

ASX RELEASE | 29 APRIL 2025

Quarterly Activities Report for Period Ending 31st March 2025

Kaiser Reef Limited (ASX:KAU) ("Kaiser" or the "Company") is pleased to report on its activities and cash flow for the quarter ending 31 March 2025.

During the quarter, Kaiser announced that it has entered into a definitive agreement (the "**Agreement**") with Catalyst Metals Limited (**ASX:CYL**) ("**Catalyst**") to acquire the Henty Gold Mine¹ and associated Tasmanian exploration tenements ("**Henty Gold Mine**" or "**Henty**").

Highlights

Henty Acquisition

- Transformational acquisition of the Henty gold Mine announced
- Complementary operational asset producing approximately 25koz per annum
- Gold produced in the December Quarter totaled 6,594oz, produced at an AISC of A\$2,631/oz¹
- JORC compliant Mineral Resource of 4.1Mt @ 3.4g/t Au for 449kcozs of contained gold
- JORC compliant Ore Reserve of 1.2Mt @ 4.0g/t Au for 154kcozs
- For further details, see Kaiser's announcement and presentation dated 24 March 2025
- Acquisition completion expected mid-May

Finance and Corporate

- Binding commitments received for a A\$30 million two-tranche Placement
- A\$9.1 million tranche 1 Placement completed
- A\$20.9 million tranche 2 Placement subject to shareholder approval
- Kaiser Directors firm commitments to subscribe for A\$0.7 million in the Placement, subject to shareholder approval.
- General meeting to be held on 7 May 2025
- A\$10 million of funding secured with Auramet International Inc, consisting of an A\$8 million senior secured gold loan and a A\$2 million unsecured gold prepayment facility
- Kaiser is well-funded with a strong working capital position going forward

Maldon Processing Joint Venture Option

- Kaiser and Catalyst agree an option to form a strategic partnership in the Victorian Goldfields
- Catalyst option to enter into a 50/50 JV at the Maldon gold processing plant
- Catalyst option to expand the Maldon gold processing plant, at Catalyst's cost
- Provides Catalyst with, and maintains Kaiser's, clear pathway to progress and process Victorian gold assets
- Potential significant mutual benefits and economies of scale

¹ Refer to KAU ASX release dated 25 March 2025 "Transformational Acquisition of the Henty Gold Mine"

A1 Mining and Nova Zone Development

- Dewatering of and development breakthrough to the lowest historical level (23 Level)
- 40 year period of production from remnant ore only is now concluded
- Development and infrastructure focus continued
- Sill pillar establishment below the historical working commenced on 1150 level
- Focus shifting from capital and waste development to ore development for the June quarter
- Diamond drilling continued, numerous mineralised gold bearing intervals

Maldon Processing

- Mill foundation rehabilitation commenced and completed during the quarter
- Tailings lift D1/2 on TSF5 completed, incorporating a previously disturbed borrow pit
- Tailings life D2/2 on TSF5 to commence during the June quarter, increasing tailings capacity by an aggregate 220kt
- Processing of multiple small parcels on an ore purchase basis completed
- Ore purchases are expected to continue, and the process plant has now moved to 2-shift basis, weekdays

Maldon Historical Mine and Exploration

- Focus on data collation and preparation for exploration works

Kaiser's Managing Director, Jonathan Downes, commented:

"This has been a landmark quarter for Kaiser, headlined by the announced acquisition of the Henty Gold Mine in Tasmania, a profitable producer with at least a 5-year mine life, based on Reserves, and fantastic exploration potential."

"When the Henty transaction is completed, expected in mid-May, Kaiser will be transformed into a company with three gold projects, two operational, two gold processing plants, profitable production of over 30,000oz of gold per annum and great expansion and exploration potential, all in a great macro environment for gold."

"We have had a busy quarter, and that will continue through into the June quarter as we bed down the Henty acquisition and continue to push all of our projects forward. We look forward to welcoming the Henty team into Kaiser and growing the business together."



