



CHILWA MINERALS

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30 June 2023

Pre-Quotation Disclosure

Chilwa Minerals Limited (ACN 656 965 589) (**Company**) provides the following confirmations to satisfy conditions for admission of the Company's securities to quotation on ASX.

Capitalised terms not defined have the meaning given to them in the Company's Prospectus, dated 5 April 2023 (**Prospectus**) and Supplementary Prospectus dated 26 June 2023 (**Supplementary Prospectus**).

1. Confirmation of issue of securities under the Offer

The Company confirms the issue of:

- (i) 40,000,000 Shares at an issue price of \$0.20 each, pursuant to the Offer;
- (ii) 19,000,000 Shares to Luso;
- (iii) 6,250,000 Performance Rights to the directors and management pursuant to the Company's Long-Term Incentive Plan;
- (iv) 18,750,000 Performance Rights to Luso;
- (v) 3,000,000 Options to nominees of the Lead Manager exercisable as follows:
 - a. 1,000,000 Options at \$0.25;
 - b. 1,000,000 Options at \$0.30; and
 - c. 1,000,000 Options at \$0.40 each,on or prior to the date that is 4 years from the date that the Company is admitted to the Official List of the ASX.

The Company confirms the issue of all unquoted securities that had not been issued prior to the application for admission but to be issued prior to the commencement of official quotation.

2. Capital Structure

The Company's capital structure as at the date of admission to the Official List is as follows:

	Number of Securities
Shares on issue as at the date of the Prospectus	8,200,001
Shares issued under the Offer	40,000,000
Shares issued under the Share Sale Agreement (as amended)	19,000,000
Total Shares on issue	67,200,001



Options issued to the Lead Manager (or its nominees)	3,000,000
Total Options on issue	3,000,000
Performance Rights issued to Directors and management	6,250,000
Performance Rights issued to Luso	18,750,000
Total Performance Rights on issue	25,000,000

3. Performance rights

Of the 6,250,000 Performance rights issued by the Company, the Company confirms that it has issued 1,350,000 Performance Rights to Non-Executive Chairman Philip Lucas and 4,400,000 Performance Rights to Managing Director Cadell Buss.

4. Restricted Securities

The Company confirms that subject to quotation, the following securities will be restricted from trading pursuant to the ASX Listing Rules for the period as set out below:

Security	Holder	Number	Restriction Period
Shares	Cadon Holdings Pty Ltd	50,000	24 months from quotation
Shares	Alexander Iain Shaw	100,000	24 months from quotation
Shares	Manuel Antonio Da Fonseca Vasconcelos Da Mota	125,000	24 months from quotation
Shares	Luso Global Mining BV	19,000,000	24 months from quotation with a further 12 months voluntary escrow on 9,500,000 Shares
Shares	Darjeel Pty Ltd as trustee for the Barry Buss Family A/C	250,000	24 months from quotation
Shares	Bodie Investments Pty Ltd	500,000	24 months from quotation
Shares	Luso Global Mining BV	800,000	24 months from quotation
Shares	Catchline Holdings Pty Ltd	500,000	24 months from quotation
Performance Rights	Luso Global Mining BV	18,750,000	24 months from quotation with a further 12 months voluntary escrow on 9,375,000 Performance Rights



Performance Rights	Philip Andrew Lucas	1,350,000	24 months from quotation
Performance Rights	Cadell Scott Buss	4,400,000	24 months from quotation
Options	Sequoia Corporate Finance Pty Ltd (or its nominees)	3,000,000	24 months from quotation

5. Confirmation of satisfaction of conditions precedent and completion under the Share Sale Agreement as varied by the Deed of Variation

The Company confirms all conditions precedent under the Share Sale Agreement, dated 4 April 2023 as varied by the deed of variation dated 21 June 2023, between the Company, Luso and MEIML in relation to the acquisition of MEIML and Chilwa Minerals Africa have now been satisfied. As such, completion has now occurred under the Share Sale Agreement (as varied by the deed of variation) and the consideration securities, being 19,000,000 fully paid ordinary shares and 18,750,000 performance rights, have been issued to Luso.

6. No legal, regulatory, statutory or contractual impediments

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to CHW entering tenements EL0670/22 and EL0671/22 and carrying out exploration activities such that CHW will be able to spend its cash in accordance with its commitments for the purposes of ASX Listing Rule 1.3.2(b).

