

ASX RELEASE | 25 JUNE 2024

Binding Terms Sheet for Divestment of NSW Exploration Assets

Kaiser Reef Limited (ASX: KAU) ("Kaiser" or the "Company") is pleased to advise that it has entered into an agreement to divest its NSW exploration assets for total consideration of up to \$3.625 million.

The assets the Company is divesting are the Stuart Town group of tenements (Figure 1) and the Macquarie North tenements (Figure 2), collectively the Projects. The acquirer is HearMeOut Limited (HMO), an unlisted public company which is proposed to be renamed Resolve Exploration Ltd. HMO intends to lodge a prospectus in the 3rd quarter of 2024 to re-list on the ASX.

Although Kaiser considers these tenements are highly prospective for gold mineralisation, the Company has made the decision to focus on near-term gold mining growth opportunities in its wholly owned Victorian production and exploration assets. Kaiser will retain exposure to the Projects with a 20% free carried interest until a Decision to Mine is made.

Subject to satisfaction, including due diligence, ASX Approvals, HMO completing a capital raising and various regulatory approvals, the following Consideration will be payable to Kaiser:

- \$25,000 Exclusivity Fee;
- \$1,100,000 in Scrip in HMO;
- \$500,000 reimbursement for past exploration; and
- Up to \$2,000,000 in performance rights in HMO based upon success hurdles that include resource definition and decisions to mine.

Potential advantages of the proposed transaction include:

- Facilitation of greater focus on the development of the A1 Gold Mine;
- Receipt of the Consideration Securities being Securities in a company seeking to list on the ASX;
- Facilitation of growth and development of the Projects in a stand-alone dedicated minerals exploration entity;
- Elimination of the costs that would otherwise be incurred by the Company to maintain the Projects in good standing; and
- Entry into a relatively simple and cost-effective transaction to realise the value in the Projects.

Kaiser Reef Managing Director, Jonathan Downes, commented:

"As Kaiser Reef continues to scale up its production and exploration activities at the A1 Gold Mine, we are pleased to have agreed to this proposed divestment of the Company's NSW exploration assets as the best option to realise material value for KAU shareholders while allowing the Company to focus on its core business.

"With over 80 documented gold occurrences within the prospect area, Stuart Town represents one of the densest concentrations of historic gold occurrences mapped in New South Wales. We wish HMO well in their exploration activities and look forward to enjoying a return on their efforts through equity participation."

