CHILWA MINERALS

ASX ANNOUNCEMENT

ASX:CHW

23 January 2026

CHILWA MOBILISES SECOND DIAMOND RIG TO ACCELERATE REE PROGRAM

Chilwa Minerals ('Chilwa', or the 'Company', (ASX CHW)) is pleased to advise that a second diamond drilling rig has been mobilised to support the Company's carbonatite hosted rare earth element (REE) exploration program across its Lake Chilwa licence package in Southern Malawi.

KEY POINTS

- **The second diamond rig accelerates testing of Chilwa's pipeline of 47 interpreted carbonatite/alkaline intrusive prospects.**
- **Diamond Rig 1 is now progressing with drill hole 7 at the Mpyupyu target with results from holes 6 and 7 currently being analysed, and results expected within three to four weeks.**
- **A second rig allows testing at multiple targets concurrently, with Diamond Rig 2 to focus on geophysics and soil geochemistry targets identified in the Southern area of the license, Phalombe region.**
- **Up to 47 discreet targets were identified with an airborne radiomagnetics study in 2024 and further tested with soil geochemistry during 2025 - to groundtruth the anomalies and rank in order of REE prospectivity.**

OVERVIEW

Chilwa Minerals Limited is pleased to announce the mobilisation of a second diamond drilling rig to expedite testing of Carbonatite/alkaline intrusive hosted REE targets in its license package in the highly prospective Chilwa Alkaline Province in Southern Malawi. Both diamond rigs are now operational at targets at Mpyupyu and the Phalombe area (Figure 1).

Within the REE exploration division, the exploration strategy has focussed on interpreted radiomagnetics, ionic soil geochemical assay, geological mapping, rock-chip sampling, and handheld scintillometer traverses over targets.

Chilwa Minerals Limited | ABN 43 656 965 589

Level 1, Suite 3, 17 Ord Street, West Perth, WA 6005

T: +61 439 919 364 | **W**: www.chilwaminerals.com | **E**: info@chilwaminerals.com.au

Chilwa Mineral's Managing Director, Cadell Buss, commented:

The mobilisation of a second diamond rig is an important step in accelerating our carbonatite-hosted REE exploration program at Lake Chilwa, effectively doubling our capacity.

This expanded capacity provides greater flexibility in our program. Geological interpretations of the carbonatite alkaline intrusive complex at Mpyupyu, within several kilometres of our mineral sands deposits in the area, are encouraging, such that our first rig will likely continue work there for some months. Having a second rig allows testing of the substantial number of targets identified in the license package.

We look forward to updating on progress within the REE exploration program, as well as our mineral sands development program in due course.

Figure 1 Second Diamond rig now active at the PHLT002 thorium anomaly in the Phalombe region

