ASX RELEASE

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KAISER YIELDS PROFIT AND ACHIEVES 36% INCREASE IN GOLD PRODUCTION

Kaiser attains 36% increase in gold production for December Quarter over the previous Quarter and operationally profitable production with the ramp up ongoing.

- **Revenues:** **$5.1 M**
- **Mine Operating Cash Costs:** **$3.9 M**
- **Gold Head Grade (recovered):** **9.87 g/t gold**
- **Operating Cash Costs per Ounce:** **AUD$2,006/Oz**
- **Gold Price Received:** **AUD$2,474/Oz**

Kaiser Reef Limited (**ASX: KAU**) ("**Kaiser**", or **the "Company"**) is pleased to announce a further significant milestone since acquiring Centennial Gold Ltd assets in 2021. Investment in operational capital and dedication by the workforce has delivered further operational improvements in the December Quarter that have yielded profitable gold production at the A1 Gold Mine (Figure 1). During 2021, operational improvements began delivering profitable monthly operational results and Kaiser is pleased that the investment made in 2021 is delivering these significant outcomes. Further improvements in operating efficiency, gold production and output are targets in 2022.

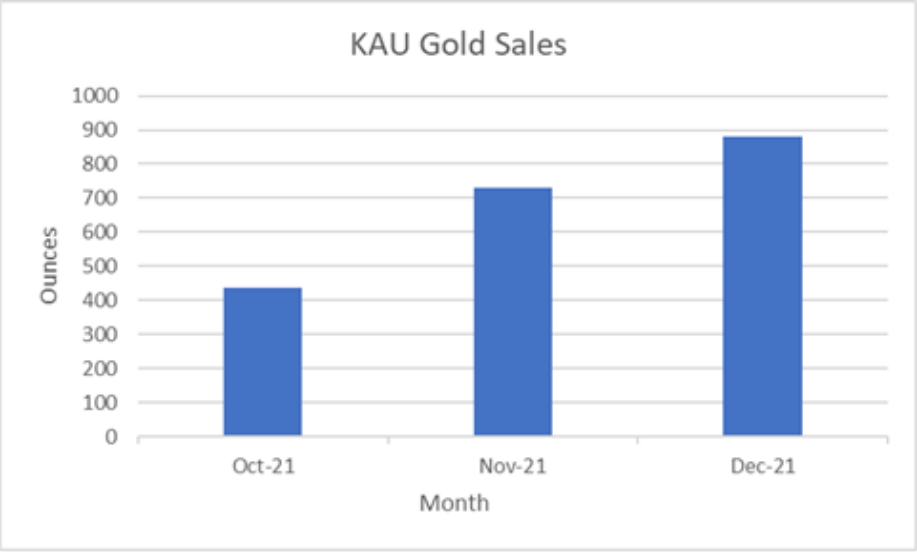

Figure 1: Monthly Gold Sales

This positive result underpins Kaiser's vision to become a multi-mine high grade gold producer and supports the exploration focus. The production ramp up which began with the commencement of decline extension in mid-2021 is ongoing and during the December quarter, development to allow access and mining of the Queens Lode, as well as exploration drilling at Maldon has progressed well. When accessed and in full production, the Queens Lode is expected to deliver further substantial increase in production and revenues. Full details will be delivered in the December 2021 Quarterly report.

The A1 Mine commenced operation in 1861 and is a significant high-grade asset that remains open at depth to further mineralisation. The mining team, working under Tom de Vries, have worked hard to deliver this solid result and remain focussed on future expanded production (Figure 2).

Figure 2: Loader transporting high grade ore at the A1 Mine

Kaiser's 'next-level' exploration target remains the Union Hill and Nuggety Reef gold projects within the Maldon goldfield, where exploration continues with two operating drilling rigs.

The Maldon Goldfield

Maldon is located between Bendigo and Ballarat in the Victorian Goldfields and the licence area has produced over 1.74M ounces of gold at 28 g/t (Figure 3). Maldon is host to one of Australia's highest grade historic gold mines, the Nuggety Reef, that produced 301,000 ounces of gold at 187 g/t gold.

