



# CHILWA MINERALS

## CHILWA MINERALS SHARE PURCHASE PLAN BOOKLET

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## SHARE PURCHASE PLAN BOOKLET

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### IMPORTANT INFORMATION

This document is intended for use only in connection with the SPP Offer to Eligible Shareholders in Australia or New Zealand. No action has been taken to permit an offering of Shares in any jurisdiction outside of Australia and New Zealand. The distribution of this document may be restricted by law and persons (including Custodians and nominees) who come into possession of this document should observe any such restrictions.

In particular, this document may not be released to US wire services or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States or in any jurisdiction in which such an offer would be illegal. The SPP Shares have not been, and will not be, registered under the *U.S. Securities Act of 1933* or the securities laws of any U.S. state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States).

## 1 LETTER TO SHAREHOLDERS

Dear Shareholder

On behalf of the directors of Chilwa Minerals Limited (ACN 656 965 589) (**CHW**), I am pleased to offer you the opportunity to participate in a share purchase plan (**SPP**), which allows Eligible Shareholders to subscribe for up to \$30,000 worth of new Shares in CHW (**SPP Shares**) without incurring brokerage or other transaction costs.

The SPP is capped at \$500,000 and is not underwritten. The SPP follows CHW's successful placement announced on **Tuesday, 15 October 2024**, which raised approximately \$6 million (**Placement**). The Participation in the Placement by directors (Messrs Shaw, Mota and Buss) and the Company's major shareholder, Luso Global Mining BV, is subject to shareholder approval to be sought at an extraordinary general meeting of CHW.

New SPP Shares are being offered under the SPP at the Issue Price of \$0.86, which is the same price as was paid for each Share by investors in the Placement. The Issue Price of \$0.86 represents a discount of 10% to the Company's last closing price of \$0.96 on 10 October 2024.

### Use of proceeds of the Placement and SPP

The proceeds of the Placement and SPP will be used to:

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

Further details about the Placement are included in CHW's ASX announcements released on **Tuesday, 15 October 2024**, which we encourage you to read.

### Participation in the SPP

Participation in the SPP is voluntary and open to all Eligible Shareholders, being holders of Shares in CHW at **5.00pm (AWST) on Monday, 14 October 2024 (Record Date)** and whose address on the Register is in Australia or New Zealand. The SPP is also being extended to Eligible Shareholders who are Custodians or nominees to participate in the SPP on behalf of certain Eligible Beneficiaries on the terms and conditions set out in this booklet (**Booklet**).

Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including Custodians and nominees) who hold Shares on behalf of persons in the United States or elsewhere outside Australia and New Zealand or are acting for the account or benefit of such persons, are not eligible to participate in the SPP on behalf of those persons.

Once issued, SPP Shares will rank equally with existing Shares in CHW.

The terms and conditions of the SPP are provided in this Booklet. We urge you to read these materials in their entirety and seek your own financial and taxation advice in relation to the SPP, before you decide whether to participate.

### How to apply for SPP Shares

The SPP Offer opens on **Wednesday, 16 October 2024** and is expected to close at **5.00pm (AWST) on Wednesday, 30 October 2024**. SPP Shares are expected to be issued on **Tuesday, 5 November 2024** and to commence trading on ASX on **Wednesday, 6 November 2024**.

To apply for SPP Shares, you must, by **5.00pm (AWST) on Wednesday, 30 October 2024**, make a payment directly via BPAY<sup>®1</sup> or EFT (you do not need to return the Application Form enclosed with this Booklet).

<sup>1</sup> Registered by BPAY Pty Ltd (ABN 69 079 137 518).

## SHARE PURCHASE PLAN BOOKLET



### Questions and further information

This Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read this Booklet carefully and in its entirety before deciding whether to apply, and in particular, the key risks identified by the Company as set out in Annexure A.

If you have any questions in relation to how to participate in the SPP, please contact the Registry from 7:00 am, to 5:00 pm (AEDT) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia) or consult your financial or other professional adviser.