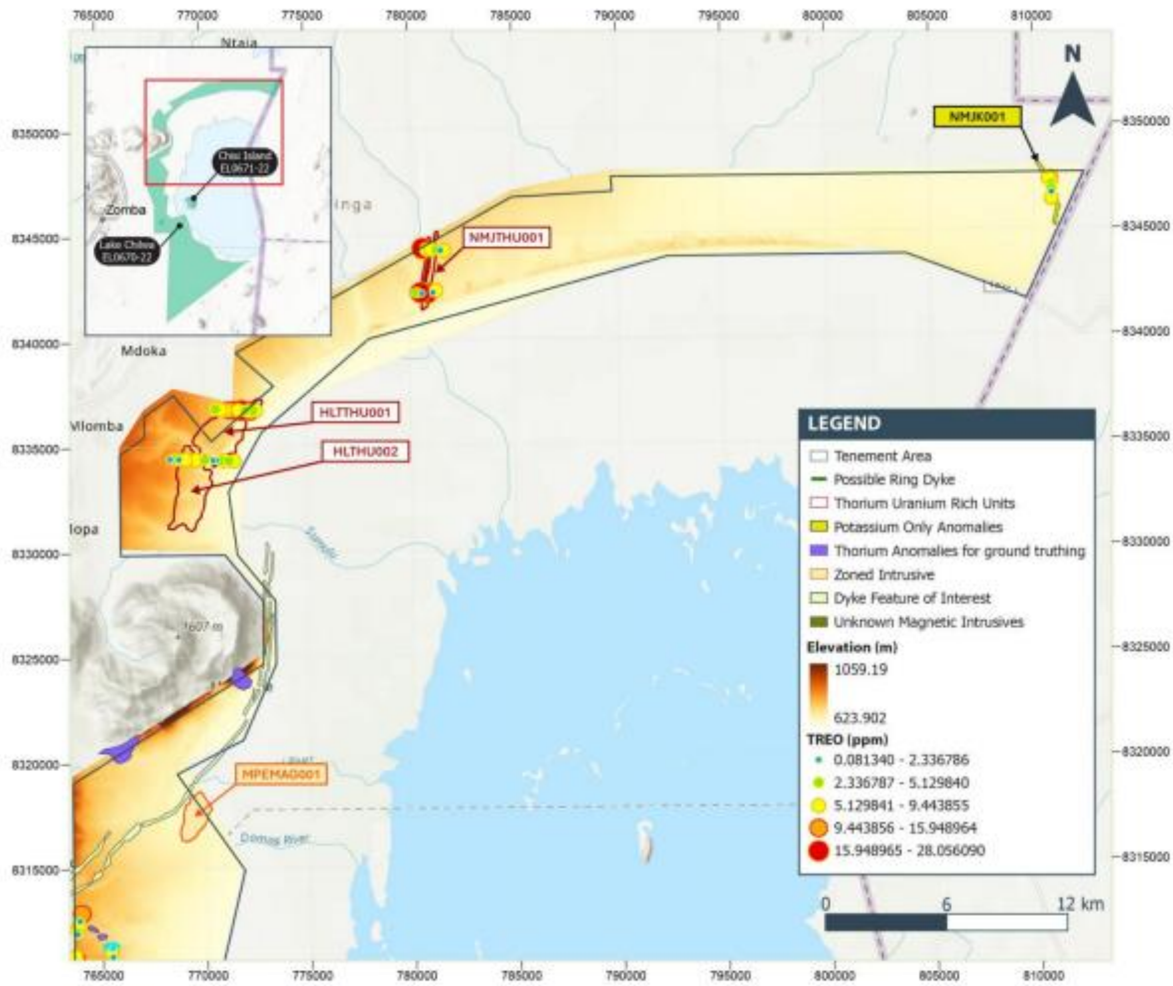

Figure 2 Chilwa Minerals REE targets on the Northern Shore of Lake Chilwa with soil geochemistry TREO numbers as reported in the ASX announcement dated 13 October 2025