One of the Maldon's key attributes is the extensive existing infrastructure and proximity to Kaiser's gold processing plant (3 km away). Rapid and low-cost development could be implemented with the existing mining fleet owned by Kaiser and experienced mining team for minimal capital cost.

Kaiser considers the productive high grade historic Maldon goldfield to be underexplored and extremely prospective. Exploration at Maldon is a high priority objective for Kaiser. Drilling commenced early during December 2021 Quarter, targeting prospective potential ore shoot extensions. The large underground drilling rig concluded exploration drilling at the A1 Mine and has since commenced drilling from underground locations at Maldon. Drilling has initially targeted the projected extensions to historic high-grade mineralisation at the Eaglehawk reef, one of Maldon's largest high grade and largest historic mines.

The Kaiser owned Maldon goldfield produced 1.74 million ounces of gold at an average grade of 28 g/t gold[1] on a granted mining lease close to the 100% owned, permitted and operating plant which is currently treating ore from the wholly owned high-grade A1 gold mine.

Maldon has some distinct exploration and development advantages including an established and serviced decline which allows excellent underground access for drilling high-grade shoots and is currently facilitating the underground drilling and future potential mining.

[1] Not including alluvial/placer production.

Some of the historic high-grade gold results returned from Maldon that require follow up include:

- **0.90m @ 103.0 g/t gold**
- **2.73m @ 42.2 g/t gold**
- **2.75m @ 22.6 g/t gold**
- **0.44m @ 205.0 g/t gold**
- **2.00m @ 58.0 g/t gold**
- **0.83m @ 80.0 g/t gold**
- **3.55m @ 11.9 g/t gold**
- **2.95m @ 18.5 g/t gold**
- **0.85m @ 114.6 g/t gold**
- **1.80m @ 29.6 g/t gold**
- **2.30m @ 12.5 g/t gold**
- **1.0m @ 45.5 g/t gold**

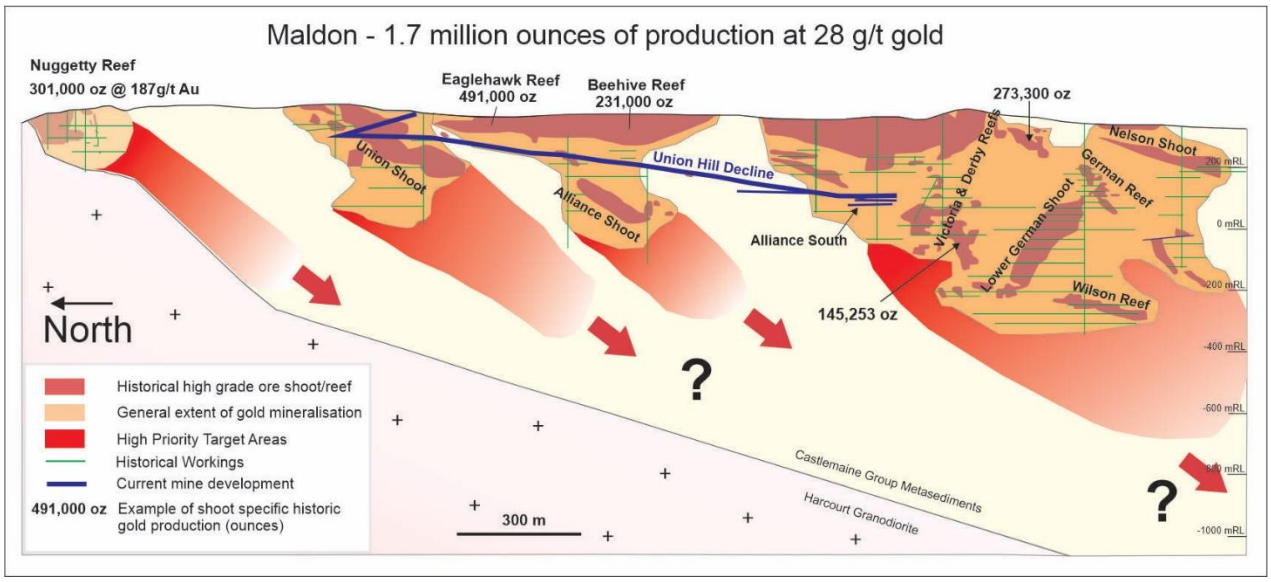

Figure 3: Long section of the Maldon gold field – showing location of the Nuggety Reef to the North

This announcement has been authorised for release to the market by Executive Director, Jonathan Downes.