If you have any questions in relation to whether an investment in CHW through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of CHW.

Yours sincerely

A handwritten signature in black ink that reads 'A.I. SHAW'. The signature is written in a cursive style with a large initial 'A' and 'S'.

**Alexander Shaw**

Non-Executive Chairman

**Chilwa Minerals**

## CHILWA MINERALS SHARE PURCHASE PLAN

### 2 SUMMARY OF IMPORTANT DATES

Event	Date
<b>Record Date</b> (the date that eligibility to participate in the SPP was determined)	5.00pm on <b>Monday, 14 October 2024</b>
<b>Opening Date for applications</b>	<b>Wednesday, 16 October 2024</b>
<b>Closing Date for applications</b>	5.00pm on <b>Wednesday, 30 October 2024</b>
<b>Results of SPP announced</b>	<b>Tuesday, 5 November 2024</b>
<b>Issue of SPP Shares</b>	<b>Tuesday 5 November 2024</b>
<b>SPP Shares commence trading on ASX</b>	<b>Wednesday 6 November 2024</b>
<b>Despatch of holding statements</b>	<b>Wednesday 6 November 2024</b>

*This timetable is indicative only and subject to change. Subject to the requirements of the Corporations Act, the Listing Rules and other applicable rules, CHW reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice. All references to times in this Booklet are to AWST unless otherwise noted.*

## 3 SUMMARY OF SPP

You should read this section in conjunction with the terms and conditions of the SPP set out in section 1 of this Booklet.

Key SPP details	Summary
<b>SPP offer</b>	Eligible Shareholders of CHW may subscribe for up to \$30,000 of SPP Shares without brokerage or other transaction costs.
<b>Purpose of the SPP</b>	<p>The proceeds of the SPP will be used to:</p> <ul style="list-style-type: none"> <li>• Increase exploration activities on the Heavy Mineral Sands efforts including doubling the current sonic drilling schedule;</li> <li>• Increase exploration activities on the identified carbonatite targets;</li> <li>• Increase turnaround times of mineralogy results by purchasing an Assay Laboratory; and</li> <li>• manage corporate costs, general working capital and costs associated with the Capital Raising. .</li> </ul>
<b>Voluntary participation</b>	<p>Participation in the SPP is entirely voluntary.</p> <p>Before you decide whether to participate in the SPP, CHW recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.</p> <p>If you do not wish to participate in the SPP, do nothing.</p>
<b>Issue Price of SPP Shares</b>	<p>The Issue Price of the SPP Shares will be \$0.86 per SPP Share, which is the same price as was paid for each Share by investors in the Placement.</p> <p>The Issue Price represents a discount of 10% to the Company's last closing price of \$0.96 on 10 October 2024.</p> <p>There is a risk that the market price of Shares may rise or fall between the date of this Booklet and the time of issue of SPP Shares under the SPP. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this Booklet or the time of issue of the SPP Shares.</p> <p>Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.</p>
<b>Eligible Shareholders</b>	<p>Eligible Shareholders are eligible to participate in the SPP, being Shareholders who were registered holders of Shares at <b>5.00pm (AWST) on Monday, 14 October 2024</b> with a registered address in either Australia or New Zealand as shown on the Register.</p> <p>The SPP also extends to Eligible Shareholders who are Custodians or nominees to participate in the SPP on behalf of Eligible Beneficiaries on the terms and conditions provided in this Booklet.</p>

