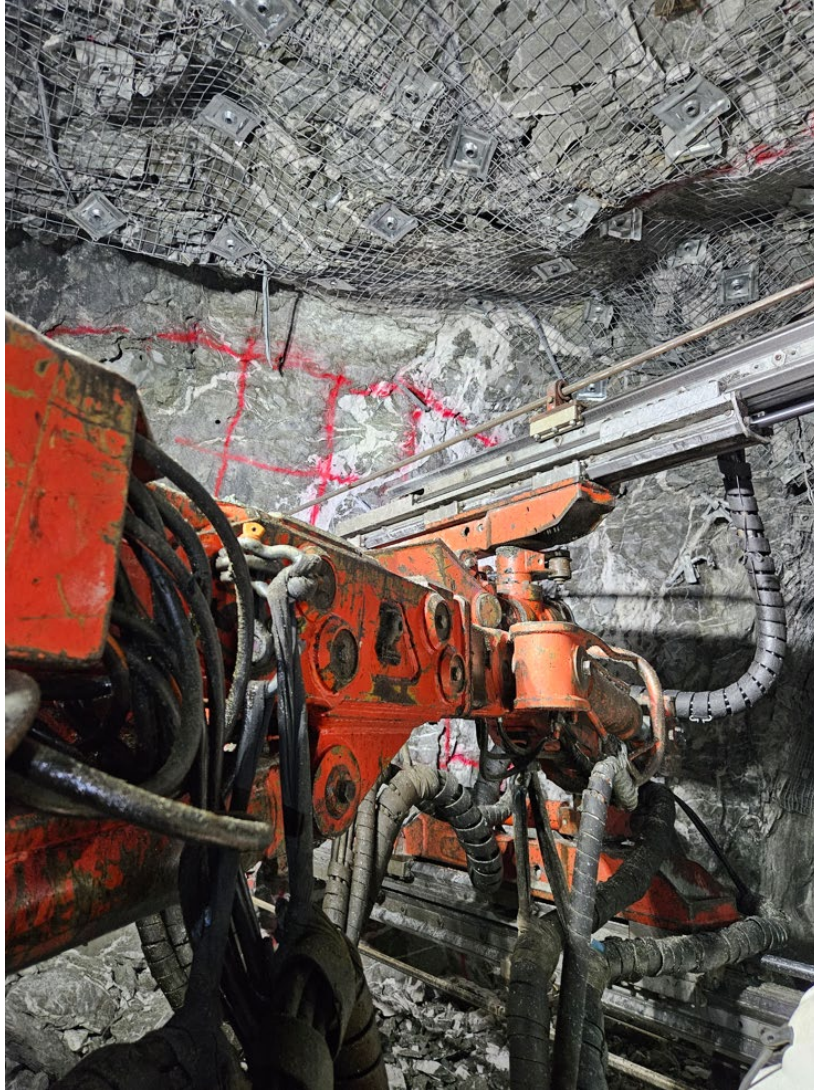




**KAISER
REEF**



Interim Financial Report

For the half year ended 31 December 2024

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Directors' Report

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Directors' Report

Directors' Report

Directors

The Directors present their report on "Kaiser" or "the Group", consisting of Kaiser Reef Limited and the entities it controlled at the end of, or during, the financial period ended 31 December 2024.

The following persons were Directors of Kaiser Reef Limited at any time during the period and up to the date of this report:

- Steve Formica
Non-Executive Chairman
- Jonathan Downes
Managing Director
- Stewart Howe
Executive Director
- Bradley Valiukas
Executive Director

Principal activities

During the period, the principal activities of the Group were mining, production and the sale of gold as well as mineral exploration and development. There were no significant changes in the nature of activities of the Group during the period.

