CHILWA MINERALS LIMITED

ABN 43 656 965 589

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2025

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2025 and any public announcements made by Chilwa Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

INTERIM FINANCIAL REPORT 31 DECEMBER 2025

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INTERIM FINANCIAL REPORT 31 DECEMBER 2025

REVIEW OF OPERATIONS

Chilwa Minerals Limited (Chilwa or the Company) is an Australian-listed public company established in 2021 and listed on the ASX in July 2023.

The Company's primary exploration targets are critical mineral deposits, specifically heavy mineral sands (ilmenite and zircon) as well as garnet (silicate mineral group). The area is also highly prospective for rare earth elements, including niobium.

The project area covers approximately 881.0156 km^2 and includes several deposits, including Mposa, Bimbi, Halala, Namanja, and Mpyupyu.

Figure 1: Chilwa Critical Minerals Project location

The Company continues to advance its twin-parallel strategy for the Chilwa Critical Minerals Project, with dedicated teams focused on the Heavy Mineral Sands (HMS) and Rare Earth Element (REE) potential.

REVIEW OF OPERATIONS (continued)

Figure 2: Chilwa Critical Minerals Project Location Plan and Prospects

SUMMARY AND HIGHLIGHTS DURING THE REPORTING PERIOD

The half-year ended 31 December 2025 was a transformative period for Chilwa Minerals, with significant advances across both the Heavy Mineral Sands (HMS) and Rare Earth Element (REE) workstreams. Key achievements included the completion of metallurgical testwork confirming multiple saleable product streams from Mposa, a major upgrade of the Mposa Mineral Resource Estimate to 25.65 million tonnes with 83% classified at the Measured category,[1] the discovery of carbonatite-hosted rare earth mineralisation at Mpyupyu, completion of soil geochemistry over all 47 REE targets, the successful completion of two capital raisings, and the commencement of a process for a dual listing on the Nasdaq.

[1] Refer ASX Announcement 8 December 2025

REVIEW OF OPERATIONS (continued)

Heavy Mineral Sands – Metallurgical Testwork

During the reporting period, the Company completed Phase 2 metallurgical testwork on a 4.2 tonne bulk sample from the Mposa deposit[2]. The testwork, managed by TZ Minerals International (TZMI), confirmed the viability of multiple saleable product streams using standard heavy-mineral-sands processing technologies.

Key results[3] included:

- Ilmenite: 95% recovery from heavy mineral concentrate into a sulphate-grade ilmenite product assaying 51% TiO_2, with low uranium and thorium levels (below 20 ppm).
- Zircon: 47% recovery from heavy mineral concentrate to a final zircon product assaying 66% ZrO_2+HfO_2
- Garnet: A garnet concentrate grading 57% almandine garnet was produced at 72% recovery from the heavy mineral concentrate.
- Monazite: 88% recovery to a concentrate grading 14.2% monazite, confirming a rare earth phosphate mineral by-product stream containing cerium, lanthanum and neodymium.
- Rutile: Further testwork is planned to confirm rutile product quality, with insufficient sample mass available during the current program.

These results demonstrate the project's ability to generate revenue from multiple mineral products, thereby reducing market concentration risk and strengthening the project's overall economics.

[2] Refer ASX announcement 30 September 2025
[3] Refer ASX announcement 30 September 2025

REVIEW OF OPERATIONS (continued)

Ilmenite		
Results	• 95% ilmenite recovery from HMC, • 51% TiO_2 content, • U+Th < 20ppm	 **Figure 1: 'RED – mag': Primary Ilmenite concentrate*.**
Comments	• Sulfate grade ilmenite	
Use Case	Key mineral in HMS projects and major source of TiO_2 for pigment and slag.	
Zircon		
Results	• 66% ZrO_2 + HfO_2 • U+Th 627ppm	 **Figure 2: Coarse RED non-magnetic fraction (Intermediate zircon rich stream)*.**
Comments	• Near market spec. • U+Th for reduction	
Use Case	Critical for ceramics, refractories and casting. Most valuable HM by revenue.	
Garnet		
Results	• 57% garnet concentrate • 2% of HMC	 **Figure 3: 'Coarse RED mid fraction' (Intermediate garnet rich stream)***
Comments	• 72% of garnet recovered as potential additional revenue stream	
Use Case	Adds by-product value and offsets unit costs per tonne of ore processed. Used as an abrasive in waterjet cutting and blasting.	
Monazite		
Results	• 14% monazite concentrate • High monazite recovery from HMC	 **Figure 4: 'Fine – Rare earth roll (RER) magnetic fraction'. (Intermediate monazite rich stream)***
Comments	• REE by-product now a realistic option	
Use Case	Source of Rare Earth elements Ce, La and Nd. Strategically important by-product	

Figure 3: Product streams from Mposa deposit metallurgical testwork[4]

NOTE: Images in above table are of materials separated in the course of the Company's flow sheet test work and are not intended to represent final mine output

[4] Refer ASX announcement 30 September 2025

REVIEW OF OPERATIONS (continued)

Mposa Mineral Resource Estimate Upgrade

In December 2025, the Company announced an updated JORC 2012 compliant Mineral Resource Estimate for the Mposa deposit, reflecting the results of an extensive sonic drilling program completed during the period.

The updated estimate represents a significant milestone for the project:

- Total Measured and Indicated Mineral Resources increased by 3.35 million tonnes to 25.65 million tonnes, comprising 21.3 million tonnes Measured and 4.3 million tonnes Indicated.
- 83% of the Mposa deposit is now classified as Measured[5], reflecting the high density of sonic drilling and improved geological confidence.
- The updated average Total Heavy Mineral (THM) grade is 4.14%, with contained Heavy Mineral Concentrate tonnes increasing from 0.9 million tonnes to 1.07 million tonnes.
- A higher-grade north-eastern zone was identified, containing 11.26 million tonnes at 5.61% THM, representing 52% of the Measured Resources.
- For the first time, monazite, leucoxene and garnet were estimated within the mineral assemblage, based on QEMSCAN analysis. This establishes the basis for evaluating REE by-product economics alongside those of ilmenite, rutile, and zircon.

