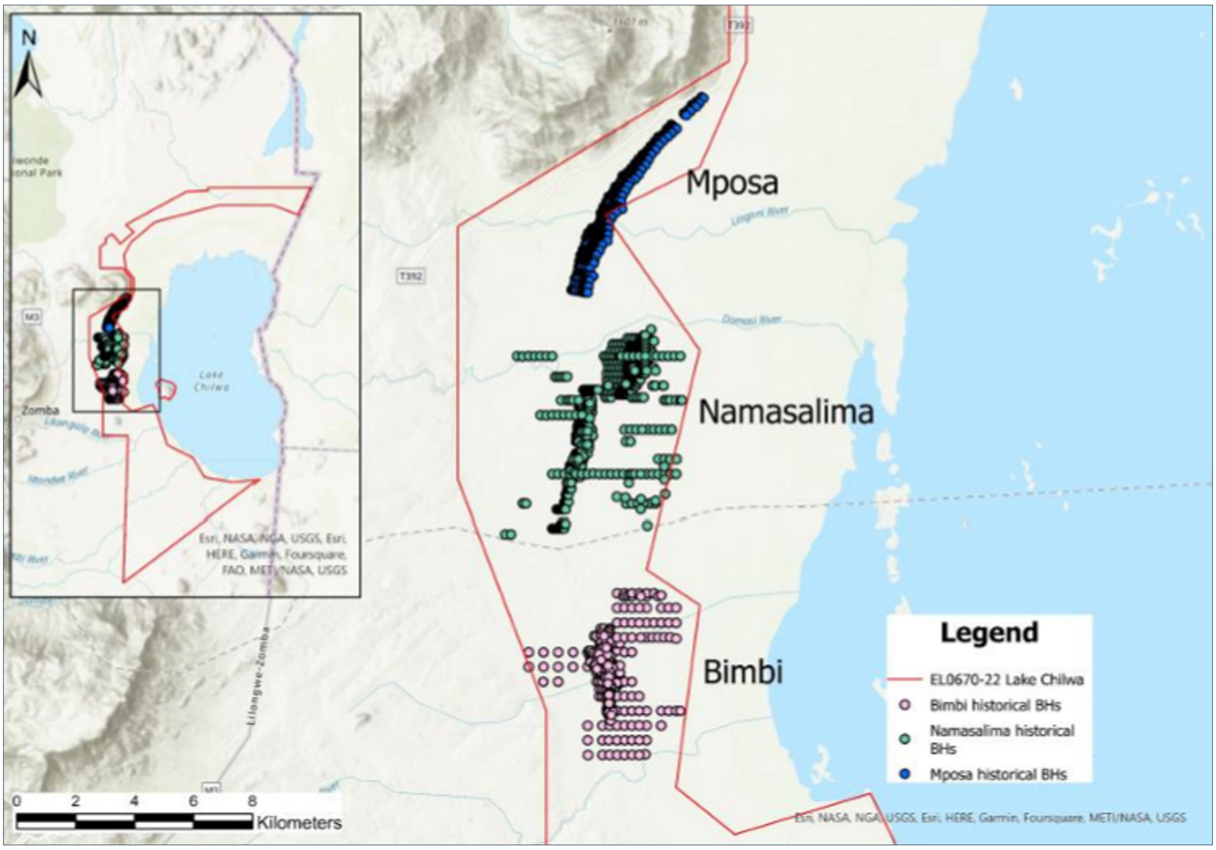

Figure 6: New priority target area, Namasalima, in relation to Mposa and Bimbi

1. The BH's indicated in green are the locations of the collars for the historical auger work, no data is presently available. It is unclear if all these holes were drilled, the company is aware of 174 holes recorded as being drilled and assayed. The assay method is also undetermined.

Aeromagnetic Survey

An airborne high-resolution magnetic and radiometric data survey was completed over a 708 square kilometre area covering the entire Chilwa Project.

The geophysical program comprised of 10,498 line kilometres of data collected on 100m spacing at an average flight height of 20-30m. The detailed geophysical data will be used to identify mineral sand strandlines for refined drill planning as well as for rare earth targeting.

The data analysis has revealed several new Heavy Mineral Sands targets as well as many carbonatite targets. These anomalies are being identified for the first time, offering the company additional exploration prospects.

9. Chilwa Minerals (ASX: CHW) – ASX Announcement 11 December 2023 – Second Drill Rig To Be Mobilised at Mposa

Community Engagement

During August and September 2023, the Company's local consultants completed community engagement meetings in the Mposa region. The groups involved in those meetings included local residents, host communities, local government authorities and other key stakeholders, with Chilwa's aim being to continue regular communication with these groups. The public consultations covered socio-cultural, economic and biophysical aspects present in the area.

During the June quarter 2024, Managing Director, Cadell Buss held further community engagement meetings at the city of Zomba, Malawi. The purpose of the meetings was to provide an update to local community representatives regarding the Company's Lake Chilwa Project and provide a platform for questions to be raised around the future plans for the Project. The Company is pleased to report that the meetings were extremely positive with no significant issues raised by the Director of Mine or local representatives.

The Company will continue to maintain dialogue with local communities as the Project continues to advance through early exploration stages and into development.

Additionally, on a separate occasion, Cadell Buss met with the Malawi Minster of Mining, Hon. Monica Chang'anamuno, Dr Joseph C.N. Mkandawire (Principal Secretary for Mining) and Samuel Sakhuta (Commissioner for Mines and Minerals), to discuss the progress the Company has made since listing and the future plans for the Chilwa Critical Minerals Project.

Discussions were positive and centred around the recent purchase of the Certified ALS Separation Lab by the Company. This is the first certified ALS lab ever to be operational in Malawi and discussions focused on potential internships once the lab is finished. As outlined in the Government's 'Malawi 2063 Vision' and its 'Agriculture, Tourism, and Mining ("ATM") strategy', the Malawi Government's national development goals include growing the mining sector.

Figure 7: Engagement Meetings – Chilwa Minerals Managing Director, Cadell Buss with local representatives and The Director of Mines, Samuel Sakhuta

Figure 8: Malawi Minster of Mining, Hon. Monica Chang'anamuno, Dr Joseph C.N. Mkandawire – Principal Secretary for Mining and Samuel Sakhuta – Commissioner for Mines and Minerals, with Managing Director Cadell Buss

Corporate

MOTA ENGIL SERVICE AGREEMENT

The Company reached an agreement with Mota Engil Engenharia Construcao Africa S.A., which is part of Chilwa's major shareholder, the Mota Engil Group (Mota Engil), for the further provision of technical and associated services in Malawi (Agreement)[10]. The new Agreement replaces an existing agreement that expired on 31 December 2023 (refer to section 7.3 of the Prospectus dated 5 April 2023 and Supplementary Prospectus dated 26 June 2023 (together, the Prospectus)).

The Company is extremely pleased with the support already shown by Mota Engil, which has a long and successful track record of operating in Malawi. The services provided are expected to cost the Company significantly less than if sourced through third party suppliers.

The Agreement includes the provision of accommodation and office facilities in Malawi, technical and administrative support staff, 4WD and support vehicles and other infrastructure, including a large storage shed which will be utilised for storing samples.

ALS SAMPLING SEPARATION LABORATORY

The Company purchased a Separation Lab from ALS[11], which will be located within a shed at the Mota Engil Zalewa Camp, in Malawi. The purpose of this strategy is to significantly improve assay turnaround time and greatly reduce the cost involved in freighting assay samples to Perth, Australia.

Previously, drill samples were dispatched from Malawi to the ALS Laboratory in Johannesburg for assay preparation, which resulted in delays in the turnaround time for assay results. This step will now be entirely undertaken in Malawi. The Company expects to save approximately USD$200,000 on the current 17,000 metre drilling program resulting from the change in samples processing.

An ALS Manager will be permanently stationed at the Zalewa Camp, to oversee the splitting of samples for dispatch.

In the agreement, ALS will supply storage racks and inventory control. This additional benefit means that all samples will be stored in the facility and readily available for future studies. This cost saving is not included in the headline saving of USD$200,000 and further highlights the benefits of this initiative.

BOARD CHANGES

Mr Philip Lucas resigned as a director of the Company due to ongoing work commitments with his law firm and other ASX roles. Existing non-executive director, Mr Alexander Shaw, assumed the role of Non-Executive Chair, effective 19 October 2023.

Mr Dennis Wilkins was appointed as Non-Executive Director and Company Secretary, effective 20 October 2023, following the resignation of Mr John Lewis as Company Secretary.

FINANCIAL POSITION

The Company proceeded with the business objectives as set out in the Prospectus and ended the reporting period with a strong cash position of $4.1 million.

COMPLIANCE STATEMENT

The information in this report that relates to Mineral Resource estimates is extracted from the Company's prospectus dated 5 April 2023 and announced to ASX on 3 July 2023, which is available to view on the Company's website https://www.chilwaminerals.com.au/. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, that all material assumptions and technical parameters underpinning the estimates of Mineral Resources in the original announcement above continue to apply and have not materially changed, and that the form and context in which the Competent Persons findings are presented have not been materially modified.

10. Chilwa Minerals (ASX: CHW) – ASX Announcement 29 January 2024 – Mota Engil Agreement Extended

Figure 9: Shed refurbished ready for ASL to commence installation of Sample Separation Lab

Figure 10: ALS Separation Lab and internal configuration

Directors' Report

The directors present their report together with the financial report on the consolidated entity (referred to hereafter as the "Group") consisting of Chilwa Minerals Limited ("Chilwa" or "the Company") and the entities it controlled at the end of, or during, the year ended 30 June 2024.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

Alexander Shaw

Title: Non-Executive Chair

Qualifications: BSc (Hons), University of Cape Town (RSA) & DPhil, University of Oxford (UK)

Alexander is a highly accomplished geologist with +15 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 his DPhil from the University of Oxford on the geology of the Mega Kalahari Basin and having managed and developed projects in Angola, Zambia, DRC, Botswana and Namibia with First Quantum Minerals and BHP. Alexander 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.