Key SPP details	Summary
	<p>Notwithstanding the foregoing, Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders who hold Shares on behalf of persons in the United States or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.</p>
<b>Not transferable</b>	<p>The SPP offer cannot be transferred.</p>
<b>Investment amount</b>	<p>Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.</p> <p>The number of SPP Shares issued to an applicant will be rounded up to the nearest whole number after dividing the application monies by the Issue Price. Applications may be scaled back at the discretion of CHW.</p>
<b>How to apply</b>	<p>The Company has dispatched hard copies of the Booklet and personalised Application Form to each Eligible Shareholder.</p> <p>An electronic copy of this Booklet, along with information with respect to applying for SPP Shares, is accessible at:  <a href="https://www.chilwaminerals.com.au/investor-centre">https://www.chilwaminerals.com.au/investor-centre</a>.</p> <p>If you are unable to access the website, please contact the Registry, Automic Group, from 8:30 am to 7:00 pm (AEDT) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia). If you wish to participate in the SPP, you need to do the following:</p> <p><b>Apply via BPAY® or EFT</b></p> <p>To apply via BPAY® or EFT, you will need to:</p> <ul style="list-style-type: none"> <li>• use the personalised reference number that is required to identify your shareholding as shown on your personalised Application Form that accompanies this Booklet; and</li> <li>• ensure that your payment for the appropriate amount is received by the Registry before <b>5.00pm (AWST) on Wednesday, 30 October 2024</b>. Financial institutions may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.</li> </ul> <p>If you are paying via BPAY® or EFT, there is no need to return the Application Form, but you will be taken to have made the statements and certifications that are set out in the Application Form.</p>
<b>Rights attached to SPP Shares</b>	<p>SPP Shares will rank equally with all other Shares on issue.</p>

Key SPP details	Summary
<b>Custodians and nominees</b>	<p>The SPP is being extended to Eligible Shareholders who are Custodians or nominees and who wish to apply for SPP Shares on behalf of certain Eligible Beneficiaries.</p> <p>The SPP is being offered to Custodians and nominees as the registered Shareholder. Custodians and nominees are not required to participate on behalf of their Eligible Beneficiaries. Custodians and nominees may choose whether or not to extend the SPP to their Eligible Beneficiaries.</p> <p>Notwithstanding the foregoing, Custodians and nominees may not participate in the SPP on behalf of and may not distribute this Booklet or any documents relating to this SPP to, any person in the United States or elsewhere outside Australia and New Zealand. In the event that a Custodian or nominee is acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand, it is not permitted to participate in respect of that person.</p> <p>If you wish to apply as a Custodian or nominee under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional 'Custodian Certificate' that contains further certifications and details (as required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit.</p> <p>To request a Custodian Certificate or for further information about the custodian application process, please contact the Registry from 8:30 am to 7:00 pm (AEDT) on Monday to Friday on 1 300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).</p>
<b>Issue of SPP Shares</b>	<p>SPP Shares will be issued on <b>Tuesday, 5 November 2024</b>.</p> <p>Holding statements are expected to be despatched on or around <b>Wednesday, 6 November 2024</b>.</p>
<b>Scale back</b>	<p>CHW has absolute discretion to scale back applications depending on demand.</p> <p>In the event of a scale back, the value of SPP Shares allocated to you may be less than the parcel you initially applied for. If this occurs, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the Issue Price will be refunded to you (without interest).</p> <p>CHW expects to announce the final result of the SPP, including any scale back, on <b>Tuesday, 5 November 2024</b>.</p>



**Key SPP details****Summary****Refunds**

Any application monies refunded by CHW will be paid by direct credit in Australian currency. By applying for SPP Shares, each Shareholder authorises CHW to pay any monies to be refunded by using the payment instructions of the Shareholder recorded in the Registry's records if CHW should elect to pay in this manner.

**More information**

If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8:30 am 7:00 pm (AEDT) on Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia) or consult your financial or other professional adviser.

If you have any questions in relation to whether an investment in CHW through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

## 4 SPP TERMS AND CONDITIONS

### Important notice and disclaimer

**This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.**

The offer of SPP Shares under the SPP Offer is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, which grants relief from the requirement for CHW to provide prospectus disclosure in relation to the SPP. This Booklet does not constitute a prospectus or product disclosure statement and has not been lodged with ASIC. The issue of a prospectus or product disclosure statement is not required for the purpose of the SPP Offer. You must rely on your own knowledge of CHW, previous disclosure made by CHW to ASX and if necessary, consult with your professional adviser when deciding whether or not to participate in the SPP Offer.