For further information:

Jonathan Downes
Managing Director
admin@kaiserreef.com.au

Jane Morgan
Investor & Media Relations
jm@janemorganmanagement.com.au
+61404 555 618

Competent Persons Disclosure

The information included in this report that relates to Exploration Results is based on information compiled by Shawn Panton (B.Sc (hons) (Geology/Earth Science), M.B.A Ex.,an employee of Centennial Mining Limited. Mr Panton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Panton consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Mr Panton does not hold securities in the company.

Future Performance

This announcement may contain certain forward-looking statements and opinion. 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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data MALDON Drilling

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• All sampling results reported are from diamond drilling collared in underground mine development in the A1 Mine (MIN5294). • All core was halved using an Almonte diamond saw core cutter with guides to ensure an exact split. With coarse gold common within the deposit, the top half of the core is sampled to reduce inherent sampling problems. The samples were dried, crushed and pulverised, then fire assayed (s0g) for Au at the NATA accredited Gekko Laboratory at Ballarat. • All samples were dried, crushed and pulverised, then fire assayed (20g) for Au at the NATA accredited Gekko Laboratory. • QAQC protocols in place include the insertion of blanks and standards inserted at random and at more selective intervals such as immediately after samples of visible gold intersections, and insertion of higher grade standards within samples from high grade zones.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• All of the holes being reported are diamond drill holes. • Diamond drilling was completed by DRC. ○ DRC contractors using an LM90 drill rig. The core diameter drilled was NQ-2 (50.5mm), with the core was orientated using a Reflex ACT II orientation tool.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RQD and recovery data are recorded in the geology logs for all drilling being reported. • Core loss is recorded by drillers on run sheets and core blocks placed in core trays. • Where the ground is broken, shorter runs are used to maximize core recoveries. Areas of potentially poor ground are communicated to the drillers and recorded in drilling plods. • Mineralisation at the A1 Gold Mine is predominately hosted in competent quartz and dyke structures, therefore sample recoveries are general high. No significant sample loss has been correlated with a corresponding increase in Au grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• All holes reported have been logged in full, including lithology, mineralisation, veining, structure, alteration and sampling data. • All core has been photographed before sampling.

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All core was half cored using an Almonte diamond core saw. • Core samples were assayed at the independent Gekko laboratory located in Ballarat. After drying, samples were crushed, and pulverised to 95% passing 75µm. • Internal QAQC insertion of blanks and standards is routinely carried out. Random and select insertion is applied, i.e. blanks are inserted directly after samples containing visible gold. The Gekko laboratory has its own QAQC program which is reported with results and a monthly QAQC review.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The sample preparation and assay method of 20g Fire Assay is acceptable for this style of deposit and can be considered a total assay. • Industry standards are followed for all sample batches, including the insertion of commercially available CRM's and blanks. The insertion rate is approximately 1 every 10 to 20 samples both randomly and selects positions, such as blanks inserted after samples containing visible gold. QAQC results (Both CTL and internal laboratory QAQC) are reviewed by CTL geological staff upon receipt of the assay results. No issues were raised with the data being reported.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All field data is entered directly into an excel spreadsheet with front end validation built in to prevent spurious data entry. • Data is stored on a server at the A1 Mine with daily backups. Backed up data is also stored offsite. • Significant intersections are reviewed by geological staff upon receipt, to ensure the intersections match the logging data, with the checks including verification of QAQC results.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All holes are labelled during the drilling process, and all holes have been picked up by CTL mine surveyors. • Holes are labelled by drillers upon completion of the hole. • Down hole surveys were taken at 15m, and every 15m or end of hole after this with a reflex single shot camera.