Cadell Buss

Title: Managing Director

Qualifications: MPM, MBA, GAICD

Mr Buss is a multi-industry senior executive with over 20 years' experience locally and internationally in marketing, project development and capital markets.

Cadell was the CEO of Western Australia's longest serving stockbroking firm DJ Carmichael for 4.5 years and has consulted to a number of ASX listed companies with African based assets. Cadell was previously Project and Finance Director with Luso Global Mining (Luso), an angel investor to African based exploration companies.

Cadell is also a Non-Executive Director of Atlas Pearls Ltd (ASX: ATP).

Cadell has a Masters degree in Project Management, an MBA from Murdoch University and is a graduate of the Australian Institute of Company Directors.

Manuel Mota

Title: Non-Executive Director

Qualification: Master of Civil Engineering from University College London

Mr Mota started his career within the ME Group 13 years ago in Angola as an engineer and progressed to become a member of the Board of Mota-Engil Angola.

Manuel was appointed CEO for Mota-Engil Central Europe in May 2013 to January 2016. He was then appointed to the Executive Board of the ME Group, as CEO of Mota-Engil Africa in February 2016 and then cumulatively as CEO of Mota-Engil Europe since February 2019. He held these roles until June 2021. Since June 2021 he continues to be an Executive Board Member of the ME Group, as Chief Business Development Officer.

Manuel is the Chairman of Luso and an Executive Board Member of the ME Group the Company's major shareholder.

Dennis Wilkins

Title: Non-Executive Director (appointed on 19 October 2023) and Company Secretary (appointed on 20 October 2023)

Qualification: B.Bus, MAICD, ACIS

Mr Wilkins is the founder and principal of DWCorporate Pty Ltd a leading privately held corporate advisory firm servicing the natural resources industry. Since 1994 he has been a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, PNG, Scandinavia and Africa. From 1995 to 2001 he was the Finance Director of Lynas Corporation Ltd during the period when the Mt Weld Rare Earths project was acquired by the group. He was also founding director and advisor to Atlas Iron Limited at the time of Atlas' initial public offering in 2006.

Since July 2001 Mr Wilkins has been running DWCorporate Pty Ltd where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector. Mr Wilkins is currently a non-executive director of Key Petroleum Ltd (ASX: KEY).

Philip Lucas was a director from the beginning of the year until his resignation on 19 October 2023.

COMPANY SECRETARY

Dennis Wilkins, appointed 20 October 2023.

John Lewis was company secretary from the beginning of the year until his resignation on 20 October 2023.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the relevant interests of the directors in the shares of Chilwa Minerals Limited were:

	Ordinary Shares	Performance Rights
Alexander Shaw	200,000	--
Cadell Buss	544,796	4,400,000
Manuel Mota	725,000	--
Dennis Wilkins	--	--

PRINCIPAL ACTIVITIES

During the year the principal activity of the Group was mineral exploration and development activities at the Chilwa Heavy Mineral Sands Project ("Project") in Malawi.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

REVIEW OF OPERATIONS

Refer to the "Review of Operations" section on page 5 of this Annual Report.

Finance Review

The Group began the financial year with a cash reserve of $8,022,417, with $7,659,238 of this balance being funds held on trust pending completion of the IPO. The funds held on trust were released on 5 July 2023 when the Company commenced trading on ASX following the issue of 40 million ordinary shares. The Company also issued 19 million ordinary shares to Luso pursuant to the SPA to complete the acquisition of the Chilwa Project.

During the year total exploration expenditure incurred by the Group amounted to $2,414,454 (2023: $68,886) with a further $4,439,460 (2023: n/a) recognised as the cost of acquisition of the Chilwa Project. In line with the Company's accounting policies, exploration expenditure is capitalised where tenure is current, with nil (2023: $68,886) of this amount expensed to the profit of loss during the year. Net administration, corporate, depreciation and salaries and employee benefits expenditure incurred amounted to $1,504,869 (2023: $953,858). The Group incurred a share-based payment expense of $237,876 (2023: nil). This has resulted in an operating loss after income tax for the year ended 30 June 2024 of $1,742,745 (2023: $1,022,744).

At 30 June 2024, cash reserves totalled $4,151,024.

Operating Results for the Year

Summarised operating results are as follows:

	2024	
	Revenue $	Loss $
Group interest revenue and loss before income tax expense	202,811	(1,742,745)

Shareholder Returns

	2024	2023
Basic and diluted loss per share (cents)	**(2.6)**	(12.5)

Risk Management

The board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

Company specific business risks that could interfere with the achievement of the Company's future operational and financial success are listed below.

General risks associated with operating overseas

The Company conducts business and has interests in operations in Malawi.

Consequently, the Company will be subject to the risks associated with operating in Malawi. Such risks can include economic, social or political instability or change, inflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations.

Changes to mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability.

Exploration risks

The Project currently has a JORC 2012 inferred resource of 2.4 MT THM at a 1% cut-off and is considered prospective for further THM in both existing as well as previously unexplored areas of the licences. However, there is significant risk that further exploration may not be successful or may be delayed and cost more than currently anticipated.

Legal environment

The legal systems in overseas countries may be less developed than more established countries and this could result in the following risks:

(i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;

(ii) a higher degree of discretion held by various government officials or agencies;

(iii) the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;

(iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions;

(v) relative inexperience of the judiciary and court in matters affecting the Company;

(vi) delays in court proceedings and delivery of judgements; or

(vii) difficulties in relation to availability of foreign currency and ability to externalise proceeds.

Sovereign risk

Malawi is subject to differing legal and political systems, when compared with the systems in place in Australia.

Possible risks include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company.

Exploration and operating costs

The proposed exploration expenditure of the Company is based on certain assumptions with respect to the method and timing of exploration and feasibility work. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice.

Future funding requirements and ability to access debt and equity markets

The Company's capital requirements depend on numerous factors and the Company may require additional debt or equity financing in the future to maintain or grow its business.

There can be no assurance that the Company will be able to secure additional capital from debt or equity financing on favourable terms or at all. The Company may also seek to raise funds through joint ventures, production sharing arrangements or other means.

If the Company is unable to raise additional capital if and when required, this could delay, suspend or reduce the scope of the Company's business operations (including scaling back exploration programs) and could have a material adverse effect on the Company's operating and financial performance.

Any additional equity financing may result in dilution for some or all Shareholders, and debt financing, if available, may involve restrictive covenants which limit operations and business strategy.

Title risks

The Project in which the Company has an interest is subject to the relevant conditions applying to Malawi. Failure to comply with these conditions may render the Project or the License liable for forfeiture.

The License will be subject to application for renewal from time to time. Renewal of the term of the License is subject to applicable legislation. If the License is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on the Project.

Potential acquisitions

As part of its business strategy, the Company may make acquisitions of, or significant investments in, other resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of resource projects.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors may re-assess their investment in the Company in light of the new project/business activity.

Contractual risks

The ability of the Company to achieve its objectives will depend on the performance by the counterparties to any agreements that the Company may enter into. If any counterparty defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly. Furthermore, certain contracts to which the Company is a party may be governed by laws of jurisdictions outside Australia. There is a risk that the Company may not be able to seek the legal redress that it could expect under Australian law and generally there can be no guarantee that a legal remedy will ultimately be granted on the appropriate terms.

The Company entered into a Drilling Contract with Mota-Engil Engenharia e Construção África, S.A. (ME Africa), a member of the ME Group for the provision of drilling and related services. In the event that ME Africa cannot comply with the terms of the contract there may be delays associated with obtaining another supplier in Malawi that could result in additional costs and delays to the Company with a consequential impact on exploration timing and budgets. Furthermore, the Drilling Contract is governed by the laws applicable in Malawi and there can be no certainty that, in the event of a dispute, an appropriate remedy can be sought or obtained in a timely manner.

The Company has also entered into the Services Agreement with ME Africa and Luso for the provision of certain mining services relating to the Project. Under the Services Agreement, ME Africa and Luso have a right to negotiate with the Company regarding contracts that the Company may wish to enter into in relation to the Project.

Health, safety and the environment

The conduct of business in the resources sector involves a variety of risks to the health and safety of personnel and to the environment. It is conceivable that an incident may occur which might negatively impact on the Company's business.

International operations

International operations are subject to a number of risks, including:

(i) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
(ii) potential difficulties in protecting intellectual property;
(iii) increases in costs for transportation and shipping; and
(iv) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

These factors (or others) could materially and adversely affect the Company's business, results of operations and financial condition.

Economic conditions and other global or national issues

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration and development activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

- Chilwa successfully raise $8 million pursuant to the Initial Public Offer ("IPO") and was admitted to the main board of the ASX on 3 July 2023. The securities commenced quotation on 5 July 2023.
- The successful IPO was the final condition precedent to the completion of the Share Sale Agreement through which Chilwa acquired control of 100% of the issued capital of Chilwa Minerals Africa Limited ("CMA"), who in turn holds 100% of the issued capital of Mota-Engil Investments (Malawi) Limited ("MEIML"), the 100% owner of granted exploration licenses EL0670/22 and EL0671/22, together with all associated geological and other information ("Chilwa Project").