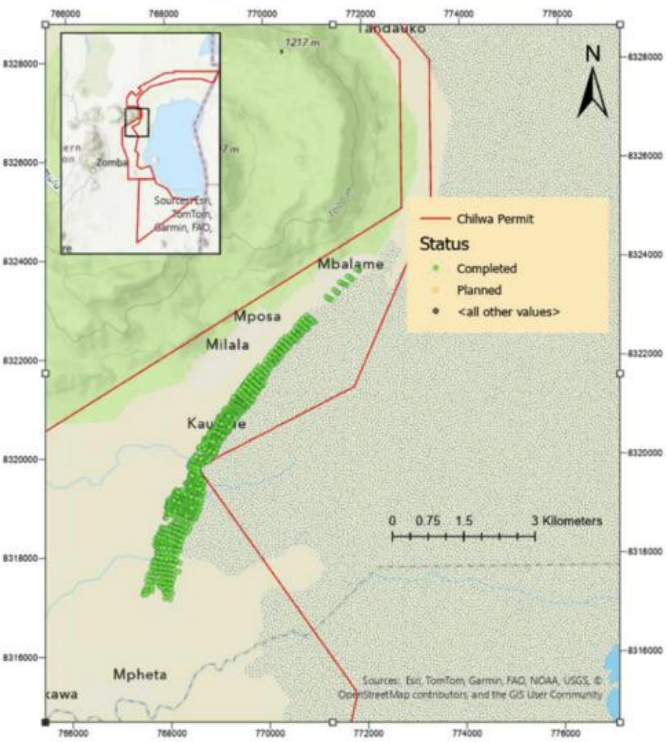

Figure 4: Sonic drilling points at the Mposa Deposit

[5] Refer ASX announcement 8 December 2025

REVIEW OF OPERATIONS (continued)

Mpyupyu Flats Drilling[6]

During the period, the Company completed sonic drilling over a 3-kilometre strike length at the Mpyupyu area. A total of 2,335 assay samples from 347 drill holes totalling 2,367 metres were reported. Significant THM results were received, including multiple intercepts ranging from 1.4 metres to 4.85 metres at grades between 5.17% and 13.26% THM from surface. Higher-grade material was identified to the north of the deposit. The Mpyupyu Flats mineral resource estimate is expected to be updated in early 2026.

Scoping Study

TZMI, the specialist heavy mineral sands consulting firm originally engaged by Mota-Engil in 2015, continues to oversee all metallurgical work and is responsible for the Scoping Study. The study, incorporating the updated Mposa MRE and metallurgical testwork results, is progressing well and is expected to be completed in Q1 2026. The Scoping Study is a critical component of assessing the project's viability and will include evaluation of multiple product revenue streams, including ilmenite, zircon, garnet and monazite.

Rare Earth Elements

The reporting period saw significant progress in the Company's REE exploration program, with the commencement of diamond drilling targeting the 47 carbonatite-hosted anomalies identified[7] through the 2024 airborne radiometric and magnetic survey.

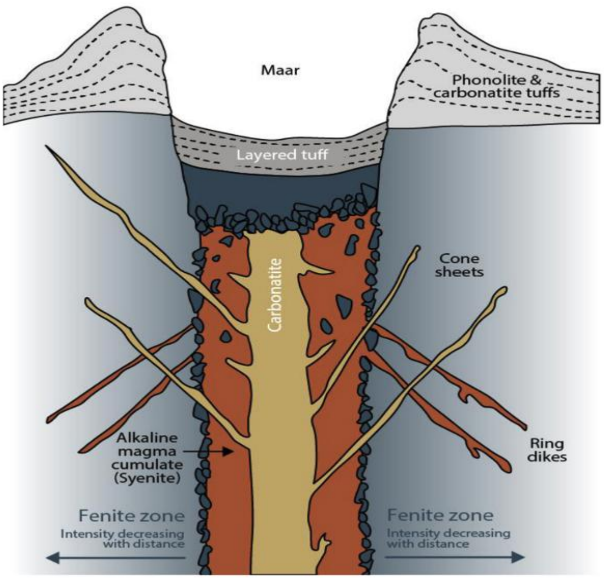

Figure 5: Geological cross-section showing carbonatite intrusion, cone sheets, ring dykes and breccia layers .
(Credit: graphic adapted from a model for Carbonatite deposits: https://geologyscience.com/geology-branches/magmatic-deposits/)

[6] Refer ASX Announcement 14 November 2025
[7] Refer ASX announcement 2 September 2025

REVIEW OF OPERATIONS (continued)

Diamond drilling at the Mposa anomaly (Target #1) confirmed elevated Total Rare Earth Oxide (TREO) values in clay and saprolite layers to 80 metres depth. ICP-MS analysis confirmed the presence of monazite with elevated lanthanum and cerium concentrations. A total of 1,008 metres was drilled across six drill holes at the Mposa geophysics anomaly.[8]

Figure 6: Breccia and sulphide alteration in diamond drill core from the Chilwa carbonatite system : MPYDD001: Sulphide alteration in NQ core at a depth of 85m downhole. For full results pertaining to MPYDD001 refer ASX Release dated 20 October 2025 ("Elevated REE Grades Confirm Carbonatite Discovery")

Visual estimates of mineral abundance or alteration assemblages should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

At the Mpyupyu anomaly (Target #2), the Company made its first confirmed carbonatite discovery. The maiden drill hole (MPYDD001) returned peak TREO values[9] of 2,935 ppm, with notable intercepts including 48.5 metres at 1,567 ppm TREO from 73.2 metres downhole (including 10 metres at 1,973 ppm from 92 metres), and 33 metres at 1,545 ppm TREO from 132.9 metres (including 5.9 metres at 2,164 ppm from 154.1 metres). Ferro-carbonatite and silico-carbonatite units were intersected, along with evidence of fenitisation, brecciation, barite veins and sulphide mineralisation[10].

Geochemical analysis indicates LREE-dominant mineralisation, with a pronounced enrichment in lanthanum, cerium and neodymium, and consistent HREE enrichment in dysprosium, erbium and yttrium. The results are consistent with LREE-enriched carbonatite systems and are comparable to neighbouring projects in the same geological setting.

[8] Refer ASX Announcement 2 September 2025
[9] Refer ASX announcement 20 October 2025
[10] Refer ASX announcement 2 September 2025

REVIEW OF OPERATIONS (continued)

Soil Geochemistry Program

The Company completed its soil geochemistry program covering all 47 anomalous targets identified during the 2024 airborne survey. A total of 485 soil samples were analysed for multi-element low-level geochemistry across the full suite of anomalies, including thorium, potassium, thorium-uranium, magnetic, and intrusive targets, covering a combined area of approximately 122 square kilometres. The geochemical results have been used to rank and prioritise targets for follow-up drilling, demonstrating potential for both heavy and light rare earths and niobium.[11]

Licensing

Transitioning from an exploration licence to a mining licence remains an important step for the project. International law firm Pinsent Masons continues to assist with establishing a commercial framework for a Mining Development Agreement. The Company's exploration licences were renewed during the period, with total licence area unchanged at approximately 881.0156 km^{2}.