Criteria	JORC Code explanation	Commentary
		• Grid used is MGA_GDA94. • The topography control is of a high standard and consists of a DTM surface
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill hole spacings for this program have been set up as ring arrays with 2-3 holes fanning out per ring) spaced up to 5m between collars for geotechnical / sterilization holes. Longer purely exploration holes have been set up as single ring arrays with 2 holes per ring. • There is good correlation between sections on the larger structures and lithological boundaries. • Grade continuity has been correlated with known narrow vein structures from recent airleg mining drives. • The density of drilling from Phase 1 program in an underexplored area of A1 is insufficient to be used for Mineral Resource calculations. • Sample compositing has not been applied to Phase 1 Exploration drilling.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Phase 1 Drilling has mainly focused on underground short to medium term targets which will inform future decline design which includes structural and lithological delineation. • Other holes within Phase 1 were exploration focused in the under-drilled southern portion of the A1 Dyke Bulge. There is considerable variability of narrow vein orientations within the dyke bulge and the Phase 1 drilling will inform future optimal drilling orientations. • Due to the relatively perpendicular intersection angle on a high percentage of the larger mineralized structures, the majority of the drill angles are not expected to produce any sampling bias. Given there are a number of narrow reefs intersected at various angles, there is a chance of some bias, which have been identified and will be modelled accordingly. • A1UDH-403 has drilled sub parallel along a known mineralized narrow vein correlated down dip of a known structure. Whilst this hole is not true thickness it has defined grade continuity of a mineralized structure accessible to mining operations.
Sample security	• *The measures taken to ensure sample security.*	• Samples were transported from the A1 Gold Mine to the laboratory or the Maldon Processing Plant either by CTL staff, or contractors. Calico bags containing the sample were places inside larger white poly weave bags, with this white bag sealed with a plastic tie. Samples that were taken to Maldon were placed in a locked security box and collected by the sole trader courier. • Core samples numbers and dispatch references are sequential and have no reference to hole number.

Criteria	JORC Code explanation	Commentary
		• Core trays containing visible gold are stored inside the locked core shed until logged.

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The A1 Mine lies within Mining Licence (MIN) 5294 held by Centennial Mining Limited a wholly owned subsidiary of Kaiser Reef Limited. The mine lies 40km south of Jamieson in Victoria. • The licence is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The A1 mine began operating in 1861 and was last owned by Centennial Mining who went into administration.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project area lies within the Woods Point–Walhalla Synclinorium structural domain of the Melbourne Zone, a northwest trending belt of tightly folded Early Devonian Walhalla Group sandy turbidites. The domain is bounded by the Enoch's Point and Howe's Creek Faults, both possible detachment-related splay structures that may have controlled the intrusion of the Woods Point Dyke Swarm and provided the conduits for gold bearing hydrothermal fluids. • Most gold mineralisation in the Woods Point to Gaffney's Creek corridor occurs as structurally controlled shear-zone hosted dilational breccias and stringer quartz vein systems hosted by dioritic dyke bulges. The A1 Mine is central to this corridor, with gold mineralisation contained within the steeply dipping main southern diorite dyke bulge and a smaller northern diorite dyke. The dyke is cut and offset by a series of mainly reverse faults which host most of the gold mineralisation. • Gold is associated with intense quartz-ankerite-muscovite-sulphide wall rock alteration around dilational breccia veins with branching quartz-sulphidic stringer veins (Figure 2) or narrow veins within reverse fault systems hosted by the dyke or where fault offsets show the dyke contact on one vein wall and metasedimentary rocks on the other. Wide zones of quartz stinger veins and carbonate-sulphide altered wall rock are more amenable to bulk mining techniques.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above*	• Refer to Table 2.

Criteria	JORC Code explanation	Commentary
	sea level in metres) of the drill hole collar ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Assays length weighted. • No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The geometry of the mineralisation is explained in the Notes below Table 1 within the text.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to Figures in text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other data to report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Exploration drilling is ongoing.