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

During July 2024 a total of 500,000 fully paid ordinary shares were issued upon the exercise of 166,666 $0.25 options, 166,667 $0.30 options and 166,667 $0.40 options, raising a total of $158,333.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

REMUNERATION REPORT (AUDITED)

The information provided in this audited remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The key management personnel covered in this report are:

Alexander Shaw	Non-Executive Chair
Cadell Buss	Managing Director
Manuel Mota	Non-Executive Director
Dennis Wilkins	Non-Executive Director (appointed 19 October 2023)
Philip Lucas	Non-Executive Director (resigned 19 October 2023)

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage/alignment of executive compensation; and
- transparency.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the Group is as follows:

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $300,000 approved at the 2022 AGM). Fees for non-executive directors are not linked to the performance of the Group.

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Executive remuneration

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- equity-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Company and provides additional value to the executive.

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives, if any, who receive a salary from the Company also receive a superannuation guarantee contribution as required by the government, which was 11% for the 2024 financial year, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

Performance based remuneration

Short-term incentive (STI)

In accordance with the remuneration provisions of the Executive Services Agreement between the Company and the Managing Director that commenced on 1 July 2023, the Managing Director is entitled to cash bonuses upon the achievement of the following KPI's:

- $140,074 upon admittance to the Official List of the ASX within 3 months of the date of the agreement;
- $70,000 when: (a) 6,000 metres of drilling is completed; and (b) assay results achieved from the 6,000 metre drilling program; and
- $70,000 when: (a) a maiden Indicated Resources is achieved; and (b) an Indicated Resource of over 3mt of THM at 1% cut-off grade is achieved.

Long-term incentive (LTI)

As disclosed in the IPO Prospectus, performance rights have been granted to KMP subject to the achievement of the following KPI's:

- Class A - the announcement by the Company of an Indicated Mineral Resource of 3 million tonnes of THM from the Project by no later than 24 months from the grant of the performance right;
- Class B - the announcement by the Company of the completion of a Pre-Feasibility Study (as defined in the JORC code) that recommends further proceeding with the Project by no later than 48 months from the grant of the performance rights;
- Class C - announcement by the Company of the completion of a Feasibility Study (as defined in the JORC Code) that recommends further proceeding with the Project by no later than 48 months from the grant of the performance rights; and
- Class D - the announcement by the Company that a decision to mine the Project has been made by no later than 60 months from the grant of the performance rights.

For details of performance rights granted to key management personnel during the 2024 financial year, refer to the 'Share-based compensation' section later in the Remuneration Report. There were no share-based payments granted to key management personnel during the 2023 financial year.

Company performance, shareholder wealth and directors' and executives' remuneration

The table below shows the gross revenue, losses and earnings per share for the applicable portion of the last five years for the listed entity (the Company was incorporated on 1 February 2022):

	2024 $	2023 $	2022 $	2021 $	2020 $
Interest revenue	202,811	-	-	-	-
Net loss	(1,742,745)	(1,022,744)	(266,413)	-	-
Loss per share (cents)	(2.6)	(12.5)	(32.0)	-	-
Share price at year end (cents)	63.0	20.0	10.0	-	-

No dividends have been paid.

Use of remuneration consultants

The Company did not employ the services of any remuneration consultants during the financial year ended 30 June 2024.

Voting and comments made at the Company's 2023 Annual General Meeting

The Company received 100% of "yes" votes on its remuneration report for the 2023 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Details of remuneration

Details of the remuneration of the directors and the key management personnel of the Group are set out in the following table.

Key management personnel of the Group

	Short-Term			Post Employment	Long-Term Benefits	Share-Based Payments	Total	Performance Related
	Salary & Fees	Non-Cash benefits	Cash Bonus	Super-annuation	Long Service Leave			
	$	$	$	$	$	$	$	%
Directors								
Alexander Shaw (1)								
2024	**67,889**	**-**	**-**	**-**	**-**	**-**	**67,889**	**-**
2023	10,000	-	-	-	-	-	10,000	-
Cadell Buss								
2024	**323,077**	**-**	**140,074**	**35,538**	**-**	**165,740**	**664,429**	**46.0**
2023	152,083	-	-	-	-	-	152,083	-
Manuel Mota (1)								
2024	**40,000**	**-**	**-**	**5,450**	**-**	**-**	**45,450**	**-**
2023	10,000	-	-	-	-	-	10,000	-
Dennis Wilkins (2)								
2024	**28,000**	**-**	**-**	**-**	**-**	**-**	**28,000**	**-**
Philip Lucas (3)								
2024	**106,660**	**-**	**-**	**-**	**-**	**50,852**	**157,512**	**32.3**
2023	20,000	-	-	-	-	-	20,000	-
Other Key Management Personnel								
John Lewis								
2024	**112,438**	**-**	**-**	**-**	**-**	**14,898**	**127,336**	**11.7**
2023	70,172	-	-	-	-	-	70,172	-
Total key management personnel remuneration								
2024	**678,064**	**-**	**140,074**	**40,988**	**-**	**231,490**	**1,090,616**	
2023	262,255	-	-	-	-	-	262,255	

(1) In addition to Messrs Shaw and Mota's remuneration as directors, expenses totalling of $985,649 (2023: nil) was paid or due and payable to Mota Engil and associated companies. Both of Messrs Shaw and Mota are directors of Luso, an entity within the Mota Engil group of companies, who is a significant shareholder of the Company. The expenditure incurred was for technical and associated services in Malawi in accordance with the services agreement disclosed in the IPO Prospectus, with the amounts capitalised to exploration and evaluation assets. The amounts paid were at usual commercial rates. At 30 June 2024 there was $310,595 (2023: nil) owing to Mota Engil and associated companies.

Mota-Engil Engenharia e Construção África, S.A., an entity within the Mota Engil group of companies, provided Chilwa Minerals Africa Limited an unsecured loan of MWK 50 million (AUD $42,900 at 30 June 2024 exchange rates) during the reporting period for working capital purposes. The loan is interest free and repayable upon demand.

(2) In addition to Mr Wilkins' remuneration as a director, a total of $165,011 was paid to DWCorporate Pty Ltd, a business of which Mr Wilkins is principal. DWCorporate Pty Ltd provided company secretarial, accounting and bookkeeping services to the Group during the year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was $23,173 owing to DWCorporate Pty Ltd.

(3) In addition to Mr Lucas' remuneration as a director, a total of $263,882 was paid to Allion Partners, a business of which Mr Lucas is a partner and chairman, during the 2023 financial year. Allion Partners provided legal services to the Group during the 2023 financial year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was nil owing to Allion Partners.

Service agreements

The details of service agreements of the key management personnel of Chilwa Minerals Limited are as follows:

Cadell Buss - Managing Director and Chief Executive Officer

- Agreement commenced on 1 July 2023, with no fixed term.
- Base salary for the year ending 30 June 2024 of $300,000 plus superannuation, to be reviewed annually by the Board.
- 12-month termination notice by either party.

Alexander Shaw – Non-Executive Director from the beginning of the year until 19 October 2023, Non-Executive Chair from this date

- Director fees of $40,000 per annum increased to $80,000 per annum upon appointment as Chair, payable to KBMEC Limited, a company controlled by Mr Shaw, with no fixed term or termination payments payable.

Manuel Mota – Non-Executive Director

- Director fees of $40,000 plus statutory superannuation per annum, with no fixed term or termination payments payable.

Dennis Wilkins - Non-Executive Director (appointed 19 October 2023)

- Director fees of $40,000 per annum paid to DWCorporate Pty Ltd, a company of which Mr Wilkins is principal, with no fixed term or termination payments payable.

Philip Lucas – Chairman of Board of Directors (resigned 19 October 2023)

- Director fees of $80,000 per annum, paid to Goblin Investments Pty Ltd, a company controlled by Mr Lucas, with no fixed term or termination payments payable.

John Lewis - Company Secretary (resigned 20 October 2023)

- Fees paid at an hourly rate for services rendered to The Lewis Corporation Pty Ltd, a company controlled by Mr Lewis, with no fixed term or termination payments payable.

Share-based compensation

Performance Rights

Performance rights are issued to directors and executives as part of their remuneration. The Company does not have a formal policy in relation to the key management personnel limiting their exposure to risk in relation to the securities, but the Board actively discourages key personnel from obtaining mortgages in securities held in the Company.

The following performance rights were granted to or vesting with key management personnel during the year, there were no performance rights forfeited during the year:

	Grant Date	Granted Number	Vested Number	Date Vesting and Exercisable	Expiry Date	Value per right at grant date (cents) (1)	% of Remuneration
Directors							
Cadell Buss	01/07/2023	1,721,740	Nil	Class A	30/06/2025	20.0	15.6
Cadell Buss	01/07/2023	765,218	Nil	Class B	30/06/2027	20.0	2.9
Cadell Buss	01/07/2023	956,521	Nil	Class C	30/06/2027	20.0	3.6
Cadell Buss	01/07/2023	956,521	Nil	Class D	30/06/2028	20.0	2.9
Philip Lucas	01/07/2023	528,262	Nil	Class A	30/06/2025	20.0	20.2
Philip Lucas	01/07/2023	234,782	Nil	Class B	30/06/2027	20.0	3.7
Philip Lucas	01/07/2023	293,478	Nil	Class C	30/06/2027	20.0	4.7
Philip Lucas	01/07/2023	293,478	Nil	Class D	30/06/2028	20.0	3.7
Other Key Management Personnel							
John Lewis	01/07/2023	175,000	Nil	Class A	30/06/2025	20.0	8.3
John Lewis	01/07/2023	175,000	Nil	Class B	30/06/2027	20.0	3.4

(1) The value at grant date in accordance with AASB 2 *Share Based Payments* of performance rights granted during the year as part of remuneration. The value is the closing share price on grant date.

Equity instruments held by key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each director of Chilwa Minerals Limited and other key management personnel of the Group, including their personally related parties, and any nominally held, are set out below. There were no shares granted during the reporting period as compensation.