If you participate in the SPP, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you make a payment (by BPAY® or EFT) and the Issue Date. This means that, up to and/or after the Issue Date, you may be able to buy Shares on ASX at a lower price than the Issue Price.

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the SPP Offer will also be bound by the constitution of CHW.

The previous sections of this Booklet and the Application Form, form part of these terms and conditions.

### 4.1 Offer

- (a) CHW offers each Eligible Shareholder the opportunity to purchase up to \$30,000 worth of SPP Shares under the SPP subject to and in accordance with the terms and conditions set out below, in the previous sections of this Booklet and the Application Form (**SPP Offer**).
- (b) The SPP Offer opens on **Wednesday, 16 October 2024** and closes at **5.00pm (AWST)** on **Wednesday, 30 October 2024** (or such other date as CHW determines, in its absolute discretion).
- (c) Participation in the SPP is voluntary. If you choose not to participate in the SPP, your right to participate lapses at the Closing Date, being **5.00pm (AWST)** on **Wednesday, 30 October 2024** (or such other date as CHW determines, in its absolute discretion).
- (d) The SPP Offer is non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- (f) All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

### 4.2 Eligible Shareholders

- (a) You are eligible to participate in the SPP Offer if you:

- (1) were registered on the Register as a Shareholder at **5.00pm (AWST) on Monday, 14 October 2024 (Record Date)**;
  - (2) had a registered address in either Australia or New Zealand at that time as shown on the Register; and
  - (3) are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person).
- (b) The SPP is also extended to Eligible Shareholders who are Custodians or nominees, in accordance with clauses 4.3(b) and 4.4(e) below.
- (c) The SPP Offer is not made to Shareholders with a registered address outside of Australia and New Zealand.

Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders who hold Shares on behalf of persons in the United States or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

### 4.3 Joint holders and Custodians and nominees

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to these terms and conditions, Eligible Shareholders who are Custodians or nominees may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian or nominee is holding Shares. Due to legal restrictions, Custodians and nominees may not distribute this Booklet to any person in and may not participate in the SPP on behalf of any beneficial Shareholder in the United States or elsewhere outside Australia and New Zealand. In the event that a Custodian or nominee is acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand, it is not permitted to participate in respect of that person.

### 4.4 Applications for SPP Shares

- (a) Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.
- (b) No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- (c) Eligible Shareholders who wish to apply for SPP Shares must make a payment for the appropriate amount via BPAY® or EFTso that the payment is received prior to **5.00pm (AWST) on Wednesday, 30 October 2024**.
- (d) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$30,000.
- (e) If you wish to subscribe for SPP Shares as a Custodian or nominee for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate or for further information about the custodian application

process, please contact the Registry from 8:30am to 7:00 pm (AEDT) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).

- (f) CHW may accept or reject your application for SPP Shares in whole or in part in its discretion including, without limitation, if:
- (1) your application does not comply with these terms and conditions;
  - (2) it appears you are not an Eligible Shareholder;
  - (3) your BPAY® or EFT is not received by the Closing Date;
  - (4) it appears that you are applying to purchase more than \$30,000 of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a Custodian or nominee arrangement) or your application is not for an amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000;
  - (5) payment of the application monies is not submitted in Australian currency; or
  - (6) the amount of your BPAY® or EFT is not equal to the amount of your application. If this occurs, CHW will:
    - (A) refund in full your application monies and not issue any SPP Shares to you; or
    - (B) issue to you the number of SPP Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies (without interest).
- (g) If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable by direct credit to your nominated account (as recorded on the Register) or cheque to your registered address (as recorded on the Register) (the payment method will be determined by CHW in its absolute discretion).

### 4.5 Issue Price

- (a) The Issue Price per SPP Share is \$0.86, which is the same price as was paid for each Share by investors in the Placement. The Issue Price represents a discount of 10% to the Company's last closing price of \$0.86 on 10 October 2024.
- (b) The current price of shares in CHW can be obtained from ASX and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under clause 4.6(a) or, if there is a scale back, the number of SPP Shares calculated under clause 4.10.