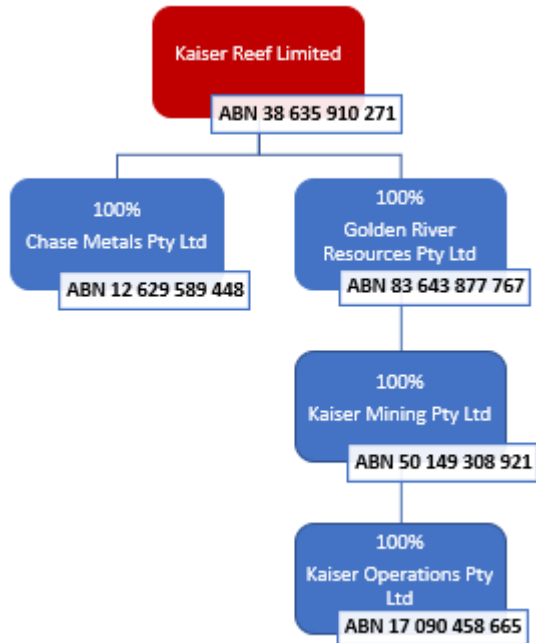
Dividend paid or recommended

No dividend has been paid and the directors do not recommend the payment of a dividend for the period ended 31 December 2024.

Corporate information

Kaiser Reef Limited is limited by shares and is incorporated and domiciled in Australia.

The Group's corporate structure is detailed below:



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Directors' Report

Overview of the Group's activities

The Group continued its growth focused investment with a number of milestone achievements during the 6 month period. The key results for the period were:

- Development of the A1 Mine decline past Level 23, which is the deepest point of historical workings, and the establishment of a sill pillar below the deepest workings has commenced.
- Level development in the Nova Zone is planned to commence in earnest on multiple levels, providing an increase in production volume and the beginning of a capital return from ore development in the third quarter of the financial year ending 30 June 2025.
- Continued modernisation of the Maldon process plant to improve efficiency and increase throughput rates.

The Directors' Report covers the 6 month period ended 31 December 2024. During this financial period the Group recorded a statutory loss of \$5,980,425 (2023 comparable period: statutory loss of \$2,631,038), the loss included non cash share based payments expense of \$2,021,602 (2023 comparable period: \$988,809).

Operationally, Kaiser's focus has been on development of the A1 Mine decline to past the Level 23 in order to move away from remnant mining practices. Access to previously unmined areas allow the implementation of modern mechanised mining methods and extraction from ore zones that have not previously been exploited. This is expected to deliver greater production rates and access to high grade lodes that would have been otherwise historically mined in the past. This development focus has significantly reduced short term ore production but has now, recently moved into production over development.

The Company believes that major milestones were achieved in the last quarter with robust returns expected on our investment in future periods. The significant statutory loss for the period arises directly from the Company's decision to prioritise decline development over ore production. The directors regard this loss as a necessary investment in securing early access to the unmined zones below Level 23.

The Group's resources have also been focused on key infrastructure upgrades at the A1 Mine, to facilitate increased production and profitability. Some upgrades have now been completed, including improved ventilation and high voltage power delivered to the lower mine levels. The Group also plans to continue exploration and engineering evaluation of Maldon to progress towards opening up a second mining operation at the fully permitted Union Hill.

The consolidated results for the period are summarised as follows, with negative balances representing loss:

	31 December 2024	31 December 2023
EBITDA ⁽³⁾⁽⁴⁾	(4,285,198)	(567,648)
EBIT ⁽²⁾⁽⁴⁾	(5,951,232)	(2,611,157)
Loss before tax	(5,980,425)	(2,631,068)
Statutory loss⁽¹⁾ after tax	(5,980,425)	(2,631,068)

(1) Statutory loss is net loss after tax attributable to owners of the parent.

(2) EBIT is earnings before interest expense, finance costs and income tax expense.

(3) EBITDA is EBIT before depreciation and amortisation.

(4) EBIT, EBITDA and underlying net loss after tax are non-IFRS financial measures, which have not been subject to review or audit by the Group's external auditors. These measures are presented to enable understanding of the underlying performance of the Group by users.