2024	Balance at start of the year	Received during the year as part of remuneration	Other changes during the year	Balance at end of the year (1)
Ordinary shares				
Directors				
Alexander Shaw	**200,000**	**-**	**-**	**200,000**
Cadell Buss	**350,001**	**-**	**194,795**	**544,796**
Manuel Mota	**250,000**	**-**	**475,000**	**725,000**
Dennis Wilkins (appointed 19 October 2023)	**-** (1)	**-**	**-**	**-**
Philip Lucas (resigned 19 October 2023)	**-**	**-**	**-** (1)	**-**
Other Key Management Personnel				
John Lewis (resigned 20 October 2023)	**100,000**	**-**	**(100,000)** (1)	**-**

(1) Balance held at the respective dates of appointment or resignation.

Performance rights holdings

The numbers of performance rights over ordinary shares in the Company held during the financial year by each director of Chilwa Minerals Limited and other key management personnel of the Group, including their personally related parties, are set out below:

2024	**Balance at start of the year**	**Granted during the year**	**Vested**	**Forfeited**	**Balance at end of the year**	**Maximum value yet to vest ($)** (2)
Directors						
Alexander Shaw	-	-	-	-	-	-
Cadell Buss	-	**4,400,000**	-	-	**4,400,000**	**308,694**
Manuel Mota	-	-	-	-	-	-
Dennis Wilkins (appointed 19 October 2023)	-	-	-	-	-	-
Philip Lucas (resigned 19 October 2023)	-	**1,350,000**	-	-	**1,350,000**(1)	**94,713**
Other Key Management Personnel						
John Lewis (resigned 20 October 2023)	-	**350,000**	-	-	**350,000**(1)	**23,602**

(1) Balance held at the respective dates of appointment or resignation.

(2) The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed based on the reporting date management estimates of the performance conditions being satisfied. The minimum value of performance rights yet to vest is nil, as the performance rights will be forfeited if the vesting conditions are not met.

Other transactions with key management personnel

In addition to Messrs Shaw and Mota's remuneration as directors, expenses totalling of $985,649 (2023: nil) was paid or due and payable to Mota Engil and associated companies. Both of Messrs Shaw and Mota are directors of Luso, an entity within the Mota Engil group of companies, who is a significant shareholder of the Company. The expenditure incurred was for technical and associated services in Malawi in accordance with the services agreement disclosed in the IPO Prospectus, with the amounts capitalised to exploration and evaluation assets. The amounts paid were at usual commercial rates. At 30 June 2024 there was $310,595 (2023: nil) owing to Mota Engil and associated companies.

Mota-Engil Engenharia e Construção África, S.A., an entity within the Mota Engil group of companies, provided Chilwa Minerals Africa Limited an unsecured loan of MWK 50 million (AUD $42,900 at 30 June 2024 exchange rates) during the reporting period for working capital purposes. The loan is interest free and repayable upon demand.

In addition to Mr Wilkins' remuneration as a director, a total of $165,011 was paid to DWCorporate Pty Ltd, a business of which Mr Wilkins is principal. DWCorporate Pty Ltd provided company secretarial, accounting and bookkeeping services to the Group during the year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was $23,173 owing to DWCorporate Pty Ltd.

In addition to Mr Lucas' remuneration as a director, a total of $263,882 was paid to Allion Partners, a business of which Mr Lucas is a partner and chairman, during the 2023 financial year. Allion Partners provided legal services to the Group during the 2023 financial year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was nil owing to Allion Partners.

End of audited Remuneration Report

INSURANCE OF OFFICERS AND INDEMNITIES

(a) Insurance of officers

The Company has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of the Group, other than conduct involving a wilful breach of duty in relation to the Group.

(b) Indemnity of auditors

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

DIRECTORS' MEETINGS

During the year the Company held eight meetings of directors. The attendance of directors at meetings of the board were:

	Directors Meetings		Remuneration & Nomination Committee	
	A	B	A	B
Alexander Shaw	8	8	1	1
Cadell Buss	8	8	*	*
Manuel Mota	6	8	1	1
Dennis Wilkins	5	5	-	-
Philip Lucas (resigned 19 October 2023)	3	3	1	1

Notes

A - Number of meetings attended.

B - Number of meetings held during the time the director held office during the year.

* - Not a member of the committee.

SHARES UNDER OPTION

Unissued ordinary shares

Unissued ordinary shares of Chilwa Minerals Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Exercise price (cents)	Number of options
1 July 2023	30 June 2027	25	833,334
1 July 2023	30 June 2027	30	833,333
1 July 2023	30 June 2027	40	833,333
			2,500,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

No options were granted to the directors or any of the five highest remunerated officers of the Company since the end of the financial year.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, PKF Perth or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

PKF Perth or associated entities received or are due to receive the following amounts for the provision of non-audit services:

	2024	2023
	$	$
Tax compliance and advisory services	**8,000**	-
Consulting fees	**19,450**	24,500
Total remuneration for non-audit services	**27,450**	24,500

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 28.

Signed in accordance with a resolution of the directors.

Cadell Buss
Managing Director
Perth, 27 September 2024

Auditor's Independence Declaration

PKF Perth
ABN 64 591 268 274
Dynons Plaza,
Level 8, 905 Hay Street,
Perth WA 6000
PO Box 7206,
Cloisters Square, WA 6850
Australia

+61 8 9426 8999
perth@pkfperth.com.au
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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF CHILWA MINERALS LTD

In relation to our audit of the financial report of Chilwa Minerals Ltd for the year ended 30 June 2024, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

27 September 2024
PERTH, WESTERN AUSTRALIA

Corporate Governance Statement

Chilwa Minerals Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Chilwa Minerals has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 Corporate Governance Statement was approved by the Board on 27 September 2024 and is current as at 27 September 2024. A description of the Company's current corporate governance practices is set out in the Corporate Governance Statement which can be viewed at www.chilwaminerals.com.au.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2024	Notes	2024 $	2023 $
REVENUE AND OTHER INCOME			
Interest	4	**202,811**	-
EXPENDITURE			
Administration expenses		**(131,787)**	(57,994)
Compliance and regulatory costs		**(202,541)**	(194,365)
Consulting expenses		**(333,839)**	(392,216)
Depreciation expense		**(28,419)**	-
Employee benefits expense		**(835,300)**	(262,255)
Exploration and evaluation expenditure	10	**-**	(68,886)
Other Expenses		**(175,794)**	(47,028)
Share-based payments expense	24	**(237,876)**	-
LOSS BEFORE INCOME TAX		**(1,742,745)**	(1,022,744)
INCOME TAX EXPENSE	6	**-**	-
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF CHILWA MINERALS LIMITED		**(1,742,745)**	(1,022,744)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(27,987)**	-
Other comprehensive income for the year, net of tax		**(27,987)**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF CHILWA MINERALS LIMITED		**(1,770,732)**	(1,022,744)
LOSS PER SHARE FOR THE YEAR ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted loss per share (cents per share)	23	**(2.6)**	(12.5)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

AT 30 JUNE 2024	Notes	2024 $	2023 $
CURRENT ASSETS			
Cash and cash equivalents	7	**4,151,024**	8,022,417
Trade and other receivables	8	**51,058**	217,159
TOTAL CURRENT ASSETS		**4,202,082**	**8,239,576**
NON-CURRENT ASSETS			
Plant and equipment	9	**67,254**	7,924
Right-of-use assets		**74,160**	-
Exploration and evaluation assets	10	**6,853,914**	-
TOTAL NON-CURRENT ASSETS		**6,995,328**	**7,924**
TOTAL ASSETS		**11,197,410**	**8,247,500**
CURRENT LIABILITIES			
Trade and other payables	11	**987,002**	1,057,417
Borrowings		**42,900**	-
Lease liabilities		**76,302**	-
Employee benefit obligations		**26,636**	-
Investor funds held on trust	12	**-**	7,659,238
TOTAL CURRENT LIABILITIES		**1,132,840**	**8,716,655**
TOTAL LIABILITIES		**1,132,840**	**8,716,655**
NET ASSETS		**10,064,570**	(469,155)
EQUITY			
Contributed equity	13	**11,863,857**	820,001
Reserves	14	**1,232,614**	-
Accumulated losses		**(3,031,901)**	(1,289,156)
TOTAL EQUITY		**10,064,570**	**(469,155)**

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 30 JUNE 2024	Notes	Contributed Equity $	Share-based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
BALANCE AT 1 JULY 2022		820,001	-	-	(266,412)	553,589
Loss for the year		-	-	-	(1,022,744)	(1,022,744)
TOTAL COMPREHENSIVE INCOME		820,001	-	-	(1,022,744)	(1,022,744)
BALANCE AT 30 JUNE 2023		**820,001**	**-**	**-**	**(1,289,156)**	**(469,155)**
Loss for the year		**-**	**-**	**-**	**(1,742,745)**	**(1,742,745)**
OTHER COMPREHENSIVE INCOME						
Exchange differences on translation of foreign operations		**-**	**-**	**(27,987)**	**-**	**(27,987)**
TOTAL COMPREHENSIVE LOSS		**-**	**-**	**(27,987)**	**(1,742,745)**	**(1,770,732)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Shares issued during the year	13	**11,800,000**	**-**	**-**	**-**	**11,800,000**
Share issue transaction costs	13	**(756,144)**	**309,100**	**-**	**-**	**(447,044)**
Options and Performance Rights issued during the year	14	**-**	**951,501**	**-**	**-**	**951,501**
BALANCE AT 30 JUNE 2024		**11,863,857**	**1,260,601**	**(27,987)**	**(3,031,901)**	**10,064,570**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2024	Notes	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(1,961,614)**	(619,002)
Interest received		**202,811**	-
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	22(a)	**(1,758,803)**	(619,002)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure capitalised		**(1,668,788)**	-
Payments for plant and equipment		**(84,692)**	(11,380)
Cash acquired on acquisition of subsidiaries		**74,165**	-
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		**(1,679,315)**	(11,380)
CASH FLOWS FROM FINANCING ACTIVITIES			
Other cash items from financing activities		**-**	8,000,000
Proceeds from borrowings		**42,900**	-
Payments for share issue transaction costs		**(447,044)**	-
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES		**(404,144)**	8,000,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(3,842,262)**	7,369,618
Cash and cash equivalents at the beginning of the financial year		**8,022,417**	652,799
Effects of exchange rate changes on cash and cash equivalents		**(29,131)**	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	**4,151,024**	8,022,417

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Chilwa Minerals Limited and its subsidiaries. The financial statements are presented in the Australian currency. Chilwa Minerals Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 27 September 2024. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Chilwa Minerals Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the Chilwa Minerals Limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Group

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(iii) New accounting standards and interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is that they are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified, where required, by the measurement at fair value of selected financial assets and financial liabilities.