### 4.6 Number of SPP Shares to be issued

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, CHW will divide the value of your application monies by the Issue Price (as determined under clause 4.5(a)) in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Share.

### 4.7 Issue of SPP Shares

- (a) SPP Shares will be issued on the Issue Date.
- (b) SPP Shares will rank equally with existing Shares as at the Issue Date.
- (c) CHW will apply to ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on ASX the next trading day after their issue.

- (d) The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Wednesday, 6 November 2024.

### 4.8 Shareholders outside Australia and New Zealand

- (a) The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Shareholders who are not resident in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of Shares for sale or issue in any other jurisdiction.
- (b) The SPP Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of the SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.
- (c) This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.
- (d) Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including Custodians and nominees) who hold Shares on behalf of persons in the United States or elsewhere outside Australia and New Zealand or are acting for the account or benefit of such persons, are not eligible to participate in the SPP on behalf of those persons.

### 4.9 Acknowledgements

By making a payment via BPAY® or EFT you:

- (a) are deemed to have accepted the SPP Offer, and you irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (f) acknowledge that CHW and its officers and agents, are, to the maximum extent permitted by law, not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) agree to pay the Issue Price per SPP Share up to the maximum of:
  - (1) the value you have selected on the Application Form; or
  - (2) the maximum value of your payment;
- (h) acknowledge and agree that:

- (1) you are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
  - (2) the SPP Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered or sold, directly or indirectly in the United States;
  - (3) you have not, and will not, send this Booklet or any materials relating to the SPP to any person outside of Australia or New Zealand, including in the United States;
  - (4) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
  - (5) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand (and is not in the United States and is not acting for the account or benefit of a person in the United States), and you have not sent this Booklet, or any materials relating to the SPP to any person outside Australia and New Zealand (including, without limitation, to any person in the United States or to any person acting for the account or benefit of a person in the United States);
- (i) if you are applying on your own behalf (and not as a Custodian or nominee), certify that:
- (1) you are not applying for SPP Shares with an application price of more than \$30,000 under the SPP (including by instructing a Custodian or nominee to acquire SPP Shares on your behalf under the SPP); and
  - (2) the total of the application price for the following does not exceed \$30,000:
    - (A) the SPP Shares the subject of the application;
    - (B) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
    - (C) any other SPP Shares which you have instructed a Custodian or nominee to acquire on your behalf under the SPP; and
    - (D) any other Shares issued to a Custodian or nominee in the 12 months before the application as a result of an instruction given by you to the Custodian or nominee to apply for Shares on your behalf under an arrangement similar to the SPP;
- (j) if you are a Custodian or nominee and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, certify that:
- (1) you are a Custodian (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) or a nominee;
  - (2) you held Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this Booklet;
  - (3) you are not applying for SPP Shares on behalf of any Eligible Beneficiary with an application price of more than \$30,000 under the SPP; and
  - (4) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (k) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (l) are responsible for any dishonour fees or other costs CHW may incur in presenting a payment that is dishonoured;
- (m) agree to be bound by the constitution of CHW;

- (n) acknowledge that none of CHW, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (o) acknowledge that this Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in CHW and is given in the context of CHW's past and ongoing continuous disclosure announcements to the ASX;
- (p) acknowledge that none of CHW or its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantees the performance of CHW;
- (q) you authorise CHW, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (r) you acknowledge that CHW may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (s) you authorise CHW, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

### 4.10 Scale back

- (a) CHW may in its absolute discretion allocate to you less SPP Shares than the value of the parcel you have applied for. CHW may in its absolute discretion determine to apply any scale-back to the extent and in the manner it sees fit.
- (b) If there is a scale back, you may receive less than the parcel of SPP Shares for which you apply.
- (c) If a scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be issued will be rounded up to the nearest whole number of SPP Shares.
- (d) If there is a scale back, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the Issue Price will be refunded to you (without interest).