Sample Preparation Laboratory

The on-site sample preparation laboratory at the Zalewa camp continues to operate at full capacity, processing samples for both HMS and REE programs. The laboratory has the capacity to operate three shifts around the clock, which is particularly important given the operation of three drill rigs. The establishment of the laboratory has proven to be a highly effective strategy, resulting in improved turnaround times, reduced costs and contributing to local employment opportunities.

Capital Raises

The Company completed two successful capital raisings during the reporting period:

- On 4 August 2025, the Company announced a two-tranche private placement to institutional, sophisticated and professional investors to raise $4.13 million, issuing 3,930,637 Shares at $1.05 per share in three tranches. (3,544,922 Shares were issued 8 August 2025, 338,096 Shares were issued 9 September 2025 and 47,619 Shares were issued 10 October 2025). The final tranche followed approval by Shareholders at an Extraordinary General Meeting (EGM) held 8 October 2025.[12]
- On 24 October 2025, the Company undertook a two-tranche private placement to raise up to $8 million[13]. Pursuant to the placement the Company issued 6,687,860 shares @ $1.20, 3,891,666 Shares were issued on 31 October 2025, 1,087,667 Shares were issued on 5 November 2025 and 1,708,527 shares were issued to directors and related parties on 19 January 2026 following shareholder approval at an EGM held 7 January 2026. The placement was cornerstoned by Mota Gestão e Participações SGPS SA (Mota GP), the Mota family office, for A$1.8 million.

[11] Refer ASX announcement 13 October 2025
[12] Refer ASX announcement 4 August 2025
[13] Refer ASX announcement 24 October 2025

REVIEW OF OPERATIONS (continued)

Funds raised were applied to exploration works, including continued sonic and diamond drilling, mineralogy and metallurgy, the HMS resource update, commencement of an Environmental and Social Impact Assessment study, and working capital.

Nasdaq Dual Listing

In November 2025, the Company announced the commencement of a process for an Initial Public Offering in the United States with a dual listing on the Nasdaq mainboard[14]. A mandate was signed with a leading New York-based investment bank to raise up to US$10 million. Chilwa ordinary shares would trade on Nasdaq through an American Depositary Receipt (ADR) program, supplementing the existing primary listing on the ASX. The Company has engaged US legal counsel and commenced the process of changing auditors to support the listing. The US IPO remains subject to market conditions, regulatory review processes and other considerations.

Board Changes

On 20 October 2025, Mr Dennis Wilkins resigned from his role as Non-Executive Director but continues to serve as Company Secretary. On the same date, Mr José Martins was appointed to the Board as Non-Executive Director. Mr Martins is a Chartered Accountant with extensive experience with Africa-based resource companies, having previously served as CFO of ASX-listed Macmahon Holdings and Ausdrill (now Perenti). He is currently Chairman of Atlas Pearls (ASX: ATP) and Non-Executive Director of GenusPlus (ASX: GNP).

Plans for H2 FY2026

- Complete the HMS Scoping Study incorporating the updated Mposa Mineral Resource Estimate and metallurgical testwork results.
- Publish updated Mineral Resource Estimates for Mpyupyu and other deposits on the licence.
- Continue diamond drilling of the carbonatite-hosted REE targets, with results from multiple drill holes expected during H2.
- Progress the Environmental and Social Impact Assessment study.
- Advance the Nasdaq dual listing process, including preparation of the SEC registration statement.
- Continue discussions with Mota-Engil regarding local supporting infrastructure and the potential dry port facility at Liwonde.

[14] Refer ASX announcement 21 November 2025

QUALIFYING STATEMENTS

JORC 2012 MINERAL RESOURCE ESTIMATE

A Mineral Resource Estimate (MRE) for the Project has been classified and reported in accordance with the JORC code (2012 Edition). The Mineral Resource Estimate has been classified as Indicated and Inferred and at a 1.0 % THM cut-off contains 4.44Mt of THM. The MRE is allocated across the Project deposits in **Table A** below.

Table A: JORC Table Mineral Resources at 1.0% THM as at 25 November 2025

						Mineral in ROM								
Deposit	**Category**	**Volume** (million	**Tonnes** (million t)	**THM** (%)	**HMC** (million t)	**Ilmenite** (%)	**Zircon** (%)	**Leucoxene**	**Rutile** (%)	**Garnet** (%)	**Monazite** (%)	**Slimes** (%)	**Oversize** (%)	**RD**
Mposa (Main)	Measured	12.5	21.3	4.4	0.95	3.00	0.39	0.40	0.04	0.12	0.02	19.9	15.9	1.7
Mposa (Main)	Indicated	1.8	3.1	2.8	0.09	1.85	0.26	0.25	0.02	0.08	0.01	31.2	14.0	1.7
Mposa (North)	Indicated	0.7	1.2	2.3	0.03	0.88	0.18	0.14	0.03	0.22	0.00	13.7	39.9	1.7
Bimbi	Indicated	3.0	5.1	4.55	0.23	3.85	0.25	N/A	0.11	N/A	N/A	22.4	18.0	1.7
	Inferred	1.4	2.4	3.79	0.09	3.21	0.21	N/A	0.09	N/A	N/A	24.4	16.5	1.7
Bimbi NE	Inferred	7.4	12.5	2.57	0.32	2.18	0.14	N/A	0.06	N/A	N/A	20.2	5.0	1.7
Mpyupyu (Dune)	Indicated	5.4	9.2	6.21	0.57	5.37	0.22	N/A	0.15	N/A	N/A	29.0	9.4	1.7
Mpyupyu (Flat)	Indicated	9.4	15.9	4.52	0.72	3.86	0.19	N/A	0.12	N/A	N/A	24.0	5.8	1.7
	Inferred	15.3	26.0	3.61	0.94	3.08	0.16	N/A	0.10	N/A	N/A	19.0	5.8	1.7
Nkotamo	Indicated	1.6	2.4	3.70	0.09	2.23	0.23	N/A	0.10	N/A	N/A	19.1	24.8	1.5
Halala	Indicated	5.8	8.7	3.79	0.33	2.28	0.19	N/A	0.09	N/A	N/A	9.0	3.0	1.5
Beacon	Indicated	0.7	1.0	2.63	0.03	1.82	0.16	N/A	0.08	N/A	N/A	10.5	10.9	1.5
Namanja West	Indicated	3.0	4.5	3.66	0.16	2.63	0.25	N/A	0.10	N/A	N/A	7.0	4.4	1.5
Sub Total	**Measured**	**12.5**	**21.3**	**4.44**	**0.95**	**3.00**	**0.39**	**N/A**	**0.04**	**N/A**	**N/A**	**19.9**	**15.9**	**1.7**
Sub Total	**Indicated**	**31.4**	**51.1**	**4.40**	**2.2**	**3.45**	**0.21**	**N/A**	**0.11**	**N/A**	**N/A**	**20.4**	**9.4**	**1.6**
Sub Total	**Inferred**	**24.1**	**40.9**	**3.30**	**1.35**	**2.81**	**0.16**	**N/A**	**0.09**	**N/A**	**N/A**	**19.7**	**6.2**	**1.7**
Grand Total		**68.0**	**113.4**	**4.01**	**4.54**	**3.13**	**0.23**	**N/A**	**0.09**	**N/A**	**N/A**	**20.1**	**9.5**	**1.67**