Figure 1 - Henty 300ktpa CIL Plant & Administration Complex

Quarterly Production Summary

• Gold Produced:	551 ounces
• Gold Grade (recovered):	3.85 g/t gold
• Gold Price Realised:	A\$4,726/oz
• Gold Recovery (%):	88.5%
• Revenues:	\$3.5M
• Operating Development and Production Costs:	\$1.98M
• Closing Cash	\$10.9M

A1 Nova Zone Drilling

Underground diamond drilling was ongoing at A1, targeting the Nova Zone during the quarter, proving geological continuity and that high-grade mineralisation continues at depth. Highlight results include: ²

- AUDH567: 0.20m @ **65.1 g/t gold** from 24.7m; and
 - 0.40m @ **40.9 g/t gold** from 46.9m
- AUDH568: 0.80m @ **32.7 g/t gold** from 28.4m
- A1UDH569: 1.0m @ **3.3 g/t gold** from 84.8m³; and
 - 0.50m @ **18.3 g/t gold** from 97.1m
 - one of the deepest new intercepts, possibly representing a new reef system
- A1UDH570: 0.29m @ **7.3 g/t gold** from 36.1m; and
 - 0.27m @ **7.3 g/t gold** from 57.6m
- A1UDH571: 11.0m @ **3.7 g/t gold** from 22m; including
 - 2.85m @ **9.3 g/t gold** from 30.15m;

A1 Mine - Nova Zone Development

Kaisers continued to develop into the Nova Zone, below the historically mined A1 Gold Mine, bookending a nearly 40 years period where the mine has focused on the extraction of remnant ore. In contrast, modern remnant mining has seen production limited, with the majority of high grade ore having been previously exploited. Kaiser expects to recover significantly more gold per vertical meter than before, and potentially at higher grades.

In November 2024, Kaiser undertook an operational reset at the A1 Mine and prioritised accessing the Nova Zone and the associated required decline and infrastructure development. This capital work has continued during the March quarter. Excellent progress was made as Kaiser transitioned from development into the Nova Zone, into combined development and increasing ore production. This shift is supported by improved access to ore zones established by the recent decline development performance.

Ventilation works remain a priority at A1. Improvements during the quarter were made to the primary ventilation, located on the historical 7 level, and the focus for the June quarter is now to commence de-bottlenecking restrictions in the mine in parallel to the historical workings. Longhole drilling and associated other works will be ongoing and progressively allow improved ventilation to the lower portions of the mine.

Final dewatering of the historical workings was significantly progressed during the quarter and is now largely completed, with multiple development breakthroughs after the end of the quarter. This has now removed an operating restriction at the bottom of the mine and along with decline advance will allow sill pillar development on the 1150 level.

Work completed to date will now allow increased levels of ore development on multiple lodes and ore production is expected to progressively increase during the June quarter.

² As released on the ASX on 15 January 2025 and 7 February 2025

Processing Plant Initiatives

Toll Treatment

The Maldon Gold Processing Plant is increasing the identified toll treatment opportunities under Ore Purchase Agreements, with several parties now delivering material to Maldon for treatment. Approximately 24.6% of the gold recovered was derived from third party sources.

Tailings Lift

From December 2024 to February 2025, Kaiser completed the constructing of the next lift of our tailings storage facility, TSF5 Lift D, with earthworks being completed by our civil partners Slingo's Earthmoving. This lift will be completed in 2 stages, with the first portion, adding the borrow pit area to the tails dam footprint and raising the rest of the dam 300mm being completed last week. The lift is a combination of predominantly upstream construction around the majority of the dam and a small section of downstream construction around the borrow pit. Once the second stage is complete, it will give us a further 220kt of tailings capacity.