### 4.11 Dispute resolution

- (a) CHW may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with, or by reason of, the operation of the SPP whether generally or in relation to any participant or any application for SPP Shares, and its decision will be conclusive and binding on all participants and other persons to whom the determination relates.
- (b) The powers of CHW under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors.

### 4.12 Variation and termination

- (a) CHW reserves the right at any time to:

- (1) amend or vary these terms and conditions;
  - (2) waive strict compliance with any provision of these terms and conditions;
  - (3) withdraw the SPP Offer or suspend or terminate the SPP;
  - (4) vary the timetable for the SPP, including the Closing Date; and
  - (5) not accept an application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian or nominee applying on behalf of its Eligible Beneficiaries).
- (b) In the event that the SPP is withdrawn or terminated, all application monies will be refunded. No interest will be paid on any money returned.

### 4.13 Privacy policy

- (a) Chapter 2C of the Corporations Act requires information about a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. This information must continue to be included in the public register if you cease to be a shareholder.
- (b) CHW and the Registry may collect personal information to process your application, implement the SPP and administer your holding of Shares. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results), annual reports and other information to be communicated to Shareholders, and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (c) Your personal information may be disclosed to joint investors, the Registry, securities brokers, third party service providers (including print and mail service providers, technology providers and professional advisers), related entities of CHW and its agents and contractors, and ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.

### 4.14 Underwriting

The SPP is not underwritten.

### 4.15 Governing law

These terms and conditions are governed by the laws in force in Western Australia. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of Western Australia. By accepting the SPP Offer, you agree to submit to the exclusive jurisdiction of the courts in Western Australia.



## ANNEXURE A - KEY RISKS

This section discusses some of the key risks associated with any investment in CHW together with risks relating to participation in the SPP Offer which may affect the future operating and financial performance of CHW and the value of Shares. The risks set out below do not constitute an exhaustive list of all risks involved with an investment in CHW.

CHW seeks to reduce risk to its business through appropriate risk mitigants, however, if any of the following risks materialise, business, financial condition and operating results are likely to be adversely impacted.

Before further investing in CHW, you should carefully consider whether this investment is suitable for you, having regard to your own investment objectives and financial circumstances and taking into consideration the key risk factors, as set out below. Eligible Shareholders should consider publicly available information on CHW (such as that available on the ASX website), examine the full content of this presentation and consider consulting a stockbroker, legal advisor, accountant or other professional advisors before making an investment decision.

### RAISING RISKS

#### SPP not underwritten

The SPP will not be underwritten and therefore it remains uncertain how much money will be raised under the SPP. As such, there is no guarantee that any additional amount will be raised under the SPP. If the proceeds from the SPP are less than is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investment) as well as consider alternative funding options.

#### Shareholder approval risk

Luso Global Mining BV and directors (Messrs Shaw, Mota and Buss) participation in the Placement is subject to shareholder approval being obtained in accordance with ASX Listing Rule 10.11 at an extraordinary general meeting of CHW (**EGM**). The EGM is anticipated to be held in mid-December 2024. If shareholder approval for Luso Global Mining BV and directors (Messrs Shaw, Mota and Buss) participation in the Placement is not received at the AGM, CHW will not be able to receive Luso Global Mining BV's and directors (Messrs Shaw, Mota and Buss) subscription amounts under the Placement.

#### Dilution

Existing shareholders who do not participate in the SPP Offer will have their percentage security holding in the Company diluted. Depending on the size of a shareholder's existing holding, a participating Eligible Shareholder may still be diluted even though they participate in the SPP Offer, depending on the number of Shares allocated to them.

### COMPANY SPECIFIC RISKS

#### COVID-19

The impact of COVID-19 to date has included periods of significant volatility in financial, commodities and other markets. This volatility, if it continues, could have an adverse impact on the Company's people, suppliers, business, financial condition and production and exploration activities.

The Company has implemented measures across its business with the intent of minimising the risk of infection for individuals and the impact of COVID-19 on the Company's business including site specific COVID Management Plans have been implemented which include where appropriate working from home where practicable, shift rotations, temperature and health screenings and increased cleaning. The Company closely monitors and reviews management plans against guidance from federal and state governments. However, there is no guarantee that the Company's efforts to address the adverse impacts of COVID-19 will be effective.