Estimates of the Mineral Resource were prepared by Bertus Cilliers.

QUALIFYING STATEMENTS (continued)

- In situ, dry metric tonnes have been reported using varying densities and slime cut-off per deposit.
- No slimes cut off was used in this estimation.
- 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 Measured, Indicated and Inferred according to JORC Code.

Forward Looking Statements and Important Notice

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

Compliance Statement

The information in this report that relates to previously reported Mineral Resource estimates and exploration results was prepared and first disclosed under JORC Code (2012 Edition). The information was extracted from the Company's previous ASX announcements as follows:

- **Project Mineral Resource estimate:** 8 December 2025 'Mposa MRE Upgrade to 25.65MT with 83% at the Measured Category, including monazite (REE) Component - Updated';
- **Exploration Results**: ASX announcements as indicated in the body of this announcement.

All of the above announcements are available to view on the Company's website at 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 announcements, and, in the case of reporting of 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.

DIRECTORS REPORT

Your directors are pleased to present their 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 half-year ended 31 December 2025.

Corporate Directory

The names of the directors who held office during or since the end of the half-year, to the date of this report, are:

Mr Alexander Shaw	Chairman
Mr Cadell Buss	Managing Director
Mr Manuel Mota	Non-Executive Director
Mr Dennis Wilkins	Non-Executive Director (resigned 20 October 2025) and Company Secretary
Mr José Martins	Non-Executive Director (appointed 20 October 2025)

Unless otherwise noted, all Directors were in office from 1 July 2025 until the date of this report.

Registered Office
Suite 3 / L1, 17 Ord Street,
West Perth 6005

Operations Office
Nasra House
City Centre, Lilongwe 3
Malawi

Stock exchange listing
Australian Securities Exchange
ASX code CHW -Ordinary shares

ABN: 43 656 965 589

Share Register
Automic Group
191 St Georges Terrace,
Perth, Western Australia 6000
Ph: 1300 288 664

Auditor
BDO Audit Pty Ltd
Level 18, 360 Queen Street,
Brisbane QLD 4000
Tel: +61 7 3237 5999

Bankers
National Australia Bank (NAB)
Standard Bank - Malawi

DIRECTORS' REPORT (continued)

FINANCIAL REVIEW

A summary of consolidated revenues and results for the half-year is set out below:

	Dec 2025		Dec 2024	
	Revenue & Other Income	Results	Revenue & Other Income	Results
Consolidated Revenues and Results	**$23,968**	**$(2,677,733)**	**$53,366**	**$(1,353,522)**

REVIEW OF OPERATIONS AND QUALIFYING STATEMENTS

Refer to the Review of Operations report in Section 1 and associated Qualifying Statements in Section 2.

EVENTS OCCURRING AFTER REPORTING DATE

On 19 January 2026, 1,708,527 shares were issued at $1.20 following shareholder approval at the Extraordinary General Meeting ("EGM") held on 7 January 2026.

On 20 January 2026, the Company issued 7 million performance rights to directors following the Annual General Meeting ("AGM") approval and finalisation of associated compliance documentation.

On 19 February 2026, the Company announced the commencement of Mark Laybourn as CFO effective 18 February 2026.

No other matter or circumstance has arisen since 31 December 2025, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial periods.

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 14.

This report is made in accordance with a resolution of the board of directors and is signed for and on behalf of the directors by:

Cadell Buss

Managing Director

Perth, 16 March 2026

AUDITOR'S INDEPENDENCE DECLARATION

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DECLARATION OF INDEPENDENCE BY MATTHEW TAYLOR TO THE DIRECTORS OF CHILWA MINERALS LIMITED

As lead auditor for the review of Chilwa Minerals Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Chilwa Minerals Limited and the entities it controlled during the period.

Matthew Taylor
Director

BDO Audit Pty Ltd

Brisbane, 16 March 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER

	Note	Half-Year	
		31 Dec 2025 $	31 Dec 2024 $ (Restated)*
Revenue and Other Income			
Other income		23,968	53,366
Expenditure			
Employee benefits expense		(696,408)	(431,188)
Consultancy and professional fees		(231,942)	(89,335)
Administrative expenses		(259,286)	(228,583)
Share-based payments expense	9	(687,482)	(374,795)
Compliance and regulatory costs		(765,667)	(231,607)
Depreciation expense		(60,916)	(24,639)
Other expenses		-	(26,741)
Loss Before Income Tax		**(2,677,733)**	**(1,353,522)**
Income tax benefit /(expense)		-	-
Loss After Tax Attributable to Owners		**(2,677,733)**	**(1,353,522)**
Other comprehensive income / (loss)		3,222	(2,811)
Total Comprehensive Loss Attributable to Owners		**(2,674,511)**	**(1,356,333)**
Basic and diluted loss per share attributable to the owners of Chilwa Minerals Limited (cents)		(3.13)	(1.98)

*See note 15 for details of the restatement of prior period balances.