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Directors' Report

Review of operations

A1 Mine Operations

Safety is a key focus for the Group. Management continues to initiate reviews and improvements to safety processes as part of continuous operational improvements.

The A1 Mine continued its development dominated focus, and while detracting from ore production in the short term, will significantly increase production and cash flow from our Victorian gold operations in the future. This is an essential step in breaking the limited remnant mining production cycle.

During the period, Kaiser achieved a major milestone by advancing past the 23 level into the Nova Zone at the farthest edges of the historic A1 Gold Mine, bookending a nearly 40 years period where the mine has focused on the extraction of remnant ore.

During the period, the Group produced 2,092 ounces of gold (2023 comparable period: 4,681 ounces) and sold 1,993 ounces of gold (2023 comparable period: 4,679 ounces) at an average realised per ounce price of \$3,584 Australian dollars (2023 comparable period: \$2,990 Australia dollars).

Maldon Processing Plant

The plant processed 12,181 tonnes of ore in the period ended 31 December 2024 (2023 comparable period: 19,453 tonnes) at an average recovery of 95.1% (2023 comparable period: 93.2%).

The mill tailings continues to be discharged into Tailings Storage Facility (TSF) N° 5. Construction of the first lift of the TSF facility (TSF Lift 5C) was completed in December 2021. The next 1.5m lift planning was completed and is expected to be constructed in the second half of FY25.

During the period, an encouraging engineering study was completed to transition the Union Hill Gold Mine at Maldon from 'care and maintenance' back into production. Kaiser also commissioned a Gravity Circuit at the Maldon gold processing plant and Kaiser received its first trial delivery of third-party ore for treatment.

Water from the Union Hill underground mine continued to be used for process operations and the excess water was directed to the local community (Nuggetty Water Management Group) for agricultural purposes.

Exploration activities

A1 Drilling program

In December, Kaiser commenced an underground diamond drill campaign at the A1 Gold mine targeting the Nova zone unmined levels. The focus is to prove up and expand on previous high-grade intercepts, shifting the mine from having demonstrated geological continuity to having more certainty around tonnes and grade for planning and production purposes.

Kaiser previously reported further encouraging deep drilling results targeting at the A1 Gold Mine at depth, that confirmed continued high-grade mineralisation, beyond the historic mining levels (below the 23 Level). The combined results from the drilling programs gave the Board the confidence to proceed with development of the Nova Zone.

Drilling during the reporting period returned results (ASX release dated 15 January 2025) including:

First two drillholes each returned high grade results

- AUDH-567: 0.20m @ **65.1 g/t gold** from 27.5m
0.40m @ **40.9 g/t gold** from 46.9m

- AUDH-568: 0.80m @ **32.7 g/t gold** from 28.4m

Additional drill holes each returned high grade results (ASX release dated 17 February 2025)

- AUDH-569: 0.50m @ **18.3 g/t gold** from 97.1m
- AUDH-571: 11.0m @ **3.7 g/t gold** from 22m

The drill holes at A1 continue to target both near term mining and new deeper medium term discoveries. Kaiser is pleased that the drilling has delivered its objectives to provide the mining team with an increased range of mining opportunities and future ore sources.

Auditor independence

A copy of the Auditor's Independence Declaration required under section 307C of the Corporations Act 2001 is set out on page 6.

Events occurring after the end of the financial period

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial half year that, in their opinion, has significantly affected or may significantly affect in future years the Company's or the Group's operations, the results of those operations or the state of affairs.