There is a risk that if the duration of events surrounding COVID-19 are prolonged, the Company may need to take additional measures in order to respond appropriately (for example, restructuring to reduce further costs from its business and raising additional funding).

There are also other changes in the domestic and global macroeconomic environment associated with the events relating to COVID-19 that are beyond the control of the Company and may be exacerbated in an economic recession or downturn. These include but are not limited to (i) changes in inflation, interest rates and foreign

currency exchange rates; (ii) changes in employment levels and labour costs; (iii) changes in aggregate investment and economic output; and (iv) other changes in economic condition which may affect the revenue or costs of the Company.

### **Reliance on key personnel**

CHW is an exploration company and will be dependent on its directors, managers and consultants to implement its business strategy. A number of factors, including the departure of senior management of CHW or a failure to attract or retain suitably qualified key employees, could adversely affect CHW's business strategy.

### **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 and the market price of its Shares.

### **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.

### **Mineral Resource and Ore Reserve Estimates**

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the Mineral Resource and Ore Reserve estimates may change.

Accordingly, the actual resources and reserves may materially differ from these estimates and assumptions and no assurances can be given that the Mineral Resource and Ore Reserve estimates, and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans which may in turn affect CHW's operations and ultimately CHW's financial performance and the value of Shares.

### **Exploration risks**

Exploration is a high-risk activity that requires large amounts of expenditure over extended periods of time. CHW's exploration activities will also be subject to all the hazards and risks normally encountered in the

exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

### **Commodity prices**

CHW's future prospects and the Share price will be influenced by the prices obtained for the commodities targeted in CHW's exploration programs. Commodity prices fluctuate and are impacted by factors including the relationship between global supply and demand for minerals, forward selling by producers, costs of production, geopolitical factors (including trade tensions), hostilities and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand factors. These factors may have an adverse effect on CHW's exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities. Further, heavy minerals and rare earth products are not exchange-traded commodities.

CHW will require contracts for sale of these mineral commodities. There is no guarantee the Company will secure contracts on terms favourable to the Company. Heavy minerals and rare earth product prices will depend on available markets at acceptable prices and distribution and other costs. The market prices for heavy minerals rare earth products have been volatile and are influenced by numerous factors and events beyond the control of the Company. For example, if industries reduce their demand for end-products that utilise heavy minerals or rare earth products, the resulting change in demand for heavy minerals and rare earth products could have an adverse effect on the Company's business.

### **Competition**

CHW's ability to enter into contracts for the supply of products at profitable prices may be adversely affected by the introduction of new suppliers and any increase in competition in the global minerals market, either of which could increase the global supply of these products and thereby potentially lower the prices.

### **Taxation**

In all places where CHW has operations, in addition to the normal level of income tax imposed on all industries, CHW may be required to pay government royalties, indirect taxes, goods and services tax and other imposts which generally relate to revenue or cash flows. Industry profitability can be affected by changes in government taxation policies.

### **Future funding requirements**

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 in addition to funds raised under the Offer.

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.

### **Economic factors**

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters.

A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and

financial performance and financial position. The Company's future possible revenues and share price can be affected by these factors, which are beyond the control of the Company.

### **Foreign exchange**

Foreign exchange rates fluctuate over time. Fluctuating exchange rates have a direct effect on CHW operating costs and cash flows expressed in Australian dollars.

### **Occupational health and safety**

Exploration and production activities may expose CHW's staff and contractors to potentially dangerous working environments. Occupational health and safety legislation and regulations differ in each jurisdiction. If any of the Company's employees or contractors suffers injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business. Such an incident may also have an adverse effect on the Company's business and reputation.

### **Environment**

CHW's projects are subject to the environmental laws and regulations of Malawi (including statutory rehabilitation obligations that the Company will need to comply with in the future and which may be material). While CHW proposes to comply with applicable laws and regulations and conduct its programs in a responsible manner with regard to the environment, there is the risk that CHW may incur liability for any breaches of these laws and regulations.