(v) Rounding of amounts

The Company is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

(vi) Going concern

The consolidated financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the year of $1,742,745 (2023: $1,022,744), net cash outflows from operating and investing activities of $3,438,118 (2023: $619,002) and net cash outflows from financing activities of $404,144 (2023: $8,000,000 inflow).

The directors have prepared an estimated cash flow forecast for the period to September 2025 to determine if the Group will require additional funding during the next 15-month period. Where this cash flow forecast includes the likelihood that additional amounts will be needed and these funds have not yet been secured, it creates material uncertainty as to whether the Group will continue to operate in the manner it has planned over the next 15 months.

Where the cash flow forecast includes these uncertainties, the directors are required to make an assessment of whether it is reasonable to assume that the Group will be able to continue its normal operations. The directors are satisfied that the going concern basis of preparation is appropriate based on the following factors and judgements:

- The Group has access to cash reserves of $4,151,024 as at 30 June 2024 (2023: $8,022,417);
- The Directors are confident the Group will be successful in sourcing further capital from the issue of additional equity securities to fund the ongoing operations of the Group; and
- The Group has the ability to adjust its exploration expenditure subject to results of its exploration activities.

Should the Directors not achieve the matters as set out above, there is a material uncertainty that may cast significant doubt whether the Group will continue as a going concern and it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts to those stated in the annual report. The annual report does not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Mindax Limited.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Chilwa Minerals Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless that is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(e) Exploration and evaluation costs

Exploration and evaluation expenditures are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated expenditures in respect of that area are written off in the financial period the decision is made. The carrying value of the Group's projects are reviewed at least annually for appropriateness and to determine if there are any impairment indicators.

(f) Critical accounting judgements, estimates and assumptions

The preparation of these consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are:

Exploration expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and contractors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using an appropriate option pricing model or quoted active market price, using the assumptions detailed in note 24. If any of these assumptions, including the probabilities of achieving the performance hurdles were to change, there may be an impact on the amounts reported.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. The chief executive officer, with the assistance of advisors as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk

(i) Foreign exchange risk

The Company undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Company's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	2024	2023
	$	$
Assets		
Malawi Kwacha	**49,111**	-
	49,111	-
Liabilities		
South African Rand	**-**	1,011
Malawi Kwacha	**42,900**	
Great British Pound	**13,824**	-
US Dollars	**628,470**	27,048
Euros	**17,191**	9,854
	702,385	37,913
Net liability	**653,274**	37,913

The Company had net liabilities denominated in foreign currencies of $653,274 (2023: $37,913). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 5% against these foreign currencies with all other variables held constant, the Company's loss before tax for the year would have been $65,327 higher/$32,664 lower (2023: $3,791 higher/$1,896 lower).

(ii) Commodity price risk

Given the current level of operations the Company is not exposed to commodity price risk.

2. FINANCIAL RISK MANAGEMENT (cont'd)

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Company of $4,151,024 (2023: $8,022,417) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 3.6% (2023: nil).

Sensitivity analysis

At 30 June 2024, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been $55,734 lower/higher (2023: nil lower/higher) as a result of higher/lower interest income from cash and cash equivalents.

(b) Credit risk

The maximum exposure to credit risk at the reporting date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements. The only significant concentration of credit risk for the Group is the cash and cash equivalents held with financial institutions. All material deposits are held with the major Australian banks for which the Board evaluate credit risk to be minimal (credit rating AA-).

As the Group does not presently have any significant trade receivables, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash is available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the consolidated statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Within 1 Year		1 to 5 Years		Total Contractual Cashflow	
	2024	2023	2024	2023	2024	2023
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables	**987,002**	1,057,417	**-**	-	**987,002**	1,057,417
Borrowings	**42,900**	-	**-**	-	**42,900**	-
Lease liabilities	**76,302**	-	**-**	-	**76,302**	-
Investor funds on trust	**-**	7,659,238	**-**	-	**-**	7,659,238
Total contractual outflows	**1,106,204**	8,716,655	**-**	-	**1,106,204**	8,716,655

(d) Fair value estimation

There were no financial assets or liabilities at 30 June 2024 requiring fair value estimation and disclosure as they are either not carried at fair value or, in the case of short-term financial assets and financial liabilities, their carrying values approximate fair value.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

	2024	2023
	$	$
Financial Assets		
Cash and cash equivalents	**4,151,024**	8,022,417
Trade and other receivables	**51,058**	217,159
Total Financial Assets	**4,202,082**	8,239,576
Financial Liabilities		
Trade and other payables	**987,002**	1,057,417
Borrowings	**42,900**	-
Lease liabilities	**76,302**	-
Investor funds held on trust	**-**	7,659,238
Total Financial Liabilities	**1,106,204**	8,716,655

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

2. FINANCIAL RISK MANAGEMENT (cont'd)

Receivables/Payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

Fair value measurements of financial assets

The carrying values of financial assets and liabilities of the Group approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and/or disclosure purposes.

3. SEGMENT INFORMATION

The Company operates in one segment, being the mining exploration sector in Malawi.

In determining operating segments, the Company has had regard to the information and reports the Managing Director uses to make strategic decisions regarding resources. The Managing Director is considered to be the chief operating decision maker and is empowered by the Board of Directors to allocate resources and assess the performance of the Company.

The total of non-current assets other than financial assets, broken down by location of the assets, is as follows:

	2024 $	2023 $
Australia	**128,893**	7,924
Malawi	**6,866,435**	-
	6,995,328	7,924

4. REVENUE AND OTHER INCOME

Revenue from continuing operations		
Interest from financial institutions	**202,811**	-

5. EXPENSES

Specific expenses requiring disclosure:		
Defined contribution superannuation expense	**45,040**	-
Net foreign exchange loss	**5,558**	4,709

6. INCOME TAX

(a) Income tax benefit		
Current tax	**-**	-
Deferred tax	**-**	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	**(1,742,745)**	(1,022,744)
Prima facie tax benefit at the Australian tax rate of 25% (2023: 25%)	**(435,686)**	(255,686)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	**59,469**	-
Other	**51,273**	59,014
	(324,944)	(196,672)
Movements in unrecognised temporary differences	**1,431**	94,017
Tax effect of current year tax losses for which no deferred tax asset has been recognised	**323,513**	102,655
Income tax expense/benefit	**-**	-

	2024	2023
	$	$

6. INCOME TAX (cont'd)

	2024 $	2023 $
(c) Unrecognised temporary differences		
Deferred Tax Assets (at 25% (2023: 25%))		
Section 40-880 costs	**36,039**	39,938
Other temporary differences	**19,085**	5,000
Carry forward tax losses	**459,480**	134,998
Deferred Tax Liabilities (at 25% (2023: 25%))		
Unrealised foreign exchange gains	**(946)**	(219)
Net deferred tax assets	**513,658**	179,717

Net deferred tax assets not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The recoupment of available tax losses as at 30 June 2024 is contingent upon the following:

(i) The Group deriving future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(ii) The Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and

(iii) There being no changes in tax legislation which adversely affect the Group from realising the benefit.

7. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash at bank and in hand	**4,151,024**	8,022,417
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	**4,151,024**	8,022,417

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

8. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	2024 $	2023 $
Other receivables	**48,905**	140,074
GST refund	**2,153**	77,085
	51,058	217,159

	Plant and Equipment	Computer Equipment	Total
	$	$	$

9. NON-CURRENT ASSETS – PLANT AND EQUIPMENT

	Plant and Equipment $	Computer Equipment $	Total $
At 1 July 2022			
Cost	-	-	-
Accumulated depreciation	-	-	-
Net book amount	-	-	-
Year ended 30 June 2023			
Opening net book amount	-	-	-
Additions	-	11,380	11,380
Depreciation expensed to profit or loss	-	(3,456)	(3,456)
Closing net book amount	-	7,924	7,924

	Plant and Equipment	Computer Equipment	Total
	$	$	$
9. NON-CURRENT ASSETS – PLANT AND EQUIPMENT (cont'd)			
At 30 June 2023			
Cost	-	11,380	11,380
Accumulated depreciation	-	(3,456)	(3,456)
Net book amount	-	7,924	7,924
Year ended 30 June 2024			
Opening net book amount	**-**	**7,924**	**7,924**
Exchange differences	**(167)**	**-**	**(167)**
Additions	**80,578**	**4,114**	**84,692**
Depreciation expensed to profit or loss	**(21,023)**	**(4,172)**	**(25,195)**
Closing net book amount	**59,388**	**7,866**	**67,254**
At 30 June 2024			
Cost	**80,578**	**15,494**	**96,072**
Accumulated depreciation	**(21,190)**	**(7,628)**	**(28,818)**
Net book amount	**59,388**	**7,866**	**67,254**

10. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	Notes	2024	2023
		$	$
Exploration and evaluation assets		**6,853,914**	-
Balance at the beginning of the year		**-**	-
Acquisition of Chilwa Project	26	**4,439,460**	-
Expenditure incurred		**2,414,454**	68,886
Impairment of exploration and evaluation		**-**	(68,886)
Balance at the end of the year	10(a)	**6,853,914**	-

(a) Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

The carrying value of the Group's projects was reviewed, and no impairment indicators were identified during the 2024 financial years in relation to the Group's tenements. The amounts incurred during the 2023 financial year were impaired as tenure to the Group's tenements had not yet been secured.

11. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	2024	2023
Trade and other payables	**472,811**	997,417
Accrued and other expenses	**514,191**	60,000
	987,002	1,057,417

12. CURRENT LIABILITIES – INVESTOR FUNDS HELD ON TRUST

	2024	2023
Funds held on trust	**-**	7,659,238

The funds were held on trust until 5 July 2023 when the Company was admitted to the Official List of the ASX. The Company issued 40 million shares to investors as a result of the successful IPO, refer note 13.

13. CONTRIBUTED EQUITY

	Notes	2024 Number of shares	2024 $	2023 Number of shares	2023 $
(a) Share capital					
Ordinary shares fully paid	13(b), 13 (e)	**67,200,001**	**11,863,857**	8,200,001	820,001
Total contributed equity		**67,200,001**	**11,863,857**	8,200,001	820,001
(b) Movements in ordinary share capital					
Beginning of the financial year		**8,200,001**	**820,001**	8,200,001	820,001
Issued during the year:					
Issued as consideration for acquisition of Chilwa Project	24(c)	**19,000,000**	**3,800,000**	-	-
Issued for cash at Initial Public Offer at $0.20		**40,000,000**	**8,000,000**	-	-
Transaction costs		**-**	**(756,144)**	-	-
End of the financial year		**67,200,001**	**11,863,857**	8,200,001	820,001

(c) Movements in options on issue

	Number of options 2024	Number of options 2023
Balance at the beginning of the financial year	**-**	-
Issued, unlisted, exercisable at $0.25 on or before 30 June 2027	**1,000,000**	-
Issued, unlisted, exercisable at $0.30 on or before 30 June 2027	**1,000,000**	-
Issued, unlisted, exercisable at $0.40 on or before 30 June 2027	**1,000,000**	-
Balance at the end of the financial year	**3,000,000**	-

(d) Movements in performance rights on issue

	Number of performance rights 2024	Number of performance rights 2023
Balance at the beginning of the financial year	**-**	-
Issued, Class A expiring 30 June 2025	**10,000,000**	-
Issued, Class B expiring 30 June 2027	**5,000,000**	-
Issued, Class C expiring 30 June 2027	**5,000,000**	-
Issued, Class D expiring 30 June 2028	**5,000,000**	-
Balance at the end of the financial year	**25,000,000**	-

(e) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present, at a meeting of shareholders, in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(f) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

	2024 $	2023 $

13. CONTRIBUTED EQUITY (cont'd)

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2024 and 30 June 2023 are as follows:

	2024 $	2023 $
Cash and cash equivalents	**4,151,024**	8,022,417
Trade and other receivables	**51,058**	217,159
Trade and other payables	**(987,002)**	(1,057,417)
Borrowings	**(42,900)**	-
Lease liabilities	**(76,302)**	-
Employee benefit obligations	**(26,636)**	-
Investor funds held on trust	**-**	(7,659,238)
Working capital position	**3,069,242**	(477,079)

14. RESERVES

(a) Reserves

	2024 $	2023 $
Foreign currency translation reserve	**(27,987)**	-
Share-based payments reserve	**1,260,601**	-
	1,232,614	-

(b) Nature and purpose of reserves

(i) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled Group are recognised in other comprehensive income as described in note 1(d) and accumulated within a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(ii) Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options and performance rights granted.

15. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

16. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2024 $	2023 $
Auditors of the Group – PKF Perth and related network firms		
Audit services		
Audit and review of financial reports	**65,500**	37,000
Total audit and review of financial reports	**65,500**	37,000
Non-audit services		
Tax compliance and advisory services	**8,000**	-
Consulting services	**19,450**	24,500
Total other non-audit services	**27,450**	24,500
Total services provided by BDO	**92,950**	61,500

	2024	2023
	$	$

17. CONTINGENCIES

There are no material contingent liabilities or contingent assets of the Group at reporting date.

18. COMMITMENTS

Exploration commitments

In order to maintain current rights of tenure to exploration and mining tenements, the Group will be required to outlay the amounts disclosed in the below table. These amounts are discretionary, however if the expenditure commitments are not met then the associated exploration and mining leases may be relinquished.

	2024 $	2023 $
Within one year (1)	**2,085,546**	-
Later than one year but not later than five years (2)	**668,199**	-
Later than five years	**-**	-
	2,753,745	-

(1) A post completion obligation included within the SSA for the acquisition of the Chilwa Project was for the Group to expend at least $4,500,000 on exploration activities on the Chilwa Project during the two-year period following listing on the ASX. The amount disclosed above for "within one year" is the amount outstanding to satisfy this obligation, which includes statutory minimum exploration spend and government rents due within this time frame.

(2) The amount disclosed for this category represents statutory minimum exploration spend and government rents.

19. RELATED PARTY TRANSACTIONS

(a) Parent entity

The ultimate parent entity within the Group is Chilwa Minerals Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 20.

(c) Key management personnel compensation

	2024 $	2023 $
Short-term benefits	**818,138**	262,255
Post-employment benefits	**40,988**	-
Share-based payments	**231,490**	-
	1,090,616	262,255

Detailed remuneration disclosures are provided in the remuneration report on pages 22 to 26.

(d) Transactions with other related parties

Transactions with key management personnel are disclosed below:

- In addition to Messrs Shaw and Mota's remuneration as directors, expenses totalling of $985,649 (2023: nil) was paid or due and payable to Mota Engil and associated companies. Both of Messrs Shaw and Mota are directors of Luso, an entity within the Mota Engil group of companies, who is a significant shareholder of the Company. The expenditure incurred was for technical and associated services in Malawi in accordance with the services agreement disclosed in the IPO Prospectus, with the amounts capitalised to exploration and evaluation assets. The amounts paid were at usual commercial rates. At 30 June 2024 there was $310,595 (2023: nil) owing to Mota Engil and associated companies.
- Mota-Engil Engenharia e Construção África, S.A., an entity within the Mota Engil group of companies, provided Chilwa Minerals Africa Limited an unsecured loan of MWK 50 million (AUD $42,900 at 30 June 2024 exchange rates) during the reporting period for working capital purposes. The loan is interest free and repayable upon demand.
- In addition to Mr Wilkins' remuneration as a director, a total of $165,011 was paid to DWCorporate Pty Ltd, a business of which Mr Wilkins is principal. DWCorporate Pty Ltd provided company secretarial, accounting and bookkeeping services to the Group during the year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was $23,173 owing to DWCorporate Pty Ltd.
- In addition to Mr Lucas' remuneration as a director, a total of $263,882 was paid to Allion Partners, a business of which Mr Lucas is a partner and chairman, during the 2023 financial year. Allion Partners provided legal services to the Group during the 2023 financial year. The amounts paid were at usual commercial rates with fees charged on an hourly basis. At 30 June 2024 there was nil owing to Allion Partners.

20. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name	Country of incorporation	Class of shares	Equity Holding [1]	
			2024	2023
			%	%
Chilwa Minerals Africa Ltd [2]	Malawi	Ordinary	**100**	-
Mota-Engil Investments (Malawi) Ltd [2]	Malawi	Ordinary	**100**	-

(1) The proportion of ownership interest is equal to the proportion of voting power held.

(2) Both entities were acquired on 1 July 2023, refer to note 26.

21. SIGNIFICANT EVENTS AFTER BALANCE DATE

During July 2024 a total of 500,000 fully paid ordinary shares were issued upon the exercise of 166,666 $0.25 options, 166,667 $0.30 options and 166,667 $0.40 options, raising a total of $158,333.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

22. CASH FLOW INFORMATION

	2024	2023
	$	$
(a) Reconciliation of net loss after income tax to net cash outflow from operating activities		
Net loss for the year	**(1,742,745)**	(1,022,744)
Non-Cash Items		
Share-based payment expense	**237,876**	-
Depreciation expense	**28,419**	-
Net exchange differences	**(1,082)**	-
Change in operating assets and liabilities		
Decrease/(increase) in trade and other receivables	**167,714**	(205,803)
(Decrease)/increase in trade and other payables	**(475,621)**	609,545
Increase in employee benefit obligations	**26,636**	-
Net cash outflow from operating activities	**(1,758,803)**	(619,002)

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- Shares and performance rights issued as consideration for the acquisition of the Chilwa Project, refer note 26;
- Options issued as part consideration to the lead manager of the IPO, refer note 24; and
- Performance rights issued to employees and consultants for nil consideration, refer note 24.

23. LOSS PER SHARE

	Cents	Cents
(a) Basic and diluted loss per share		
Basic and diluted loss per share attributable to the ordinary equity holders of the Company	**(2.6)**	(12.5)

23. LOSS PER SHARE (cont'd)

	$	$
(b) Reconciliation of loss used in calculating loss per share		
Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	**(1,742,745)**	(1,022,744)

	Number of shares	Number of shares
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	**67,038,799**	8,200,001

(d) Information on the classification of options

As the Group made a loss for the year ended 30 June 2024, the options on issue were considered anti-dilutive and were not included in the calculation of diluted earnings per share. The options currently on issue could potentially dilute basic earnings per share in the future.