On 21 October 2024, the Group announced a placement to raise \$8,050,000 (before costs) through an issue of 53,666,666 fully paid ordinary shares at \$0.15 per share (no discount) to accelerate the development of the A1 Nova Gold Mine. The Placement was completed via two tranches as follows:

- tranche 1 raising \$6,625,000 (44,166,666 fully paid ordinary shares). Tranche 1 was issued on 25 October 2024 utilising Company's existing capacities under ASX Listing Rules 7.1 and 7.1A; and
- tranche 2 raising \$1,425,000 (9,500,000 fully paid ordinary shares consisting of 3,500,000 shares issued to participating directors and 6,000,000 shares issued to sophisticated and professional investors). Tranche 2 being subject shareholder approval obtained on 17 January 2025.


Following shareholder approval at General Meeting held on 17 January 2025, the Group issued 12,500,000 unlisted options exercisable at \$0.22 (expiring 31 December 2026) to Lead Managers facilitated under the placement.

The Group issued an aggregate of 12,500,000 Performance Rights to Directors following shareholder approval at General Meeting held on 17 January 2025.

This report is made in accordance with a resolution of Directors.

For and on behalf of the Board

Dated at Perth this 14th day of March 2025.



Jonathan Downes
Managing Director

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Australia

DECLARATION OF INDEPENDENCE BY WAI AW TO THE DIRECTORS OF KAISER REEF LIMITED

As lead auditor for the review of Kaiser Reef Limited for the half-year ended 31 December 2024, 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 Kaiser Reef Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Wai Aw', is written over a thin horizontal line.

Wai Aw
Director

BDO Audit Pty Ltd

Melbourne, 14 March 2025

Financial Report

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About this report

Kaiser Reef Limited (the "Company" or "Parent Entity") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Company as at and for the period ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is a for-profit entity primarily involved in mining and sale of gold, mineral exploration and development.

The financial report has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated half year financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the audited annual financial report for the year ended 30 June 2024.

The comparative amounts for Profit or Loss items are for the six months ended 31 December 2023, and for Balance Sheet items balances are as at 30 June 2024.

The Board of Directors approved the consolidated interim financial statements on 14 March 2025.

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Consolidated statement of profit or loss and other comprehensive income
for the half year ended 31 December 2024

	Notes	Consolidated 31 December 2024	Consolidated 31 December 2023
Operating Revenue			
Revenue	1	7,681,188	13,988,096
Mine operating costs	1	(10,490,017)	(14,588,765)
Gross loss		(2,808,829)	(600,669)
Other income			
Other income	1	467,531	27,253
Exploration expensed		(684)	(326)
Corporate costs	1	(3,638,443)	(2,057,326)
Loss before income tax		(5,980,425)	(2,631,068)
Income tax expense		-	-
Loss after income tax		(5,980,425)	(2,631,068)
Other comprehensive income		-	-
Total comprehensive loss attributable to equity holders of the Company		(5,980,425)	(2,631,068)
Earnings/(loss) per share			
Basic loss per share (cents per share)		(2.72)	(1.76)
Diluted loss per share (cents per share)		(2.72)	(1.76)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the consolidated interim financial statements.

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Consolidated statement of financial position

as at 31 December 2024

	Notes	Consolidated 31 December 2024	Consolidated 30 June 2024
Assets			
Current assets			
Cash and cash equivalents	2	6,200,301	1,112,332
Trade and other receivables		1,317,549	652,351
Inventories		2,465,916	1,924,189
		9,983,766	3,688,872
Assets held for sale		1,457,879	1,445,297
Total current assets		11,441,645	5,134,169
Non-current assets			
Trade and other receivables		847,000	847,000
Property, plant and equipment		6,541,461	7,168,219
Mine properties	3	15,935,710	13,091,107
Exploration and evaluation	4	4,190,216	3,995,687
Total non-current assets		27,514,387	25,102,013
Total assets		38,956,032	30,236,182
Liabilities			
Current liabilities			
Trade and other payables		4,441,874	3,042,730
Provisions		192,211	919,756
Interest bearing liabilities		1,042,951	413,415
Total current liabilities		5,677,036	4,375,901
Non-current liabilities			
Rehabilitation provision		1,297,668	1,285,031
Other provisions		281,765	292,883
Interest bearing liabilities		90,911	186,401
Total non-current liabilities		1,670,344	1,764,315
Total liabilities		7,347,380	6,140,216
Net assets		31,608,652	24,095,966
Equity			
Contributed equity	6	51,082,676	39,611,166
Share based payment reserve		3,506,415	2,484,605
Accumulated losses		(22,980,439)	(17,999,805)
Total equity		31,608,652	24,095,966

The above consolidated statement of financial position should be read in conjunction with the notes to the consolidated interim financial statements.