The Company is also unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have a material adverse effect on the Company's business, financial condition and performance.

### **Climate change**

The impacts of climate change may affect the Company's operations and the markets in which the Company may sell its products through regulatory changes aimed at reducing the impact of, or addressing climate change, including reducing or limiting carbon emissions, technological advances and other market or economic responses (including increased capital and operating costs, including increased costs of inputs and raw materials).

### **Insurance**

The Company's business is subject to a number of risks and the materialisation of any of these risks could result in damage to property, personal injury or death, environmental damage, delays in development, monetary losses and possible legal liability (including for indirect or consequential losses suffered by third parties). The Company intends to limit its exposure to such risks by contractually limiting its liability and insuring its business activities and operations in accordance with industry practice.

However, in certain circumstances, the Company's insurance may not be available or of a nature or level to provide adequate insurance to cover all liability. The occurrence of an event that is not covered or fully covered by insurance may cause substantial delays to the Chilwa Minerals Project and/or require significant capital outlays, which could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

Further, any increase in the cost of insurance policies; any change in the availability of insurance policies or in the terms, conditions or exclusions on which those policies are offered or renewed; or any inability to claim, or recover against the Company's insurance policies, including as a result of the current uncertain macroeconomic environment, could have a material adverse effect on the Company's business, financial condition and results of the Company.

### **Political risk and instability**

CHW's main project is the Chilwa Minerals Project located in Malawi. CHW is subject to the risk that it may not be able to carry out its activities as it intends, including because of a change in government, legislation, regulation or policy.

### **International conflicts risk**

The current conflicts between Israel and Hamas/Hezbollah/Iran (**Middle East Conflict**) and Russia and Ukraine (**Russia-Ukraine Conflict**) (together the **Current World Conflicts**) are having a material effect on the global economy. These hostilities have created uncertainty for capital markets around the world, and this uncertainty may lead to adverse consequences for the Company's business operations. Further, various governments and industries have taken measures and imposed sanctions in response to the Current World Conflicts (such as changes to import/export restrictions and other economic sanctions). Whilst CHW does not have a relationship with any party domiciled in the conflict areas, such measures and sanctions may cause disruptions to the Company's supply chains and adversely impact commodity prices. Such events may affect the financial performance of CHW. Given the Current World Conflicts are continually evolving, the consequences are inherently uncertain. Further, there is no certainty that similar conflicts which impact global markets will not arise in the future.

### **Litigation risks**

The Company may be exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

### **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, pandemics (i.e. COVID-19), explosions or other catastrophes, epidemics or quarantine restrictions.

### **Unknown risks**

Additional risks and uncertainties not currently known to the Company may also have a material adverse effect on the Company's financial and operational performance. The information set out in this document regarding the key operational and investment risks does not purport to be, nor should it be considered as representing, an exhaustive list of the risks faced by the Company.

## **OFFER & GENERAL RISKS**

### **Speculative investment**

The Shares to be issued pursuant to the SPP Offer carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those shares. Eligible Shareholders should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for shares pursuant to the SPP Offer.

### **Stock market conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates. These factors may materially affect the market price of the securities regardless of the Company's performance. The past performance of the Company is not necessarily an indication as to future performance of the Company as the trading price of Shares can go up or down. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **Liquidity**

There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders hold their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the value attributed to them under the SPP Offer.

### **Share market**

On completion of the SPP Offer, the Shares may trade on ASX at higher or lower prices than the Issue Price. Investors who decide to sell their Shares after participating in the SPP Offer may not receive the amount of their original investment.

There can be no guarantee that the price of Shares will increase after they are issued. The price at which the Shares trade on ASX may be affected by the financial performance of the Company and by external factors over which the Directors and the Company have no control. These factors include movements on international share and commodity markets, local interest rates and exchange rates, domestic and international economic conditions, government taxation, market supply and demand and other legal, regulatory or policy changes.