Mill Foundation Rehabilitation

After nearly 40 years of operation, the mill foundations required some repairs. Chemical attack and age had caused some significant deterioration and spalling of the concrete on the plinths holding up the SAG mill. We removed the deteriorated concrete and replaced with a high strength 90mpa specialised concrete.

Corporate Activities

Capital Raising

On 24 March 2025, Kaiser announced that it has received binding commitments to raise total of A\$30 million (before costs) via two-tranche Placement, comprising A\$9.1 million under the Company's existing placement capacities pursuant to ASX Listing Rules 7.1 and 7.1A and a A\$20.9 million subject to shareholder approval at a general meeting to be held in May 2025. The funds raised will be applied towards the upfront cash consideration, transaction costs (including costs of the Placement) and surplus working capital to execute growth initiatives. On 31 March 2025, Kaiser issued total of 65,152,640 tranche 1 Placement shares at an issue price of A\$0.14 per share to raise A\$9,121,369.60 (before costs). Argonaut Securities Pty Limited and Canaccord Genuity (Australia) Limited are acting as Joint Lead Managers and Joint Bookrunners to the Placement with Taurus Capital Pty Ltd as the Co-Manager to the Placement. General Meeting of shareholders is being held on 7 May 2025 to approve tranche 2 of the Placement. The Directors of Kaiser have provided firm commitments to subscribe for A\$0.7 million in the Placement, subject to 7 May 2025 shareholder approval.

Funding

On 24 March 2025, Kaiser announced that it had secured A\$10 million of funding with Auramet International Inc, consisting of an A\$8 million senior secured gold loan and a A\$2 million unsecured gold prepayment facility.

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Finance (unaudited)

During the March 2025 quarter, Kaiser sold 641 ounces gold at an average realised gold price of AUD\$4,726/ounce. Kaiser remains relatively debt-free⁴ and has not entered into any gold hedging agreements.

Total cash held at bank as of 31 March 2025 was \$10.9M, excluding \$0.85M restricted cash.

Payments to related parties of the entity and their associates

The Company's Quarterly Cashflow Report (Appendix 5B) follows the activities report. The total amount paid to related parties of the Company and their associates, as per item 6.1 of the Appendix 5B was \$0.2M and includes the payments to directors for fees paid during the Quarter.

-ENDS-

This announcement was approved for release by the Board of Kaiser Reef Limited.

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About Kaiser Reef Limited

Kaiser Reef is a high-grade gold producer and exploration company with a clear focus on mining and exploring for gold within the Tasmanian and Victorian goldfields. Kaiser wholly owns and operates the A1 Gold Mine, the Maldon Gold Processing Plant and the Maldon Gold Mine (currently on care and maintenance) in Victoria. Kaiser is currently in the process of buying the Henty Gold Mine from Catalyst Metals Limited.

⁴ Kaiser has a modest lease purchase agreement as detailed in March 2024 Quarter and June 2024 Quarter Appendix 5B reports. Together with insurance premium funding in June 2024 Quarter which allows the company to pay its insurance premium monthly.

Future Performance

This announcement may contain certain forward-looking statements and opinions. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Kaiser Reef.

Competent Person's Statements

The information in this release that relates to exploration results, data quality and geological interpretations for the A1 Gold Mine were first released in the Company's announcements dated 15 January 2025, 29 January 2025 and 7 February 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The information in this release that relates to exploration results, data quality, geological interpretations and Mineral Resources for the Maldon Gold Project were first released in the Company's announcements dated 19 May 2021 and 21 July 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The information in this release that relates to exploration results, data quality, geological interpretations, Mineral Resources and Ore Reserves for the Henty Gold Mine were first released in the Company's announcement dated 24 March 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Henty Gold Mine March 2024 Mineral Resource Estimate (at 1.5 g/t Au cut-off)

Classification	Tonnes Mt)	Au g/t	Ounces (kOz)
Indicated	3.69	3.5	410.4
Inferred	0.55	2.9	52.3
Total	4.24	3.4	462.4

Notes:

- Mineral Resource estimated at 1.5g/t Au cut-off and reported within underground Shape Optimiser (SO). SO inputs include:
Gold Price AUD\$3,500/oz, Metallurgical Recovery = 92%; Royalties = 5.9%; Minimum mining width = 1.5m; Minimum stope height=16m, Minimum stope strike=5m
- Numbers may not add up due to rounding



Henty Gold Mine March 2024 Ore Reserve Estimate

Classification	Tonnes Mt)	Au g/t	Ounces (kOz)
Probable	1.2	4.0	154
Total	1.2	4.0	154

Notes:

1. Ore Reserves estimated at 1.7g/t Au cut-off
2. Reserves are a combination of detailed mine design and Stope Optimised shapes. SO inputs include: Mining, Maintenance and Grade Control Cost = AUD\$90/t; Processing Costs = AUD\$28/t ore; Site Administration Cost = AUD\$24/t ore; Metallurgical Recovery = variable, with average of 92.6%; Royalties = 5.9%; Gold Price = AUD\$3,000/oz; Minimum mining width = 1.5m
3. Mining modifying factors are applied dependent on stope method, whereby 10-15% dilution is applied to the in-situ material, and ore recovery ranges from 92 - 95%

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**Tenement information as required by the Listing Rule 5.3.2**

SCHEDULE OF INTEREST IN MINING TENEMENTS as at 31 March 2025				
Project	Tenement Number	Location of Tenement	Beneficial interest held at end of the quarter	Change in holding during the quarter
Stuart Town	EL8491*	New South Wales	100%	-
Stuart Town	EL8952*	New South Wales	100%	-
Stuart Town	EL9203*	New South Wales	100%	-
Stuart Town	EL9198*	New South Wales	100%	-
Stuart Town	EL9199*	New South Wales	100%	-
Macquarie North	EL9623*	New South Wales	100%	-
Macquarie North	EL9624*	New South Wales	100%	-
A1	MIN5294	Victoria	100%	-
Maldon	MIN5146	Victoria	100%	-
Maldon	EL8215	Victoria	100%	-
Maldon	MIN5528	Victoria	100%	-
Maldon	EL7029	Victoria	100%	-

Notes:

*Subject to divestment – refer to ASX announcement dated 25 June 2024.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kaiser Reef Limited

ABN

38 635 910 271

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	3,448	11,172
1.2	Payments for		
	(a) exploration & evaluation		(1)
	(b) development		
	(c) production	(2,626)	(6,732)
	(d) staff costs - production	(2,065)	(6,784)
	(e) staff costs - corporate	(329)	(928)
	(f) administration and corporate costs	(127)	(951)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	6
1.5	Interest and other costs of finance paid	(3)	(20)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(1,701)	(4,239)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(12)	(62)
	(c) property, plant and equipment	(655)	(1,132)
	(d) exploration & evaluation	(161)	(318)
	(e) investments		
	(f) other non-current assets – capital development	(1,983)	(5,394)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(2,811)	(6,906)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,546	22,181
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(610)	(1,149)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(17)	(305)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (unissued securities)	(710)	202
3.10	Net cash from / (used in) financing activities	9,209	20,929

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,200	1,112
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,701)	(4,239)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,811)	(6,906)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,209	20,929

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	10,897	10,897

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,897	6,200
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,897	6,200

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(200)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

6.1 Comprises Directors' fees paid during the quarter.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	(163)	-
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	(163)	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Lender: De Lage Landen Pty Ltd Amount: \$162,863.64 Interest: 7.95% per annum - fixed Maturity date: 27 February 2027 Security: equipment purchased		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,701)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(161)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,862)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,897
8.5 Unused finance facilities available at quarter end (item 7.5)	
8.6 Total available funding (item 8.4 + item 8.5)	10,897
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.9
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:29 April 2025.....

Authorised by: By the Board of Kaiser Reef Limited.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.