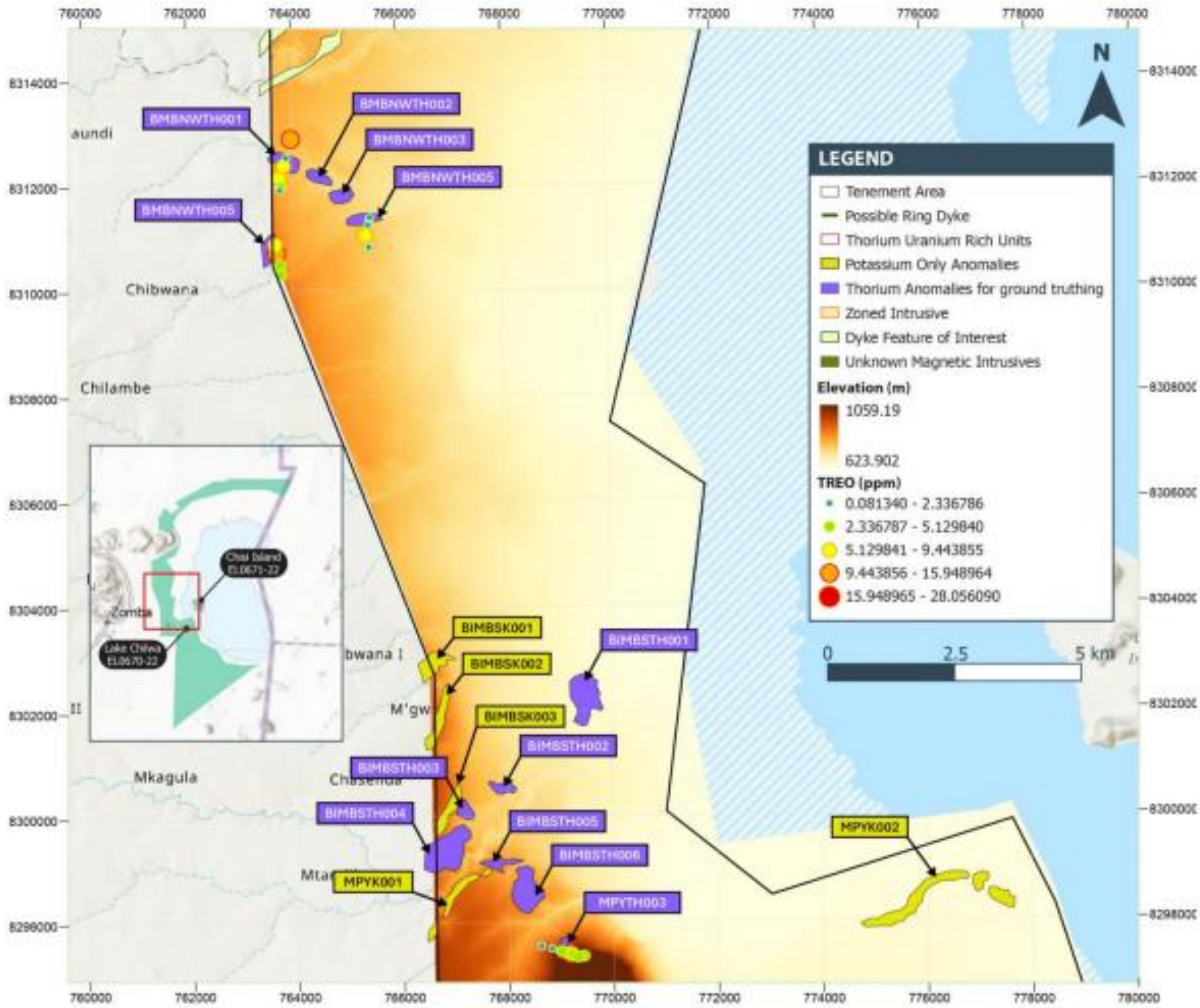

Figure 3 Chilwa Minerals Central Licence area targets with soil geochemistry TREA numbers as reported in ASX announcement dated 13 October 2025