24. SHARE-BASED PAYMENTS

(a) Consultant options

During the year, 3,000,000 unlisted options with exercise prices ranging from $0.25 to $0.40 and expiring 30 June 2027 were granted to the lead manager of the IPO as part consideration for capital raising expenses.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share in the capital of the Company with full dividend and voting rights.

Fair value of options granted

The weighted average fair value of the unlisted options granted during the year was 10.3 cents (2023: n/a). The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2024	2023
Weighted average exercise price (cents)	**31.7**	-
Weighted average life of the option (years)	**4.0**	-
Weighted average underlying share price (cents)	**20.0**	-
Expected share price volatility	**80.0%**	-
Risk free interest rate	**3.97%**	-

Set out below is a summary of the share-based payment options granted:

	2024		2023	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	**-**	**-**	-	-
Granted	**3,000,000**	**31.7**	-	-
Forfeited	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Expired	**-**	**-**	-	-
Outstanding at year-end	**3,000,000**	**31.7**	-	-
Exercisable at year-end	**3,000,000**	**31.7**	-	-

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 3.0 years (2023: n/a), with exercise prices ranging from $0.25 to $0.40.

24. SHARE-BASED PAYMENTS (cont'd)

(b) Performance rights

During the year, as detailed in the IPO prospectus, performance rights were issued to directors and consultants (total of 6,250,000 with fair value of $237,876 expensed as share-based payments in the profit or loss for the current period) and Luso Global Mining BV (a total of 18,750,000 as part consideration for the acquisition of the Chilwa Project with fair value of $713,625 recognised in the statement of financial position under exploration and evaluation assets for the current period). The fair value of the performance rights is based on the grant date fair value of the underlying ordinary shares. This was determined by reference to the IPO price of $0.20 per share. The performance rights will vest upon satisfaction of the respective performance conditions at any time before the applicable expiry date, as detailed below:

Class	**Performance Condition**
Class A	Announcement of a JORC compliant Indicated Resources of 3 million tonnes THM from the Chilwa Project on or before 30 June 2025.
Class B	Announcement of a PFS (as defined in the JORC Code) that recommends further proceeding with the Chilwa Project on or before 30 June 2027.
Class C	Announcement of the completion of a feasibility study (as defined in the JORC Code) that recommends further proceeding with the Chilwa Project on or before 30 June 2027.
Class D	Announcement that a decision to mine the Chilwa Project has been made on or before 30 June 2028.

Set out below is a summary of the share-based payment performance rights granted:

	2024 Number of performance rights	2023 Number of performance rights
Outstanding at the beginning of the year	-	-
Granted	25,000,000	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
Outstanding at year-end	25,000,000	-

(c) Shares

On 1 July 2023 the Company issued 19,000,000 fully paid ordinary shares to Luso Global Mining BV in accordance with the Share Sale Agreement documented in the IPO prospectus as part consideration for the acquisition of the Chilwa Project. The fair value of the shares recognised is based on the grant date fair value of the equity instruments issued. This was determined by reference to the IPO price of $0.20 per share for a total fair value of $3,800,000. This amount was recognised in the statement of financial position under exploration and evaluation assets.

(d) Share-based payment transactions

Share-based payment transactions recognised during the period were as follows:

	2024 $	2023 $
Options issued to lead manager of the IPO ('share issue transaction costs')	309,100	-
Performance rights issued to employee and contractors ('share-based payments expense')	237,876	-
Performance rights issued as part consideration for acquisition of Chilwa Project ('exploration and evaluation assets')	713,625	-
Shares issued as part consideration for acquisition of Chilwa Project ('exploration and evaluation assets')	3,800,000	-
	5,060,601	-

	2024	2023
	$	$

25. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Chilwa Minerals Limited. The information presented here has been prepared using accounting policies consistent with those presented in note 1.

	2024 $	2023 $
Current assets	**4,152,972**	8,239,576
Non-current assets	**7,009,578**	7,924
Total assets	**11,162,550**	8,247,500
Current liabilities	**1,069,993**	8,716,655
Total liabilities	**1,069,993**	8,716,655
Contributed equity	**11,863,857**	820,001
Share-based payments reserve	**1,260,601**	-
Accumulated losses	**(3,031,901)**	(1,289,156)
Total equity	**10,092,557**	(469,155)
Loss for the year	**(1,742,745)**	(1,022,744)
Total comprehensive loss for the year	**(1,742,745)**	(1,022,744)

26. ASSET ACQUISITION

(a) Asset acquisition

On 1 July 2023, all conditions precedent under the Share Sale Agreement (**SSA**), dated 4 April 2023 as varied by the deed of variation dated 21 June 2023, between the Company, Luso Global Mining BV (**Luso**) and Mota-Engil Investments (Malawi) Limited (**MEIML**) in relation to the acquisition of 100% of the issued capital of Chilwa Minerals Africa Limited (**CMA**), who in turn holds 100% of the issued capital of MEIML, were satisfied. Completion under the SSA included the issue of the consideration securities, being 19,000,000 fully paid ordinary shares and 18,750,000 performance rights (refer to note 24), to Luso. The result being that CMA and MEIML become subsidiaries of the Company from the date of completion, with MEIML being, at that time, the 100% owner of granted exploration licenses EL0670/22 and EL0671/22, together with all associated geological and other information (**Chilwa Project**). Subsequent to the acquisition date, the tenements have been transferred to CMA.

At the time of acquisition neither CMA nor MEIML had any significant assets or liabilities other than the Chilwa Project. As such, the concentration test stipulated in *AASB 3 Business Combinations* has been met resulting in the acquisition being classified as an asset acquisition rather than a business combination. The fair value of the consideration securities has been capitalised to exploration and evaluation assets, refer note 10.

Details of the acquisition consideration are:

	$
Purchase consideration:	
Ordinary shares issued (note 24(c))	**3,800,000**
Performance rights issued (note 24(b))	**713,625**
Total purchase consideration	**4,513,625**

The fair values of the assets and liabilities of CMA as at the date of acquisition are as follows:

	Fair value $
Cash and cash equivalents	**74,165**
Exploration and evaluation assets	**4,439,460**
Net identifiable assets acquired	**4,513,625**

26. ASSET ACQUISITION (cont'd)

(b) Critical accounting estimates and judgements

Accounting for this transaction has required management to exercise a high degree of judgement over the following areas:

Asset acquisition not constituting a business

In determining when an acquisition is an asset acquisition and not a business combination, the Group used significant judgement to assess that the assets acquired did not constitute a business in accordance with AASB 3. Under AASB 3 a business is an integrated set of activities and assets that is capable of inputs and processes, which when applied to those inputs has the ability to create outputs. Management determined that the purchase of CMA under the SSA was an asset acquisition.

Fair value at acquisition

On initial recognition, the assets and liabilities of CMA were included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of the fair value of the exploration and evaluation assets acquired.

Consolidated Entity Disclosure Statement

As at 30 June 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business / country of incorporation	Australian or foreign resident	Foreign jurisdiction of foreign residents
Chilwa Minerals Limited	Body corporate	-	N/A	Australia	Australian	N/A
Chilwa Minerals Africa Ltd	Body corporate	-	100	Malawi	Foreign	Malawi
Mota-Engil Investments (Malawi) Ltd	Body corporate	-	100	Malawi	Foreign	Malawi

Basis of preparation

The consolidated entity disclosure statement (CEDS) has been prepared in accordance with subsection Section 295 (3A) of the Corporations Act 2001. The entities listed in the statement are all the entities Chilwa Minerals Limited controls in accordance with AASB 10 *Consolidated Financial Statements*.

Key assumptions and judgements

Determination of tax residency

Section 295 (3A) *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (**CEDS**) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997 (Cth)*. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The Group has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Directors' Declaration

In the directors' opinion:

(a) the financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and accompanying notes set out on pages 30 to 48 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the consolidated Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;

(b) the consolidated entity disclosure statement on page 49 is true and correct;

(c) there are reasonable grounds to believe that the consolidated Group will be able to pay its debts as and when they become due and payable;

(d) the remuneration disclosures included in the Directors' Report (as part of the audited Remuneration Report), for the year ended 30 June 2024, comply with Section 300A of the *Corporations Act 2001*; and

(e) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.

Cadell Buss
Managing Director
Perth, 27 September 2024

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHILWA MINERALS LTD

Report on the Financial Report

Opinion

We have audited the financial report of Chilwa Minerals Ltd (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration of the Company and the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion the accompanying financial report of Chilwa Minerals Ltd is in accordance with the Corporations Act 2001, including:

i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to the financial report which indicates the Group has incurred a loss of $1,742,745 and had net cash outflows of $3,842,262 for the year ended 30 June 2024. These conditions along with other matters in detailed note 1 to the financial report, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the Group does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PKF

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Capitalised Exploration Expenditure

Why significant	How our audit addressed the key audit matter

As at 30 June 2024 the carrying value of exploration and evaluation assets was $6,853,914, as disclosed in Note 10. No exploration and Evaluation assets were written off during the year.
 	
The Group's accounting policy in respect of exploration and evaluation expenditure is outlined in Notes 1(e) and Note 1(f).
 	
Significant judgement is required:
 	
• in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and
• in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the Group's accounting policy. In particular:
  ○ whether the particular areas of interest meet the recognition conditions for an asset; and
  ○ which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.
	Our work included, but was not limited to, the following procedures:
	
	• conducted a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
	  ○ assessed whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
	  ○ held discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
	  ○ obtained and assessed evidence of the Group's future intention for the areas of interest, including reviewing future budgeted expenditure and related work programmes;
	• considered whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;
	• tested, on a sample basis, exploration and evaluation expenditure incurred during the year for compliance with AASB 6 and the Group's accounting policy; and
	• assessed the appropriateness of the related disclosures in Notes 1 and 10.