7. ASX confirmation and waiver

The Company has received the following confirmation and waiver from ASX:

- (i) confirmation that the terms of the Company's Performance Rights (as defined in the Prospectus) are appropriate and equitable for the purpose of ASX Listing Rule 6.1; and
- (ii) a waiver from ASX Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue 25,000,000 performance rights issued to directors and management and to Luso Global Mining BV with a nil exercise price.

The terms of the waiver are **attached** to this announcement.

Signed for and on behalf of the Company.

Philip Lucas
Non-Executive Chairman
Chilwa Minerals Limited



ASX WAIVER AND CONFIRMATION

Chilwa Minerals Limited (**Company**) has been granted the following confirmations and waivers from the ASX Listing Rules (**Listing Rules**) in connection with its application for admission to the official list of ASX.

Listing Rule 1.1 Condition 12

A waiver from Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue up to 25,000,000 performance rights issued to directors and employees of the Company and Luso Global Mining BV (**Vendor**) with a nil exercise price.

Listing Rule 6.1

The Company has also obtained a confirmation from ASX that the terms of the Performance Rights are appropriate and equitable to ASX for the purposes of Listing Rule 6.1. The confirmation was granted subject to the following conditions:

1. The Company discloses the following details in respect of the Performance Rights:
 - a. the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
 - b. any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity;
 - c. In respect of those Performance Rights proposed to be issued to the Directors of the Company:
 - i. a statement that Performance Rights are being issued to remunerate or incentivise a director or employee;
 - ii. details of the role (if any) the director or employee will play in meeting the respective performance milestones;
 - iii. details of the existing total remuneration package of the director or employee;
 - iv. if the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
 - v. an explanation why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone;
 - vi. details of how the Company determined the number of Performance Rights to be issued to the director and why it considers that number to be appropriate and equitable;
 - d. In respect of those Performance Securities proposed to be issued to the Vendor:
 - i. an explanation why the performance securities are being issued in connection with the acquisition, including the commercial goals the entity is trying to achieve, and the risks it is trying to manage, by imposing the relevant performance milestone;
 - ii. details of the undertaking being acquired;
 - iii. details of the vendor(s) from whom the entity is acquiring the undertaking and their respective ownership interests in the undertaking;



- iv. details of how the entity determined the number of performance securities to be issued to the vendor(s) and why it considers that number to be appropriate and equitable; and
 - v. if any of the performance securities are being issued to someone who does not have an ownership interest in the undertaking being acquired, or if the performance securities are being issued disproportionately to the ownership interests of the vendors, an explanation why that is the case and how that is considered appropriate and equitable.
 - e. The number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the Company's capital structure.
 - f. The full terms of the Performance Rights, including:
 - i. The Performance Rights are not quoted.
 - ii. The Performance Rights are not transferrable.
 - iii. The Performance Rights do not confer any right to vote, except as otherwise required by law.
 - iv. The Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.
 - v. The Performance Rights do not carry an entitlement to a dividend.
 - vi. The Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
 - vii. The Performance Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company.
 - viii. Each Performance Right is converted into one fully paid ordinary share on achievement of the relevant milestone.
 - ix. If the relevant class of Performance Rights is not converted into a share by the relevant expiry date then all the Performance Rights of that class lapse.
 - g. an independent expert's report, in accordance with Guidance Note 19 requirements, including opining on whether the Performance Securities the Company proposes to have on issue at the date of its admission to quotation are fair and reasonable to non-participating security holders.
2. The Company makes an announcement immediately upon satisfaction of any milestones, the issue of any of the Performance Rights and the expiry of the right to be issued any of the performance securities.
3. The terms and conditions of the Performance Rights, including without limitation the relevant milestones that have to be satisfied before each Performance Rights are issued, are not to be changed without the prior approval of ASX and the Company's shareholders.
4. Upon conversion of the performance securities into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.
5. The Company discloses the following in each annual report and annual audited financial accounts, half yearly report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:



- a. The number of Performance Rights on issue during the relevant period;
- b. A summary of the terms and conditions of the Performance Rights, including without limitation and the relevant milestones;
- c. Whether any of the Performance Rights were converted or cancelled during that period; and
- d. Whether any milestones were met during the period.