Consolidated statement of changes in equity

for the half year ended 31 December 2024

	Note	Consolidated			Total
		Contributed Equity	Share based payment reserve	Accumulated Losses	
Balance at 1 July 2024		39,611,166	2,484,605	(17,999,805)	24,095,966
<i>Total comprehensive income/(loss) for the period</i>					
Loss attributable to equity holders of the Company		-	-	(5,980,425)	(5,980,425)
Other comprehensive income		-	-	-	-
<i>Transactions with owners of the Company recognised directly in equity:</i>					
Performance rights movement	5	-	9,071	-	9,071
Options issued	5	-	2,012,530	-	2,012,530
Options expired	5	-	(999,791)	999,791	-
Ordinary shares issued during the period		12,010,000	-	-	12,010,000
Cost of equity		(538,490)	-	-	(538,490)
Balance at 31 December 2024		51,082,676	3,506,415	(22,980,439)	31,608,652

	Note	Consolidated			Total
		Contributed Equity	Share based payment reserve	Accumulated Losses	
Balance at 1 July 2023		36,340,521	1,738,050	(12,859,249)	25,219,322
<i>Total comprehensive income/(loss) for the period</i>					
Loss attributable to equity holders of the Company		-	-	(2,631,068)	(2,631,068)
Other comprehensive income		-	-	-	-
<i>Transactions with owners of the Company recognised directly in equity:</i>					
Employee shares in lieu of salary		35,909	-	-	35,909
Performance rights movement	5	-	6,281	-	6,281
Share based payments	5	-	982,528	-	982,528
Ordinary shares issued for placement		3,475,000	-	-	3,475,000
Cost of equity		(240,264)	-	-	(240,264)
Balance at 31 December 2023		39,611,166	2,726,859	(15,490,317)	26,847,708

The above consolidated statement of changes in equity should be read in conjunction with the notes to the consolidated interim financial statements.

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Consolidated statement of cash flows

for the half year ended 31 December 2024

	Notes	Consolidated 31 December 2024	Consolidated 31 December 2023
Cash Flows From Operating Activities:			
Receipts from customers (inclusive of GST)		7,724,201	14,000,639
Payments to suppliers and employees (inclusive of GST)		(10,249,028)	(13,581,872)
Interest received		4,518	12,030
Interest paid		(17,744)	(15,297)
Net cash (outflow)/ inflow from operating activities		(2,538,053)	415,500
Cash Flows From Investing Activities:			
Payments for property, plant and equipment		(476,699)	(490,105)
Payments for development of mining properties		(3,410,510)	(1,126,847)
Payments for exploration and evaluation		(207,110)	(724,988)
Net cash outflow from investing activities		(4,094,319)	(2,341,940)
Cash Flows From Financing Activities:			
Proceeds from issue of ordinary shares		11,635,000	3,475,000
Unissued securities		912,557	-
Payment for cost of shares issued		(538,490)	(240,264)
Insurance premium funding principal repayments		(218,220)	(190,722)
Lease principal repayments		(70,506)	(67,256)
Net cash inflow from financing activities		11,720,341	2,976,758
Net increase in cash and cash equivalents		5,087,969	1,050,318
Cash and cash equivalents at the beginning of the period		1,112,332	3,225,145
Cash and cash equivalents at the end of the period	2	6,200,301	4,275,463

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the taxation authority are classified as part of operating cash flows.