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT

	Note	31 Dec 2025 $	30 Jun 2025 $ (Restated)*	1 Jul 2024 $ (Restated Opening Balance)*
Current Assets				
Cash and cash equivalents	3	3,590,073	687,022	4,151,472
Trade and other receivables		92,158	77,584	2,153
Prepayments	4	77,719	64,085	48,916
Total Current Assets		**3,759,950**	**828,691**	**4,202,541**
Non-Current Assets				
Prepayments	4	669,253	679,832	-
Plant and equipment	6	387,562	376,467	67,356
Right-of-use of assets		63,842	67,711	74,160
Exploration and evaluation assets	5	22,729,567	18,598,678	11,333,988
Total Non-Current Assets		**23,850,224**	**19,722,688**	**11,475,504**
Total Assets		**27,610,174**	**20,551,379**	**15,678,045**
Current Liabilities				
Trade and other payables	7	1,483,598	2,717,809	2,405,775
Employee benefit obligations		50,987	56,291	26,636
Lease liabilities		65,652	65,652	71,052
Borrowings		-	-	43,304
Total Current Liabilities		**1,600,237**	**2,839,752**	**2,546,767**
Total Liabilities		**1,600,237**	**2,839,752**	**2,546,767**
Equity				
Contributed equity	8	31,425,056	18,986,249	11,863,857
Reserves	8	3,904,804	5,367,568	4,546,516
Accumulated losses		(9,319,923)	(6,642,190)	(3,279,095)
Total Equity		**26,009,937**	**17,711,627**	**13,131,278**

*See note 15 for details of the restatement of prior period balances.

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER

	Contributed Equity $	Share-based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2024	**11,863,857**	**1,260,601**	**(27,987)**	**(3,031,901)**	**10,064,570**
Effect of prior period error (Note 15)	-	3,283,570	30,332	(247,194)	3,066,708
Balance at 1 July 2024 (restated)	**11,863,857**	**4,544,171**	**2,345**	**(3,279,095)**	**13,131,278**
Loss for the half-year (restated)	-	-	-	(1,353,522)	(1,353,522)
Foreign currency translation of foreign operations	-	-	(2,811)	-	(2,811)
Total Comprehensive Loss for the Period (restated)	**-**	**-**	**(2,811)**	**(1,353,522)**	**(1,356,333)**
Transactions with Owners in Their Capacity as Owners					
Shares issued	4,825,212	-	-	-	4,825,212
Options conversion to shares	51,517	(51,517)	-	-	-
Share issue transaction costs	(23,736)	-	-	-	(23,736)
Equity-settled share-based payment (restated)	-	374,795*	-	-	374,795
Balance at 31 December 2024 (restated)	**16,716,850**	**4,867,449**	**(466)**	**(4,632,617)**	**16,951,216**
Balance at 1 July 2025	**18,986,249**	**3,394,849**	**(38,512)**	**(6,216,180)**	**16,126,406**
Effect of prior period error (Note 15)	-	2,046,310	(35,079)	(426,010)	1,585,221
Balance at 1 July 2025 as restated	**18,986,249**	**5,441,159**	**(73,591)**	**(6,642,190)**	**17,711,627**
Loss for the half-year	-	-	-	(2,677,733)	(2,677,733)
Foreign currency translation of foreign operations	-	-	3,222	-	3,222
Total comprehensive Loss for the Period	-	-	**3,222**	**(2,677,733)**	**(2,674,511)**
Transactions with Owners in Their Capacity as Owners					
Shares issued	10,533,827	-	-	-	10,533,827
Options and performance rights conversion to shares	2,153,468	(2,153,468)	-	-	-
Share issue transaction costs	(248,488)	-	-	-	(248,488)
Equity-settled share-based payment	-	687,482	-	-	687,482
Balance at 31 December 2025	**31,425,056**	**3,975,173**	**(70,369)**	**(9,319,923)**	**26,009,937**

*See note 15 for details of the restatement of prior period balances.

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER

	Note	Half-year	
		31 Dec 2025 $	31 Dec 2024 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,882,099)	(1,066,145)
Interest received		23,968	53,366
Net cash (outflow) from operating activities		**(1,858,131)**	**(1,012,779)**
Cash Flows from Investing Activities			
Payments for exploration expenditure capitalised	5	(5,399,038)	(2,458,270)
Payments for plant and equipment	6	(68,674)	(808,657)
Net cash (outflow) from investing activities		**(5,467,712)**	**(3,266,927)**
Cash Flows from Financing Activities			
Proceeds from issue of share capital	8	10,502,403	4,825,212
Payments of share issue transaction costs		(248,486)	(23,736)
Net cash (outflow) from financing activities		**10,253,917**	**4,801,476**
Net increase (decrease) in cash and cash equivalents		2,928,074	521,770
Cash and cash equivalents at the beginning of the half-year		687,022	4,151,024
Effects of exchange rate changes		(25,023)	(27,060)
Cash and Cash Equivalents at the End of the Period		**3,590,073**	**4,645,734**

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL STATEMENTS

Chilwa Limited ("Company") is a company domiciled in Australia. The consolidated interim financial as at and for the half year ended 31 December 2025 comprises the Company and its subsidiaries (together referred to as "Group"). The Company is a mineral exploration company with prospects in Malawi.

This consolidated interim financial report for the half-year reporting period ended 31 December 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Group as full financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Chilwa Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

These half-year financial statements were authorised for issue by a resolution of directors on 16 March 2026.

New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

Impact of standards issued but not yet applied by the Group

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2025. As a result of this review the Directors believe there to be no impact, material or otherwise, on the Group's financial performance or financial position. However, management continues to formalise its full assessment of the impact of new standards.

Going Concern

The consolidated financial statements have 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.

At 31 December 2025, the Group had cash on hand of $3,590,073 (30 June 2025: $687,022) and net current assets of $2,159,713 (30 June 2025: net current liabilities of $2,011,061). The Group made an operating loss before tax for the half-year ended 31 December 2025 of $2,677,733 (31 December 2024: $1,353,522) and had a cash outflow from operating activities and investing activities of $7,325,843 (31 December 2024: $4,279,706).

In January 2026, the Group raised $2 million under Tranche 2 of an October 2025 private placement, issuing 1,708,527 fully paid ordinary shares at $1.20 per share (see ASX Announcement 24th October 2025 "Chilwa Completes $8M Private Placement"). Tranche 2 of the placement included participation in the placement by directors and related parties following shareholder approval at an Extraordinary General Meeting held on 7 January 2026. The funds raised pursuant to the placement will contribute to working capital and will be used to accelerate development at the Group's Chilwa Critical Minerals Project in Malawi.

At the date of signing these financial statements the Group has cash on hand of $3,695,416.