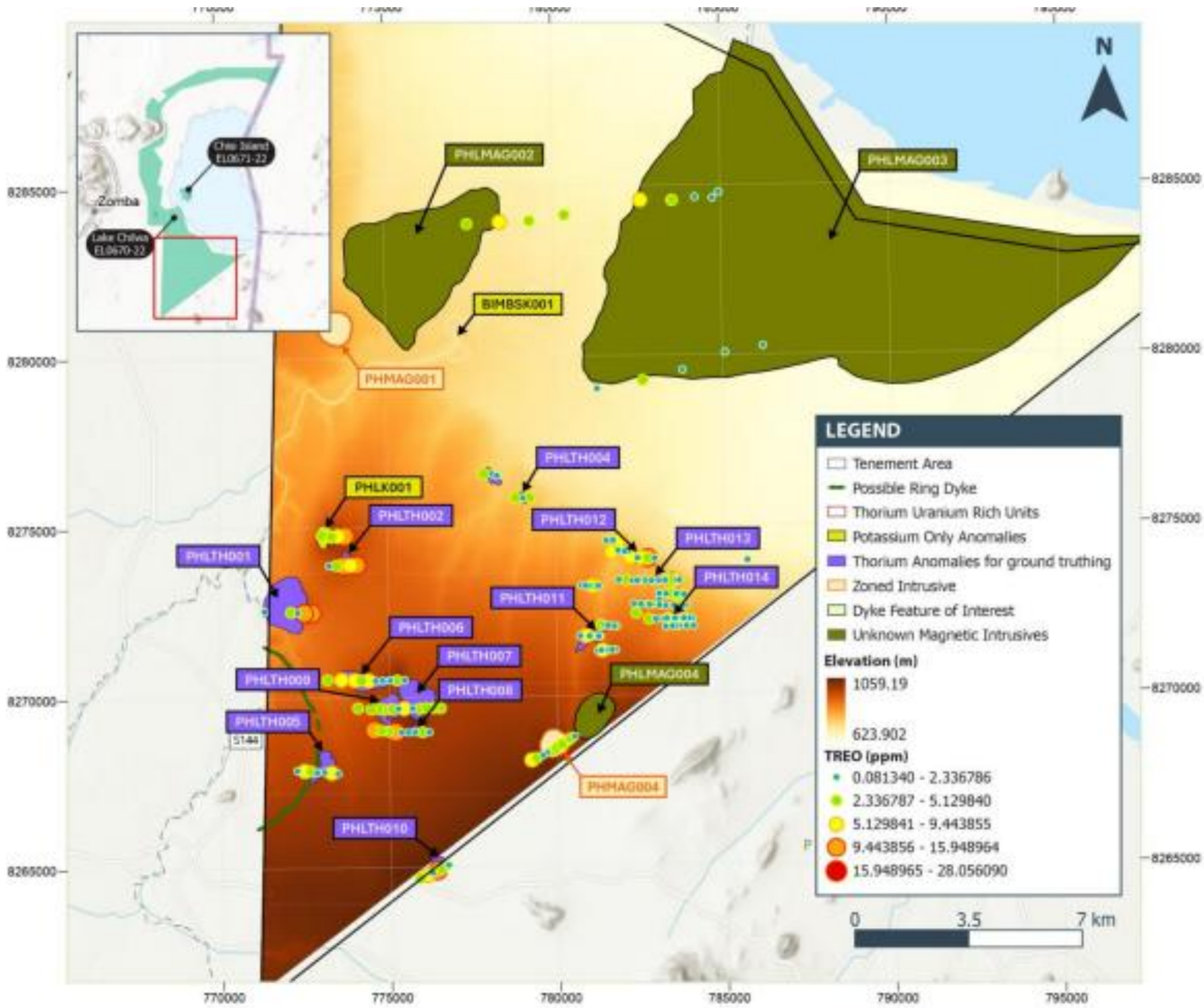

Figure 4 Chilwa Minerals Southern Licence area targets with soil geochemistry TREO numbers as reported in ASX announcement date 13 October 2025

Diamond drilling at Phalombe thorium anomaly

PHLTHO002 presents as a thorium geophysics anomaly approximately 300mX 600m in relatively low-lying ground without clear outcrop. Solvsbergite dykes, associated with carbonatites and alkaline intrusive rocks are mapped in nearby hills and through the area generally. Portable scintillometer readings, used to assist in geological mapping and locate sub-cropping rock have provided geological context, but are not relied upon to indicate mineralisation.

As outlined in the Company's announcement dated 13 October 2025

- Geophysical targets have been ranked based on REE and multi-element analyses (ALS ME-MS23) of surface soils, using associations characteristic of alkaline intrusives and carbonatites on the Company's license and globally.

- Prospectivity scores were assigned in categories; Heavy Rare Earths Affinity; Light Rare Earths Affinity an Metals affinity.
- PHLTH002 has ranked highly in all three categories.

