

## **MINING DEVELOPMENT AGREEMENT PROCESS COMMENCES IN MALAWI**

### **KEY POINTS**

- **Chilwa executives have met with the Malawian Minister of Mines, Kenneth Zikhale Ng'oma at the recent Malawi Mining Investment Forum, to commence the process of negotiating a Mining Development Agreement (MDA) for the Chilwa Critical Minerals Project (Project).**
- **The MDA provides a fiscal and operating framework for the development of the Project.**
- **Chilwa, major shareholder Mota Engil and Chilwa's legal counsel, presented Chilwa's vision and plans for the Project to the Minister of Mines and Secretary of Mining, Mr Martin Kaluluma Phiri, during the annual Malawi Mining Investment Forum.**
- **The Malawian Minister of Mines, Kenneth Zikhale Ng'oma, recognises the significance of Mota Engil, a major shareholder who has operated in Malawi for over 35 years, assisting in driving the project forward.**
- **The Company is currently drilling out the Central Area deposits ahead of upgraded Mineral Resource Estimates and economic studies.**

### **Chilwa's Managing Director, Cadell Buss, commented:**

*"A Mining Development Agreement provides the necessary framework for the development of the Chilwa Critical Minerals Project. It provides the fiscal and regulatory certainty that financiers seek to assess the project's debt funding capacity.*

*"Chilwa has several key factors in its favour as it commences the MDA process. Firstly, several other listed companies have gone through the process in recent years, providing a roadmap for both sides towards a successful completion.*

*"Secondly, we are fortunate to have the ongoing support of Mota Engil, a company that has been successfully operating in Malawi for decades and is well respected at all levels.*

*"Finally, right from the outset, we have committed to having a strong relationship with the Government and our local host communities, ensuring that we build a long-term project of value for Malawians."*

### **OVERVIEW**

Chilwa Minerals Limited (ASX: CHW) ("**Chilwa**" or "**the "Company"**") is pleased to announce the commencement of the Mining Development Agreement ("**MDA**") process for the planned development of the Chilwa Critical Minerals Project in southern Malawi.



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The MDA is a legal agreement between the Company and the Government of Malawi that sets out the operating, ownership and fiscal terms for the development of the Project.

MDAs, or their equivalents, are relatively common in Africa, are specifically contemplated by the Malawi Mines and Minerals Act, 2023 and provide stability and certainty for both the Government and the investing company with regards to the legal and fiscal operating environment in that country.

### **Presentation to the Minister of Mines**

Chilwa's Managing Director, Cadell Buss, and Non-Executive Chairman, Alexander Shaw, attended and sponsored the annual Mining Investment Forum in Malawi last week. The event provided an opportunity to meet with various stakeholders including representatives from the Government of Malawi.

Chilwa had the opportunity to present the Chilwa Critical Minerals Project to the Minister of Mines, Kenneth Zikhale Ng'oma. Also attending the meeting were Chilwa's major shareholder Mota Engil, the international lawyers Pinsent Masons, and the Malawian lawyers Sacranie, Gow & Co., both of whom advise Chilwa.

The Company received positive feedback about its vision and plans for the development of the Chilwa Critical Minerals Project, particularly regarding Mota Engil's involvement as a locally established engineering and construction firm in Malawi.

### **MDA Process**

The MDA process requires the Company to upgrade a significant proportion of the existing Mineral Resources to the Measured and Indicated category, sufficient to undertake mining optimisation and design.

The economic studies will then be prepared to reflect the new mineral resources, revised costs, and the recently updated mineral assemblage information.

The Company is hoping to significantly progress the MDA during 2025.



**Figure 1 Managing Director Cadell Buss among various conference dignitaries and the President of Malawi, Dr Lazarus McCarthy Chakwera**

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**Figure 2 Left to right - Chilwa Chair Dr Alexander Shaw. Honourable Minister of Mines, Kenneth Zikhale Ng'oma, Chilwa MD, Mr Cadell Buss, Secretary for Mining Mr Martin Kaluluma Phiri**



**Figure 3: Left to right - Chilwa MD, Mr. Cadell Buss, Procurement Manager Miss Evelyn Kaunda, Geologist Mr Raymond Quee and Chilwa Chair, Dr Alexander Shaw at the annual Mining Investment Forum in Malawi**



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Figure 5 – Chilwa Minerals Project

### AUTHORISATION STATEMENT

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

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## MINING DEVELOPMENT AGREEMENT PROCESS COMMENCES IN MALAWI

### JORC 2012 Inferred Mineral Resource Estimate

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

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

| Deposit         | Volume<br>(million<br>m3) | Tonnes<br>(million<br>t) | Dry<br>Density<br>(t/m3) | Gangue<br>(%) | Ilmenite<br>(%) | Slimes<br>(%) | THM<br>(%) | Zircon<br>(%) |
|-----------------|---------------------------|--------------------------|--------------------------|---------------|-----------------|---------------|------------|---------------|
| 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           |
| <b>Total</b>    | <b>37.5</b>               | <b>61.6</b>              | <b>1.6</b>               | <b>0.7</b>    | <b>3.0</b>      | <b>13.3</b>   | <b>3.9</b> | <b>0.3</b>    |

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

### Forward Looking Statements and Important Notice

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

**ASX Announcement****6 May 2025****MINING DEVELOPMENT AGREEMENT PROCESS  
COMMENCES IN MALAWI****Compliance Statement**

The information in this announcement that relates to Mineral Resource estimates were prepared and first disclosed under JORC Code 2012. The information was extracted from the Company's previous ASX announcements Project Mineral Resource estimate: 3 July 2023 'Prospectus' (dated 5 April 2023).

The announcement 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 announcements, and, in the case of reporting of 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.