The Group has performed a monthly cash flow forecast through to the period ending 30 June 2027, based on the best cost estimates available. In order to progress the Group's planned objective of exploration at the Chilwa Project, further funding in the form of debt and/or equity raising will be required. These events give rise to a material uncertainty relating to going concern that may cast significant doubt on the Company's ability to continue as a going concern to realise its assets and discharge its liabilities in the normal course of business. The directors are of the opinion that there are reasonable grounds to believe that the Group will be able to continue as a going concern for the following reasons:

- The Group has a history of successful capital raising; and
- The Group has the ability to adjust expenditure and operational plans and will only commit to expenditure when there is appropriate funding in place;

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL STATEMENTS (Continued)

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do 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.

NOTE 2. SEGMENT INFORMATION

Industry and geographical segment

The Group operates in one segment, being the mining exploration segment in Malawi, Africa.

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

Non-Current Assets	31 Dec 2025 $	30 Jun 2025 $ (Restated)
Australia	86,850	84,916
Malawi	23,763,374	19,637,772
	23,850,224	**19,722,688**

NOTE 3: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other highly liquid short-term investments with original maturities of 3 months or less, and bank overdrafts.

	31 Dec 2025 $	30 Jun 2025 $
Cash at bank and on hand	3,590,073	687,022
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows	**3,590,073**	**687,022**

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

NOTE 4: PREPAYMENTS

	31 Dec 2025 $	30 Jun 2025 $ (Restated)*
Current		
Prepaid Insurance	37,803	8,285
Prepaid Listing Fees	20,431	-
Prepaid Software Subscription	17,175	55,800
Others	2,310	-
	77,719	64,085
Non-current		
Prepaid Drilling	669,253	679,832
	669,253	679,832
Prepayments	**746,972**	**743,917**

*** See Note 15(c)**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5. EXPLORATION AND EVALUATION ASSETS

	31 Dec 2025 $	30 Jun 2025 $ (Restated)*
Exploration and evaluation assets	**22,729,567**	18,598,678
Balance at the beginning of the period	18,598,678	11,333,988
Expenditure incurred	4,130,889	7,264,690
Balance at the end of the period	**22,729,567**	**18,598,678**

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

	31 Dec 2025 $	30 Jun 2025 $ (Restated)*
Cost	561,960	493,819
Accumulated depreciation	(174,398)	(117,352)
	387,562	**376,467**
Balance at the beginning of the period	376,467	67,356
Additions	68,674	397,795
Depreciation	(57,046)	(88,534)
Foreign exchange movement	(533)	(150)
Balance at the end of the period	**387,562**	**376,467**

NOTE 7: TRADE AND OTHER PAYABLES

	31 Dec 2025 $	30 Jun 2025 $ (Restated)*
Trade and other payables	254,408	480,847
Accrued and other expenses	1,229,190	2,236,962
	1,483,598	**2,717,809**

*** See Note 15(c)**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8. EQUITY

Contributed Equity

Ordinary share capital	**31 Dec 2025**		**31 Dec 2024**	
	Shares	**$**	**Shares**	**$ (Restated)***
Ordinary shares – fully paid	96,127,444	32,453,421	73,126,617	17,496,730
Transaction costs	-	(1,028,365)	-	(779,880)
	96,127,444	**31,425,056**	**73,126,617**	**16,716,850**

Ordinary Share Capital		**31 Dec 2025**		**31 Dec 2024 (Restated)**	
		Shares	**$**	**Shares**	**$ (Restated)**
As at 1 July		75,765,468	18,986,249	67,200,001	11,863,857
	Issued during the half-year				
30/07/2025	PRs converted fair value transfer	2,500,000	500,000	-	-
04/08/2025	Options exercised at $0.25	198,886	49,722	-	-
04/08/2025	Options exercised at $0.30	249,911	74,973	-	-
04/08/2025	Options exercised at $0.40	102,605	41,042	-	-
04/08/2025	Options converted fair value transfer	-	57,956	-	-
08/08/2025	Placement shares issued at $1.05	3,544,922	3,722,168	-	-
14/08/2025	Options exercised at $0.25	258,535	64,634	-	-
14/08/2025	Options exercised at $0.30	8,535	2,561	-	-
14/08/2025	Options exercised at $0.40	8,535	3,414	-	-
14/08/2025	Options converted fair value transfer	-	30,763	-	-
09/09/2025	Placement shares issued at $1.05	338,096	355,000	-	-
11/09/2025	Options exercised at $0.25	190,000	47,500	-	-
11/09/2025	Options converted fair value transfer	-	21,375	-	-
10/10/2025	Placement shares issued at $1.05	47,619	50,000	-	-
21/10/2025	Options exercised at $0.30	180,250	54,075	-	-
21/10/2025	Options converted fair value transfer	-	18,854	-	-
31/10/2025	Placement shares issued at $1.20	3,891,666	4,670,000	-	-
05/11/2025	Placement shares issued at $1.20	1,087,667	1,305,200	-	-
06/11/2025	Options exercised at $0.25	18,250	4,563	-	-
06/11/2025	Options converted fair value transfer	-	2,053	-	-
07/11/2025	PRs converted fair value transfer	7,500,000	1,500,000	-	-
20/11/2025	Options exercised at $0.40	180,249	72,100	-	-
20/11/2025	Options converted fair value transfer	-	16,583	-	-
28/11/2025	Options exercised at $0.30	56,250	16,875	-	-
28/11/2025	Options converted fair value transfer	-	5,884	-	-
29/07/2024	Options exercised at $0.25	-	-	166,666	41,666
29/07/2024	Options exercised at $0.30	-	-	166,667	50,000
29/07/2024	Options exercised at $0.40	-	-	166,667	66,667
29/07/2024	Options converted fair value transfer	-	-	-	51,517
22/10/2024	Placement shares issued at $0.86	-	-	4,287,070	3,686,880
05/11/2024	Placement shares issued at $0.86	-	-	1,139,546	979,999
	Transaction costs	-	(248,488)	-	(23,736)
As at 31 December		**96,127,444**	**31,425,056**	**73,126,617**	**16,716,850**

* Refer Note 15

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8. EQUITY (Continued)

In August 2025, the Company announced a two-tranche private placement to institutional, sophisticated and professional investors to raise $4.13 million, issuing 3,930,637 Shares at $1.05 per share in three tranches. (3,544,922 shares were issued on 8 August 2025, 338,096 shares were issued on 9 September 2025 and 47,619 shares were issued 10 October 2025). The final tranche followed approval by Shareholders at an Extraordinary General Meeting (EGM) held 8 October 2025.

