



## ASX RELEASE

18 December 2023

# ACCELERATING EXPLORATION, PLACEMENT AND PRODUCTION FOCUSED TECHNICAL BOARD APPOINTMENT

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Kaiser Reef Limited (**ASX: KAU**) ("**Kaiser**" or the "**Company**") is pleased to provide the following Company updates.

As part of the next stage in Kaiser's progress the Company has enacted a process to initiate exploration at the standout Nuggety Prospect, increase technical strength at Board level overseeing operations at the high-grade A1 gold mine and accelerate the above with a placement that includes a cornerstone US family office.

### **Appointment of Executive Director**

Kaiser is pleased to announce the appointment of Brad Valiukas to the Board of Kaiser as a part time Executive Director effective immediately. Brad is a highly experienced mining engineer with 25 years of operational, management and executive experience, covering underground and open pit operations across multiple commodities around Australia and internationally.

He has held corporate and management roles at Northern Star Resources Limited, Focus Minerals Ltd and Mincor Resources NL. He has extensive underground experience, including narrow vein gold and airleg operations, with multiple mine start-ups and rectifications completed. Brad is currently the Managing Director of WA gold exploration company Aurumin Limited.

Brad Valiukas, commented:

*"I am pleased to be joining the board Kaiser. The A1 Gold Mine is the longest operating gold mine in Australia, with over 160 years of production. This is an exciting time at the A1, with the decline is now just 30m above the lowest historical level accessed via the shaft and, for the first time in 40 years, nearing virgin ground. As the mine moves away from remnant ore, it will enable a step change to the operation and Company. I look forward to assisting the team to both realise the potential at A1 and, in the longer term, at Maldon."*

The current Board of Kaiser is excited with the new Executive Director appointment and looks forward to enhancing the Company and shareholder prospects going forward.

Terms of Brad's appointment are listed in Appendix 1.

## **Placement**

The Company has undertaken a Share placement ("**Placement**") to raise \$3,500,000 (before costs). The new Shares to be issued under the Placement will be issued at a price of \$0.15 per Share, representing 12% and 14% discounts respectively to the volume weighted average share price over the last 5 and 10 trading days respectively, prior to the Company's trading halt (as per the ASX announcement dated 14 December 2023). The Board of Kaiser have targeted high quality shareholders and the funds raised will be primarily used to accelerate exploration activities at the 2.1M ounce Maldon goldfield with an immediate focus on the Nuggety Reef historic mine (301,000 ounces at 187 g/t gold historic production), ongoing working capital supporting increasing production.

An overview of the proposed capital raising is as follows:

Under the Placement, the Company will raise \$3,500,000 (before costs) and issue a total of 23,333,333 new Shares to sophisticated and professional investors at \$0.15 per share ("**Placement Shares**"), under its current Listing Rule 7.1 and 7.1A capacities. The Placement Shares will be issued on the same terms as, and will rank equally in all respects with, the existing fully paid ordinary Shares in the Company.

Taurus Capital Group is acting as Lead Manager to the Placement ("**Lead Manager**"). The Lead Manager (or its nominee) will receive a 6% capital raising fee of the total amount raised. The Lead Manager (or its nominee) will also be entitled to be issued 4,500,000 Unlisted Options, exercisable at \$0.25 on or before 30 November 2027 upon full subscription of the Placement ("**Lead Manager Options**").

## **Exploration Update**

Further to the Company's ASX release dated 23 November 2023, Kaiser is planning a substantial increase in exploration activities in the multi-million ounce Maldon goldfield.

Kaiser recently announced plans to commence an aggressive exploration programme targeting gold mineralisation within the wholly owned Maldon Gold Project. Exploration will be targeting extensions to the **2.1M ounces of historic gold production** that ceased production prematurely. The regulatory approvals have been received to commence drilling after the Exploration Licence was granted (refer to ASX release dated 10 February 2023). A drilling rig has been identified and a team will commence drilling as soon as possible.

Kaiser's primary focus is located within its granted Mining Licences with substantial existing infrastructure, including a processing plant, currently treating ore from the A1 Mine, less than 3 kilometres from the Union Hill decline. The extensive and recently refurbished parts of the infrastructure provide rapid and low-cost development pathway into production within the wholly owned multimillion ounce goldfield with drill proven mineralisation showing high grade extensions beyond the defined resources. The historic mineralisation that produced 2.1M ounces of gold at 28 g/t has been proven to continue at depths and consequently Maldon offers an outstanding step-out opportunity targeting further million-ounce prospects.

The permit to drill provides Kaiser with the first opportunity to properly drill test the proven and open-ended mineralisation down plunge from the Nuggetty Mine (301,000 oz historically produced at 187 g/t gold). The prospect of finding another lode like this would be a spectacular result for Kaiser allowing the Company to leverage its strategic local exploration and production experience and infrastructure.

**-ENDS-**

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

**For further information:**

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## APPENDIX 1

### Terms of Employment – Brad Valiukas

(a) Base salary of A\$133,000 per annum (exclusive of statutory superannuation)

(b) Subject to prior shareholder approval:

(i) **Fully Paid Ordinary Shares** in Kaiser Reef Limited (ASX: KAU) (or cash equivalent at the Company's discretion based on a 5 day VWAP prior to the award) for the following milestones being met:

Within 24 months of the start date:

**PRODUCTION:** 2,000,000 Performance Shares when A1 Mine operations reaches and maintains a production profile of 6,000 oz/quarter for at least two (2) consecutive quarters or more than a combined 18,000 ounces over three (3) quarters and an AISC below AUD\$2,200/oz.

(ii) **Share Options**

2,000,000 Options exercisable at 25c/share, expiring at any time within 3 years from commencement of the employment.