The above consolidated statement of cash flows should be read in conjunction the notes to the consolidated interim financial statements.

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Notes to the Financial Report

1 Revenue, Income, Mine Operating Costs and Corporate costs

	Consolidated 31 December 2024	Consolidated 31 December 2023
Revenue and Other Income		
Gold sales	7,681,188	13,988,096
Toll treatment	29,623	-
Other income	436,405	12,030
Scrap metal sales	1,503	15,223
Total	8,148,719	14,015,349
Mine Operating Expenses		
Gold operation expenditure	(2,726,507)	(6,638,964)
Employee expense	(6,097,476)	(5,906,292)
Depreciation & Amortisation	(1,666,034)	(2,043,509)
Total operating cost	(10,490,017)	(14,588,765)
Corporate Costs		
Administrative cost	(1,583,085)	(1,038,057)
Share based payments ⁽¹⁾	(2,021,602)	(988,809)
Finance cost	(33,711)	(31,941)
Foreign exchange movements	(45)	1,481
Total corporate costs	(3,638,443)	(2,057,326)

(1) Refer to note 5 on share based payments.

Sales revenue

Revenue from the sale of gold and silver in the course of ordinary activities is measured at the fair value of the consideration received or receivable. The Group recognises revenue at a point in time when control (physical or contractual) is transferred to the buyer, the amount of revenue can be reliably measured and the associated costs can be estimated reliably, and it is probable that future economic benefits will flow to the Group.

Segment reporting

The consolidated entity has considered the requirements of AASB 8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity operates predominantly in one business segment and in one geographical location. The operations of the consolidated entity consist of mineral production and exploration, within Australia.

2 Cash and cash equivalents

	Consolidated 31 December 2024	Consolidated 30 June 2024
Cash at bank and on hand	6,200,301	1,112,332
	6,200,301	1,112,332

Cash and cash equivalents includes cash on hand, deposits and cash at call held at financial institutions, other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Mine Properties

Mine properties	Consolidated 31 December 2024	Consolidated 30 June 2024
At beginning of the period	13,091,107	8,225,026
Additions	3,410,510	3,073,928
Rehabilitation Liabilities	6,074	32,646
Transfer from exploration	-	3,030,055
Amortisation for the period	(571,981)	(1,270,548)
At end of the period	15,935,710	13,091,107

Mine properties

Mine development expenditure represents the acquisition cost and/or accumulated exploration, evaluation and development expenditure in respect of areas of interest in which mining has commenced.

When further development expenditure is incurred in respect of a mine, after the commencement of production, such expenditure is carried forward as part of the mine development only when substantial future economic benefits are established, otherwise such expenditure is classified as part of production and expensed as incurred.

Mine development costs are deferred until commercial production commences, at which time they are amortised on a unit-of-production basis over mineable resources. The calculation of amortisation takes into account future costs which will be incurred to develop all the mineable resources. Changes to mineable reserves are applied from the beginning of the reporting period and the amortisation charge is adjusted prospectively from the beginning of the period.

Accounting judgements and estimates

The Group applies the units of production method for amortisation of its life of mine specific assets, which results in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Amortisation has been based on indicated and inferred resource estimates. These calculations require the use of estimates and assumptions in relation to resources, metallurgy and the complexity of future capital development requirements; changes to these estimates and assumptions will impact the amortisation charge in the consolidated statement of profit or loss and asset carrying values.

Impairment of assets

All asset values are reviewed at each reporting date to determine whether there is objective evidence that there have been events or changes in circumstances that indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. An impairment loss is recognised for the amount by which the carrying amount of an asset or a cash generating unit ('CGU') exceeds the recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss.

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular assets that may lead to impairment.

When required by an indicator of impairment, Value in use is determined as the net present value of the estimated future cash flows. Future cash flows are based on life-of-mine plans using market based commodity price quantities of ore reserves, operating costs and future capital expenditure. Costs to dispose have been estimated by management.