Asset Acquisition

Why significant	How our audit addressed the key audit matter
During the year the Group acquired, from Luso Global Mining BV (Luso), 100% of Chilwa Minerals Africa Limited (CMA) and Mota-Engil Investments (Malawi) Limited (MEIML). At the date of acquisition, MEIML was the 100% owner of granted exploration licenses EL0670/22 and EL0671/22, together with all associated geological and other information (Chilwa Project). Consideration included the issue 19,000,000 fully paid ordinary shares and 18,750,000 performance rights. The Group assessed that the assets and liabilities acquired did not constitute a business in accordance with AASB 3 Business Combinations, and thus the cost of the acquisition was measured in accordance with AASB 2 Share-based Payment. Significant judgement is required: • in determining whether an acquisition is an asset acquisition or business combination; and • the fair value the assets and liabilities to be taken up in the Group's statement of financial position on the acquisition date.	Our work included, but was not limited to, the following procedures: • reviewed the share sale agreements signed by the Company, Lulo and MEIML; • reviewed management's assessment of the application of AASB 2 and 3 to the acquisition, including managements assessment that assets and liabilities acquired did not constitute a business; • reviewed the accounting records of CMA at the date of the acquisition; • made enquiries with management and the groups lawyers; • reviewed share and exploration licence transfer documents; • reviewed the valuation of shares and performance rights issued as part consideration for the acquisition; and • assessed the appropriateness of the related disclosures in Note 26.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

The Directors of the Company are responsible for the preparation of:-

a) the financial report (other than the Group disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
b) the Group disclosure statement that is true and correct in accordance with the Corporations Act2001; and

for such internal control as the Directors determine is necessary to enable the preparation of:-

i) the financial report (other than the Group disclosure statements) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
ii) the Group disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Chilwa Minerals Ltd for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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PKF PERTH

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SIMON FERMANIS
PARTNER

27 September 2024
PERTH, WESTERN AUSTRALIA

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 24 September 2024.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

			Ordinary shares	
Distribution range of fully paid ordinary shares		Number of holders	Number of shares	% of issued
1	- 1,000	29	16,265	0.02
1,001	- 5,000	51	156,244	0.23
5,001	- 10,000	59	513,043	0.76
10,001	- 100,000	180	7,464,640	11.03
100,001	And over	84	59,549,809	87.96
Total		403	67,700,001	100.00
The number of shareholders holding less than a marketable parcel of shares are:		9	940	0.00

(b) Equity Security Holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted ordinary shares are:

		Listed ordinary shares	
		Number of shares	**Percentage of ordinary shares**
1	LUSO GLOBAL MINING BV	20,600,000	30.43
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,190,384	7.67
3	HARMAN GROUP SUPER PTY LTD <J P + C HARMAN S/F A/C>	2,294,366	3.39
4	BAZZA NOMINEES PTY LTD <PAPARONE SUPER FUND A/C>	2,035,663	3.01
5	MR BASILIO PAPARONE	1,715,312	2.53
6	CATCHLINE HOLDINGS PTY LTD	1,709,167	2.52
7	KANTIRODOPIA LDA	1,600,000	2.36
8	TWO TOPS PTY LTD	1,250,000	1.85
9	SP CAPITAL PTY LTD	1,122,182	1.66
10	BODIE INVESTMENTS PTY LTD <LAYTON S/F A/C>	1,000,000	1.48
11	MRS KATHRYN JANION	955,000	1.41
12	CHENNILE INVESTMENTS	875,740	1.29
13	BNP PARIBAS NOMS PTY LTD	753,710	1.11
14	MR ANDRE CHARLES DALTON & MS AUSTYN JENAE CAMPBELL <AC INVESTMENTS A/C>	750,000	1.11
15	DARJEEL PTY LTD <THE BARRY BUSS FAMILY A/C>	730,500	1.08
16	MR JEREMY JANION	729,775	1.08
17	SAGE CAPITAL GROUP PTY LTD	613,000	0.91
18	BELLSUN PTY LTD <BRADY FAMILY A/C>	558,000	0.82
19	TALLTREE HOLDINGS PTY LTD <D STEINEPREIS FAMILY A/C>	500,000	0.74
20	UBS NOMINEES PTY LTD	500,000	0.74
		45,482,799	67.18

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of shares
LUSO GLOBAL MINING BV	20,600,000
BASILIO PAPARONE	5,146,363
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	5,000,000

(d) Voting rights

On a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote. On a poll, every person present who is a Shareholder or a proxy, attorney or Representative of a Shareholder has one vote for each fully paid share held.

(e) Schedule of interests in mining tenements

Location	Tenement number	Interest %
Lake Chilwa, Malawi	EL0670/22	100
Chilwa Island Lake Chilwa, Malawi	EL0671/22	100

(f) Escrowed securities

The Company has the following restricted equity securities on issue:

- 12,325,000 fully paid ordinary shares Escrowed for 24 months from Listing being 5 July 2026.
- 9,500,000 fully paid ordinary shares Escrowed for 36 months from Listing being 5 July 2026.

Performance Rights

The total number of performance rights on issue as at 24 September 2024 was 25,000,000 as follows:

- 10,000,000 Class A Performance Rights exercisable upon the Company announcing a JORC compliant Indicated Resource of 3million tonnes THM from the Project by no later than 24 months from the grant of the rights.
- 5,000,000 Class B Performance Rights exercisable upon the Company announcing the completion of a Feasibility Study (as defined in the JORC Code) that recommends further proceeding with the Project by no later than 48 months from the grant of the rights.
- 5,000,000 Class C Performance Rights exercisable upon the Company announcing the completion of a Feasibility Study (as defined in the JORC Code) that recommends further proceeding with the Project by no later than 48 months from the grant of the rights.
- 5,000,000 Class D Performance Rights exercisable upon the Company announcing that a decision to mine the Project has been made by no later than 60 months from the grant of the rights.

The Performance Rights are subject to Escrow as follows:

Performance Rights - Class	Escrowed – 24 months to 5 July 2025	Escrowed – 36 months to 5 July 2026
Class A	6,000,000	3,750,000
Class B	2,875,000	1,875,000
Class C	3,125,000	1,875,000
Class D	3,125,000	1,875,000
	15,125,000	9,375,000

At 14 September 2023 there were 5 holders of Performance Rights, issued either under an employee incentive scheme or as part the acquisition of the Chilwa Project. Luso Global Mining B. V. holds more than 20 % of the securities as follows:

	Luso Performance Rights	
Performance Rights – Class	Escrowed – 24 Months to 5 July 2025	Escrowed – 36 Months to 5 July 2026
Class A	3,750,000	3,750,000
Class B	1,875,000	1,875,000
Class C	1,875,000	1,875,000
Class D	1,875,000	1,875,000

There are no voting rights attaching to the performance rights.

Distribution range of performance rights			Holders	Rights	% of issued
1	-	1,000	-	-	-
1,001	-	5,000	-	-	-
5,001	-	10,000	-	-	-
10,001	-	100,000	-	-	-
100,001		And over	5	25,000,000	100.00%
Total			5	25,000,000	100.00%

Unlisted options

The total number of Unlisted Options for Chilwa shares on issue at 24 September 2024 is 2,500,000. The Options were issued for the benefit of the Lead Manager as part of the IPO of the Company and were then reallocated to multiple holders.

The Options are exercisable as follows:

- 833,334 at $0.25 cents per share with an expiry date of 30 June 2027.
- 833,333 at $0.30 cents per share with an expiry date of 30 June 2027.
- 833,333 at $0.40 cents per share with an expiry date of 30 June 2027.

There are no voting rights attaching to the Options.

Distribution range of options			Holders	Options	% of issued
1	-	1,000	-	-	-
1,001	-	5,000	1	4,552	0.18
5,001	-	10,000	-	-	-
10,001	-	100,000	12	423,576	16.94
100,001		And over	8	2,071,872	82.87
Total			21	2,500,000	100.00

(g) On-market buy back

There is no current on market buy back of Chilwa shares.

(h) Use of funds

Chilwa has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives during the period from admission to 30 June 2024.

Annual Mineral Resource Statement

Mineral Resource Summary

There has been no change made to the mineral resource inventory this financial year or from the dates noted in the tables.

Chilwa Critical Minerals Project

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

Table A Inferred Mineral Resources at 1.0% THM as at 31st July 2022

Deposit	Volume (million m3)	Tonnes (million t)	Dry Density (t/m3)	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.

Review of material changes

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and, in the case of reporting Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcement.

Governance controls

All Mineral Resource estimates are prepared by qualified professionals following JORC Code compliant procedures and follow standard industry methodology for drilling, sampling, assaying, geological interpretation, 3-dimensional modelling and grade interpolation techniques.

The Mineral Resource estimates were calculated by a suitably qualified consultant and overseen by a suitably qualified Chilwa Minerals Limited employee and/or consultant.

Competent Person Statement

The information relating to Mineral Resources in the 2024 Annual Report has been compiled under the supervision of Mr Mark Burnett. Mr Barnett is a Fellow and Chartered Geologist of the Geological Society of London and is also registered with the European Federation of Geologists (**EFG**) as a European Geologist. Mark Burnett has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking 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". Mark Burnett is an employee of AMC Consultants (UK) Limited and has reviewed the Mineral Resource work completed and consents to the inclusion in the release of the matters based on the information in the form and context in which it appears.

The information in this report that relates to exploration results is extracted from the Company's ASX announcements noted in the text of the report which are available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that the form and context in which the competent person's findings are presented have not been materially altered.

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