In October 2025, the Company undertook another two-tranche private placement to raise up to $8 million. Pursuant to the placement the Company issued 6,687,860 shares at $1.20. The first tranche of 5,699,333 shares was issued as follows, 3,891,666 shares were issued on 31 October 2025 and 1,087,667 shares were issued on 5 November 2025.

Reserves

The table below provides a reconciliation of the movement in the Company's share-based payment reserve during the period.

Share based payments reserve	**Dec 2025 $**	**Dec 2024 $ (Restated)***
At 1 July	5,441,159	4,544,171
Share based payment expense	687,482	374,795
Value recognised in exploration and evaluation assets	-	-
Options conversion – fair value transfer	(153,468)	(51,517)
Performance rights conversion – fair value transfer	(2,000,000)	-
At 31 December	**3,975,173**	**4,867,449**

*See Note 15

Foreign currency translation reserve	**Dec 2025 $**	**Dec 2024 $ (Restated)**
At 1 July	(73,591)	2,345
Foreign currency translation of foreign operations	3,222	(2,811)
At 31 December	**(70,369)**	**(466)**

Accordingly, the total value of the Company's reserves at 31 December 2025 are $3,904,804 (31 December 2024: $4,866,983).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9. SHARE-BASED PAYMENTS

The table below provides a reconciliation of the number of options on issue by the Company.

Options		**Number of options**	
		31 Dec 2025	**31 Dec 2024**
As at 1 July		**2,500,000**	3,000,000
04/08/2025	Options exercised at $0.25	(198,886)	-
04/08/2025	Options exercised at $0.30	(249,911)	-
04/08/2025	Options exercised at $0.40	(102,605)	-
14/08/2025	Options exercised at $0.25	(258,535)	-
14/08/2025	Options exercised at $0.30	(8,535)	-
14/08/2025	Options exercised at $0.40	(8,535)	-
11/09/2025	Options exercised at $0.25	(190,000)	-
21/10/2025	Options exercised at $0.30	(180,250)	-
06/11/2025	Options exercised at $0.25	(18,250)	-
20/11/2025	Options exercised at $0.40	(180,249)	-
28/11/2025	Options exercised at $0.30	(56,250)	-
29/07/2024	Options exercised at $0.25	-	(166,666)
29/07/2024	Options exercised at $0.30	-	(166,667)
29/07/2024	Options exercised at $0.40	-	(166,667)
As at 31 December		**1,047,994**	**2,500,000**

The weighted average remaining contractual life of the share options outstanding at the end of the reporting period was 1.5 years (31 December 2024: 2.5 years).

The table below provides a reconciliation of the number of performance rights on issue by the Company.

Performance Rights		**Number of performance rights**	
		31 Dec 2025	**31 Dec 2024**
As at 1 July		28,750,000	25,000,000
30/07/2025	Converted Class A to ordinary shares (1)	(2,500,000)	-
28/10/2025	Granted Class F, unlisted, expiring 30/11/2030 (2)	7,000,000	-
07/11/2025	Converted Class A to ordinary shares (1)	(7,500,000)	-
30/11/2024	Issued Class E, unlisted, expiring 30/11/2028 (3)	-	3,750,000
As at 31 December		**25,750,000**	**28,750,000**

Number of performance rights	**5,000,000**	**5,000,000**	**5,000,000**	**3,750,000**	**7,000,000**	**Total 25,750,000**
Class	B	C	D	E	F	
Grant date	05/04/2023	05/04/2023	05/04/2023	09/10/2024	28/10/2025	
Valuation date	01/07/2023	01/07/2023	01/07/2023	07/11/2024	27/11/2025	
Expiry date	30/06/2027	30/06/2027	30/06/2028	30/06/2028	30/11/2030	
Vesting date	30/06/2027	30/06/2027	30/06/2028	30/11/2028	30/11/2027	
Underlying share price at grant date	0.20	0.20	0.20	0.83	0.935	
Fair value per performance right	0.20	0.20	0.20	0.83	0.935	
Probability of performance condition	100%	100%	100%	100%	100%	
Exercise price, $	nil	nil	nil	nil	nil	

(1) On 30 July 2025, 2,500,000 performance rights held by current and former directors and employees were converted into ordinary shares. On 7 November 2025, 7,500,000 performance rights held by Luso Global Mining BV were converted into ordinary shares. Conversion to fully paid ordinary shares followed compliance with relevant provisions of the terms of the performance rights and of the Corporations Act.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9. SHARE-BASED PAYMENTS (Continued)

(2) On 28 October 2025, 7,000,000 performance rights were granted to directors. The grant was approved at the Annual General Meeting on 27 November 2025, and the rights were issued on 20 January 2026. The performance rights will vest upon the Company releasing an announcement by 30 November 2027, in accordance with the Listing Rules, reporting a JORC Code (2012) compliant Mineral Resource of Total Rare Earth Oxide (TREO). Of the total performance rights granted, 3,500,000 will vest upon the announcement of an Indicated Resource of at least 35 Mt at 1% TREO or equivalent. The remaining 3,500,000 performance rights will vest upon the announcement of an Indicated Resource of at least 60 Mt at 2% TREO or equivalent. During the half-year period an expense of $228,723 in relation to these securities was recognised in profit or loss.

(3) On 30 November 2024, performance rights were issued to the directors of the Company in accordance with the shareholders' approval at the annual general meeting held on 7 November 2024. The vesting condition for the performance rights is the approval and issue of a mining license for the Chilwa Critical Minerals Project by 30 November 2028. During the half-year period an expense of $378,269 (31 December 2024: $171,279) in relation to these securities was recognised in profit or loss.

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 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.
Class E	Approval and issue of a Mining Licence for Chilwa Critical Minerals Project by 30 November 2028.
Class F	Announcement, in accordance with the Listing Rules of a JORC Code 2012 Mineral Resource of Total Rare Earth Oxide (TREO), indicating resource of at least: • 3,500,000 performance rights - 35 Mt at 1% TREO or equivalent by 30 November 2027 • 3,500,000 performance rights - 60 Mt at 2% TREO or equivalent by 30 November 2027

The total share-based payment expense recognised in reporting period is $687,482 (31 December 2024: $374,795). This includes the expense of $458,759 that relates to the performance rights issued to directors and employees in prior periods, and $228,723 relating to the performance rights issued to the directors during the current period.

NOTE 10. DIVIDENDS

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

NOTE 11. 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.