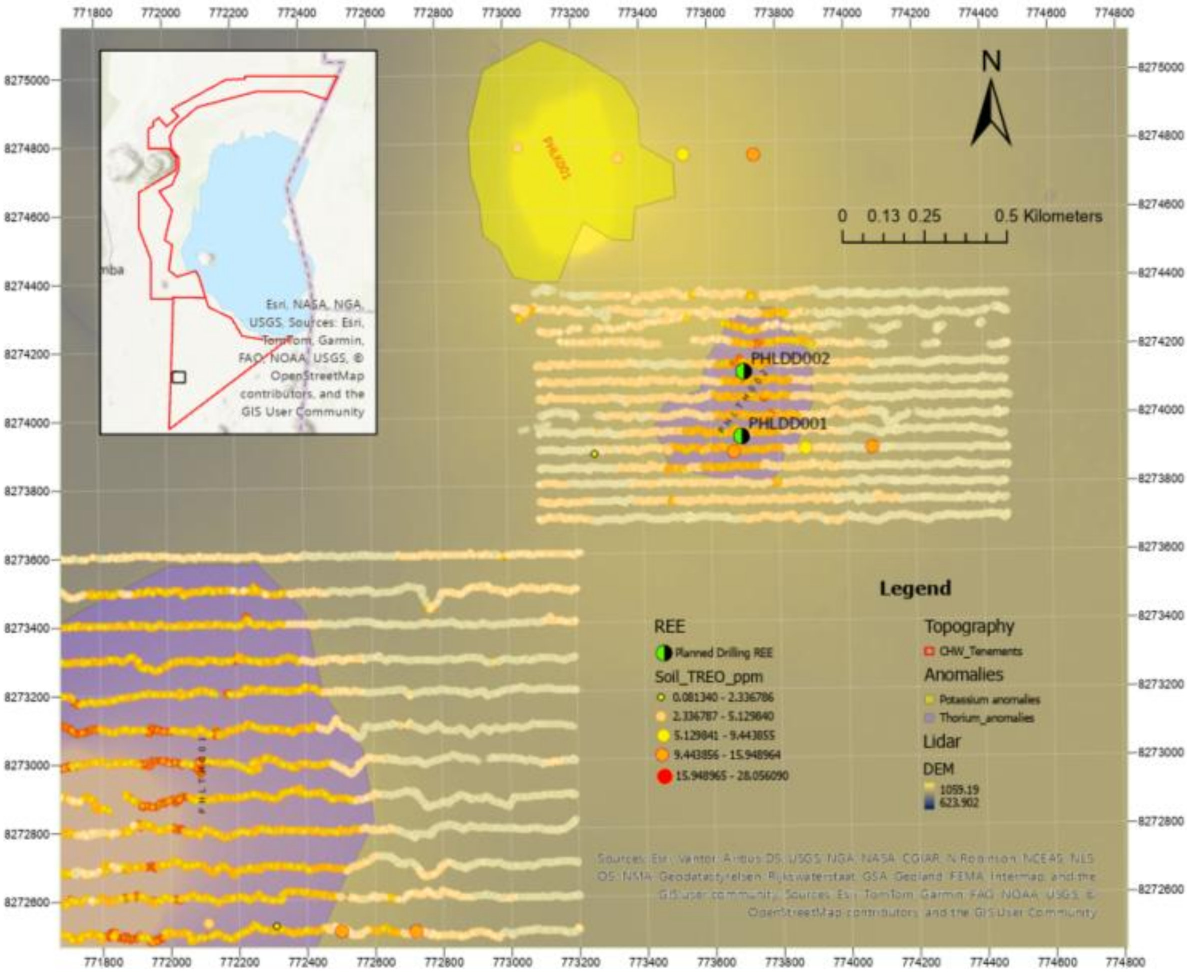

Figure 5 Initial two drilling points planned at thorium anomaly PHLTH002. Soil geochemistry results (previously announced 13 October 2025) as well as scintillometer readings (relative response) shown for geological context.

About Chilwa Minerals

Chilwa Minerals Limited (ASX: CHW) is an exploration company focused on advancing a diversified critical minerals portfolio within the Lake Chilwa region of southern Malawi.

The Company's core asset is heavy mineral sands (HMS) project, where exploration during 2025 focused on defining and expanding near-surface mineralisation hosted within dune and strandline HMS deposits (see announcement dated 08 December 2025). Chilwa's recent work has expanded the potential heavy minerals (THM) mineral suite beyond ilmenite, rutile and zircon to include leucoxene, garnet and importantly monazite. A Scoping Study for the mineral sands deposits is now progressing with partners TZ Minerals International.

In parallel, Chilwa is advancing a carbonatite-hosted rare earth element (REE) exploration program across its Lake Chilwa licence package. Interpretation of airborne magnetic and radiometric datasets completed in 2024 identified numerous carbonatite and alkaline intrusive features prospective for REE mineralisation. Diamond drilling commenced in February 2025 with a program designed to systematically assess geological potential across the project area.

Chilwa's strategy is to progress both programs concurrently, leveraging shared infrastructure, regional knowledge and technical datasets, while applying a disciplined and staged approach to exploration and project advancement.

AUTHORISATION STATEMENT

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

For further information contact:

Cadell Buss

Managing Director

cbuss@chilwaminerals.com.au

-ENDS-

Compliance Statement – Previously Reported Exploration Results

The Company confirms that the Exploration Results referenced in this announcement were first reported in the Company's announcement dated **13 October 2025** titled "Soil Sampling completed over 47 Rare Earth and Niobium anomalies with all targets confirming pathfinder elements". The Company further confirms that it **is not re-releasing** those Exploration Results and **is not aware of any new information or data that materially affects** the information included in the original market announcement. The Company also confirms that, to the extent the information in this announcement relates to previously reported Exploration Results, **all material assumptions and technical parameters** underpinning those Exploration Results continue to apply and have not materially changed.

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.