Notes to the Financial Report

4 Exploration and evaluation

	Consolidated 31 December 2024	Consolidated 30 June 2024
Non-current		
At beginning of the period	3,995,687	7,232,475
Additions	207,110	1,238,564
Transfer to mine properties	-	(3,030,055)
Transfer to held for sale assets	(12,581)	(1,445,297)
At end of the period	4,190,216	3,995,687

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group holds current rights to tenure and the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable resources.

Exploration and evaluation expenditure consists of an accumulation of acquisition costs and direct exploration and evaluation costs incurred, together with an allocation of directly related overhead expenditure.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward cost in relation to that area of interest.

When an area of interest becomes technically feasible for technical feasibility and commercial viability of extracting. The area of interest will be assessed for impairment and any impairment loss recognised before reclassification.

When an area of interest is abandoned, or the Directors determine it is not commercially viable to pursue, accumulated costs in respect of that area are written off in the period the decision is made.

5 Share based payments

Details	Consolidated 31 December 2024	Consolidated 31 December 2023
Value of options vested/expired during the period ⁽¹⁾	(1,012,739)	(982,528)
Value of rights vested/expired during the period	(9,071)	(6,281)
Total share based payments	(1,021,810)	(988,809)

(1) \$999,791 in expired options expense in prior year are allocated to retain earnings.

Accounting judgements and estimates

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either a Black-Scholes model or Binomial Pricing Model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Where performance rights are subject to vesting conditions, Management has formed judgments around the likelihood of vesting conditions being met.

6 Contributed equity

Details	Number of shares	\$
Opening balance 1 July 2024	171,043,894	39,611,166
Share placement	80,066,666	12,010,000
Cost of share placement	-	(538,490)
Closing balance 31 December 2024	251,110,560	51,082,676

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

7 Events occurring after the balance date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that, in their opinion, has significantly affected or may significantly affect in future years the Company's or the Group's operations, the results of those operations or the state of affairs except as described in this note.

On 21 October 2024, the Group announced a placement to raise \$8,050,000 (before costs) through an issue of 53,666,666 fully paid ordinary shares at \$0.15 per share (no discount) to accelerate the development of the A1 Nova Gold Mine. The Placement was completed via two tranches as follows:

- tranche 1 raising \$6,625,000 (44,166,666 fully paid ordinary shares). Tranche 1 was issued on 25 October 2024 utilising Company's existing capacities under ASX Listing Rules 7.1 and 7.1A; and
- tranche 2 raising \$1,425,000 (9,500,000 fully paid ordinary shares consisting of 3,500,000 shares issued to participating directors and 6,000,000 shares issued to sophisticated and professional investors). Tranche 2 being subject shareholder approval obtained on 17 January 2025.

Following shareholder approval at General Meeting held on 17 January 2025, the Group issued 12,500,000 unlisted options exercisable at \$0.22 (expiring 31 December 2026) to Lead Managers facilitated under the placement.

The Group issued an aggregate of 12,500,000 Performance Rights to Directors following shareholder approval at General Meeting held on 17 January 2025.

8 Contingencies

The Directors are not aware of any contingencies for the period ended 31 December 2024.

Notes to the Financial Report

9 Basis of preparation*Significant accounting policies*

These financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

Comparative amounts have been restated, where applicable, to conform with the current period presentation.

Critical accounting judgement and estimates

The preparation of the half year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this consolidated half year financial report, the significant estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the most recent annual financial report.

Going Concern

As disclosed in the consolidated financial statements, the Group recorded a net loss after tax of \$5,980,425 (2023 comparable period: loss after tax \$2,631,068), and generated net cash outflow from operating and investing activities of \$6,632,372 (2023 comparable period: \$1,926,440 cash inflow) for the half year ended 31 December 2024.