	31 Dec 2025 $	**30 Jun 2025 $ (Previously reported)**	**30 Jun 2025 $ (Adjustment)**	**30 Jun 2025 $ (Restated)**
Within one year	51,263	200,053	(10,205)	189,848
Later than one year but not later than five years	623,003	635,870	(635,870)	-
Later than five years	-	336,907	(336,907)	-
	674,266	**1,172,830**	**(982,982)**	**189,848**

The comparative information as at 30 June 2025 has been adjusted to exclude expenditure commitments linked to the renewal of exploration licences in July 2025 and therefore were not in place at 30 June 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12. CONTINGENCIES

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

NOTE 13. RELATED PARTY TRANSACTIONS

There has been no material change to the nature and type of related party transactions in the half-year ended 31 December 2025. The grant of performance rights to key management personnel (Note 9) during the period and drilling and service fee costs paid to Mota Engil for the period and owing at the period end are shown in the tables below.

Key Management Personnel	No of Performance Rights granted in the period
Cadell Buss	3,000,000
Alexander Shaw	2,000,000
Manuel Mota	1,500,000
José Martins	500,000
	7,000,000

Material outstanding balances with related parties included in trade and other payables as at period-end are as follows:

	Expenses for drilling and service fees to Half Year to 31 Dec 2025 $	Balance owing 31 Dec 2025 $	Balance owing 30 Jun 2025 $ (Restated)
Mota-Engil and associated companies [(1)]	2,015,235	657,400	1,859,338

[(1)] Payments to Mota Engil include payments for diamond and sonic drilling services drilling and service fee costs for administrative services, personnel and consumables

NOTE 14. EVENTS OCCURRING AFTER REPORTING DATE

On 19 January 2026, 1,708,527 shares were issued at $1.20 following shareholder approval at the EGM held on 7 January 2026.

On 20 January 2026, the Company issued 7 million performance rights to directors following the AGM approval and finalisation of associated compliance documentation.

On 19 February 2026, the Company announced the commencement of Mark Laybourn as CFO effective 18 February 2026.

No other matter or circumstance has arisen since 31 December 2025, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15. CORRECTION OF PRIOR PERIOD ERROR

During the half-year ended 31 December 2025, the Company identified a number of errors and assessed the impact on the prior period financial statements. The errors identified related to:

- A review of calculation methodology and accounting application for certain share-based payments resulted in
  i. a change in the allocation period for the share-based payments expense for performance rights granted to directors and employees, which error resulted in an understatement of expenses and reserves in FY24 and FY25 and
  ii. a change in the allocation period and methodology for the supplier performance rights granted to Luso Global Mining BV, which error resulted in an understatement of Exploration and Evaluation Assets and reserves
- A review of an agreement with a drilling operator for the upfront purchase of a drill rig with an attendant reduction to drilling costs as incurred resulted in a reclassification of the upfront costs to prepayments from plant and equipment, which error resulted in a material overstatement of property, plant and equipment at 30 June 2025 and a corresponding understatement of prepayments at that date;
- Unaccrued invoices for exploration costs which error resulted in a material understatement of Exploration and Evaluation Assets and a corresponding understatement of trade payables as at 30 June 2024 and 30 June 2025;
- Reassessment of functional currency of the Malawian entity to US Dollars from Malawian Kwachas. The assessment is based on the currency in which the subsidiary is funded as well as consideration of the currencies in which major expenditures are denominated; and
- A review of methodology for the transfer of the fair value of options exercised from reserves to share capital, which error resulted in an understatement of share capital and overstatement of reserves at 31 December 2024.

Management has concluded that the errors in totality were material to those prior periods and, as a result, the comparative information has been retrospectively restated in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

IMPACT OF PRIOD PERIOD ERRORS

(a) Statement of Profit or Loss and Other Comprehensive Income – 31 December 2024

	As Previously Reported $	Adjustment $	Forex $	Restated $
Share-based payments expense	(309,152)	(65,643)	-	(374,795)
Loss before income tax	(1,287,879)	(65,643)	-	(1,353,522)
Loss after tax	(1,287,879)	(65,643)	-	(1,353,522)
Total Comprehensive Loss	(1,290,690)	(65,643)	-	(1,356,333)
Basic and diluted loss per share	(1.88)	(0.10)	-	(1.98)

(b) Statement of Financial Position – 1 July 2024

	As Previously Reported $	Adjustment $	Forex $	Restated $
Cash and cash equivalents	4,151,024	-	448	4,151,472
Prepayments (current)	48,905	-	11	48,916
Plant and equipment	67,254	-	102	67,356
Exploration and evaluation assets	6,853,914	4,449,709	30,365	11,333,988
Trade and other payables	987,002	1,418,584	189	2,405,775
Borrowings	42,900	-	404	43,304
Lease liabilities	76,302	(5,250)	-	71,052
Reserves	1,232,614	3,283,570	30,332	4,546,516
Accumulated losses	(3,031,901)	(247,194)	-	(3,279,095)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(c) Statement of Financial Position – 30 June 2025

	As Previously Reported $	Adjustment $	Forex $	Restated $
Prepayments (non-current)	-	679,832	-	679,832
Plant and equipment	1,056,280	(679,832)	19	376,467
Exploration and evaluation assets	16,293,103	2,340,024	(34,449)	18,598,678
Trade and other payables	1,986,786	731,031	(8)	2,717,809
Employee benefit obligations	56,292	-	(1)	56,291
Lease liabilities	76,302	(10,650)	-	65,652
Reserves	3,356,337	2,046,310	(35,079)	5,367,568
Accumulated losses	(6,216,180)	(426,666)	656	(6,642,190)

DIRECTORS' DECLARATION

In the opinion of the directors of Chilwa Minerals Limited:

1. the financial statements and notes set out on pages 15 to 28 are in accordance with the *Corporations Act 2001*, including:
    (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
    (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors and is signed for and on behalf of the directors by:

Cadell Buss

Managing Director
Perth, 16 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Chilwa Minerals Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of Chilwa Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the interim condensed consolidated statement of financial position as at 31 December 2025, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of the Group does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
ii. Complying with Accounting Standard AASB *134 Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Emphasis of matter

We draw attention to Note 15 of the half-year financial report, which describes the correction of an error made by the Company, and the impact on the relevant financial statements. Our review conclusion is not modified in respect of this matter.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to 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. Our conclusion is not modified in respect of this matter.

Other matter

The financial report of Chilwa Minerals Limited, for the year ended 30 June 2025 was audited by another auditor who expressed an unmodified opinion on that report on 25 September 2025.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

Matthew Taylor
Director

Brisbane, 16 March 2026