These above factors indicate a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, which contemplates normal business activity, realisation of assets and the settlement of liabilities in the normal course of business, after consideration of the following factors:

- Cash and cash equivalent as at 31 December 2024 was \$6,200,301 (2023 comparable period: \$4,275,463).
- On 25 June 2024, the Group executed a binding agreement to divest of its New South Wales Exploration Tenement assets to focus on its core operations and reduce its non-essential exploration expenditure. \$1,600,000 is expected to be received in cash and script for this transaction within a 12 month period.

- On 10 July 2024 shareholders approved a strategic investment of \$5,010,000 from Ragnar Metals Limited (ASX: RAG) into Kaiser Reef Limited.
- The Group has focused on the A1 mine development into the Nova Zone (below Level 23 unmined area) over the 6 month period and subsequent to this reporting date opened multiple levels for production. The Group is expecting increased production volume and an uplift of gold revenue in the last quarter of the financial year ending 30 June 2025.
- If necessary, new capital raisings will be initiated. The Group has been successful with multiple past capital raisings with most recent as announced on 21 October 2024 which raised a total of \$8,050,000 (before costs).

Accordingly, the consolidated financial statements for the half year ended 31 December 2024 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its operating costs and exploration expenditure commitments and pay its debts as and when they fall due for at least twelve months from the date of this report.

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 ordinary course of the business, and at amounts that differ from those stated in the consolidated financial statements. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the Group not continue as a going concern.

Directors' declaration

In the Directors' opinion:

- the financial statements and notes set out on pages 8 to 14 are in accordance with the *Corporations Act 2001*, including:
 - complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*; and
 - giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six month period ended on that date; and
- there are reasonable grounds to believe that the Company 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.

Signed in accordance with a resolution of the Directors:



Jonathan Downes
Managing Director

Perth
14 March 2025



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 Melbourne VIC 3008
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 Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kaiser Reef Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Kaiser Reef Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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 half-year 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 2024 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.

Material uncertainty relating to going concern

We draw attention to Note 9 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.

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Responsibility of the directors for the financial report

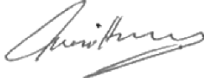
The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year 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 half-year 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 half-year 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 2024 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 half-year 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

BDO


Wai Aw
Director

Melbourne, 14 March 2025

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Corporate Directory

BOARD OF DIRECTORS

S Formica	Non-Executive Chairman
J Downes	Managing Director
S Howe	Executive Director
B Valiukas	Executive Director

JOINT COMPANY SECRETARY

A Tabakovic
S Brockhurst

PRINCIPAL PLACE OF BUSINESS

Level 2, 36 Rowland Street
Subiaco WA 6008
Telephone: +61 8 9481 0389
Email: admin@kaiserreef.com.au
Website: www.kaiserreef.com.au

STOCK EXCHANGE LISTING

Shares in Kaiser Reef Limited are quoted on the Australian Securities Exchange
Ticker Symbol: KAU

SHARE REGISTRY

Automic Registry Pty Ltd
Level 5, 191 St Georges Terraces
Perth WA 6000

AUDITOR

BDO Audit Pty Ltd
Tower 4, Level 18,
727 Collins Street
Melbourne VIC 3008, AUSTRALIA

REGISTERED OFFICE

Level 8, 216 St Georges Terrace
Perth WA 6000

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**KAISER
REEF**

Additional information for public listed companies

Schedule of Tenement

Project	Tenement Number	Location of Tenement	Status	Beneficial Interest
Stuart Town	EL8491	New South Wales	Granted	100%
	EL8592	New South Wales	Granted	100%
	EL9203	New South Wales	Granted	100%
	EL9198	New South Wales	Granted	100%
	EL9199	New South Wales	Granted	100%
Macquarie North	EL9623	New South Wales	Granted	100%
	EL9624	New South Wales	Granted	100%
A1	MIN5294	Victoria	Granted	100%
Maldon	MIN5146	Victoria	Granted	100%
	EL8215	Victoria	Pending approval	100%
	MIN5528	Victoria	Granted	100%

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