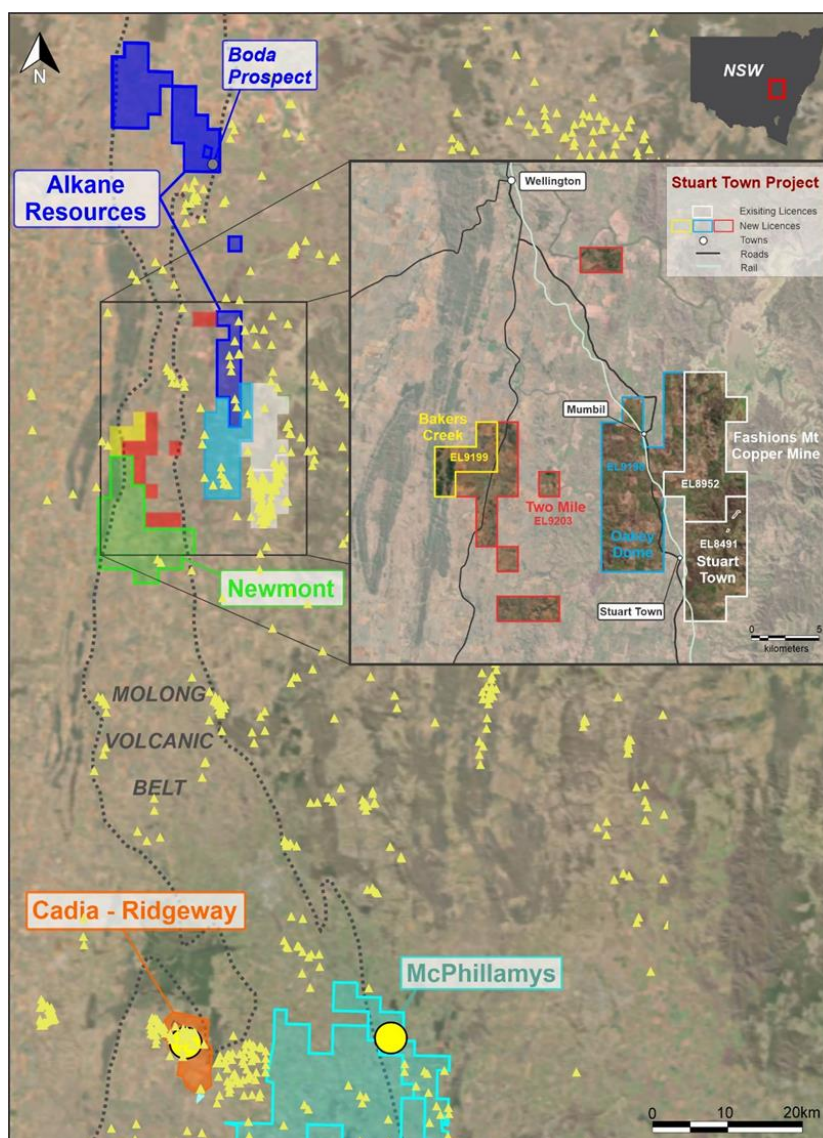


Figure 1: The Stuart Town Project in relation to the Boda and Cadia gold projects and gold mineral occurrences

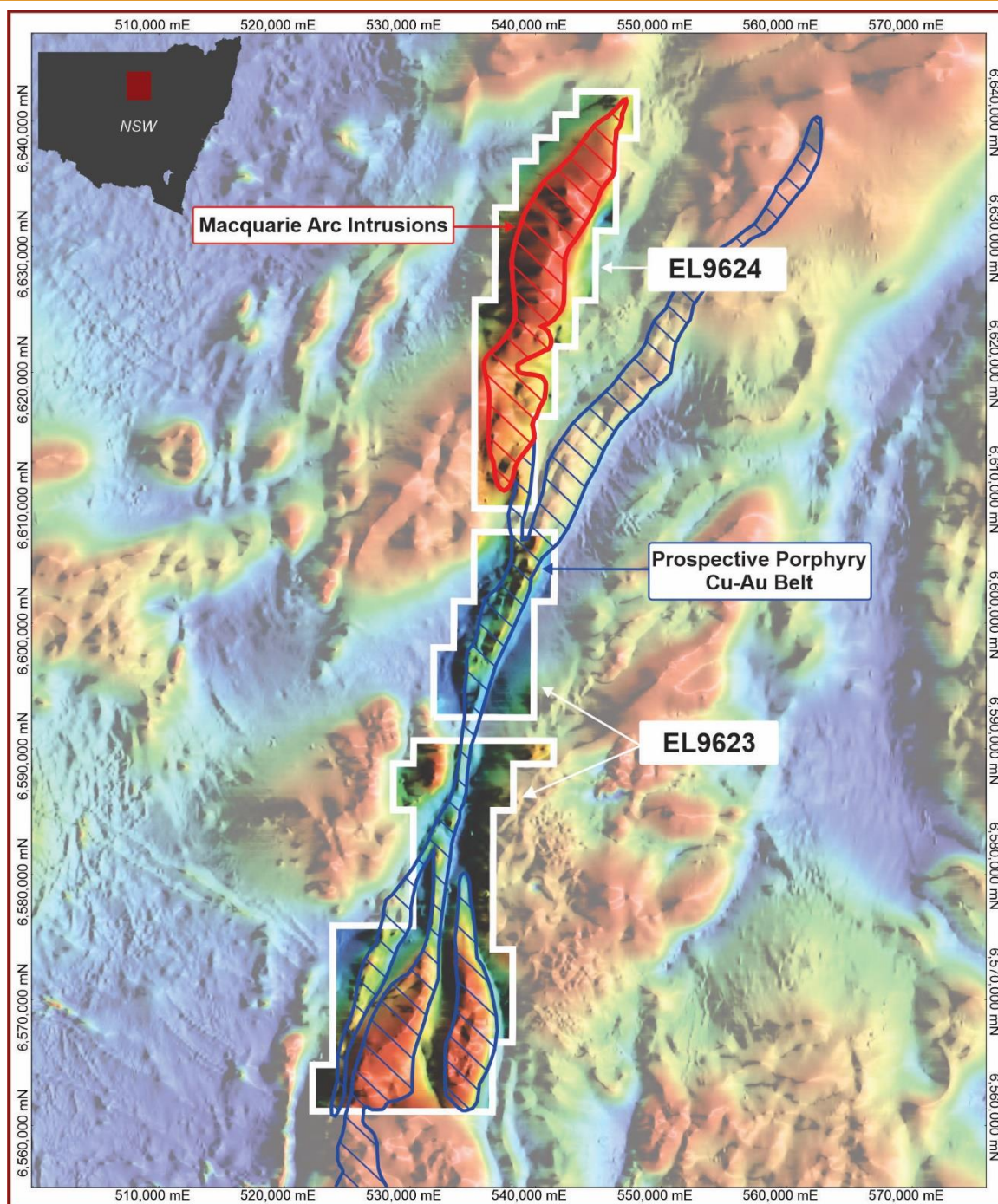


Figure 2: Macquarie North tenements over magnetics.

Figure 2: Long section of the A1 Mine showing the current decline in orange

Based on the information provided, ASX confirms that Listing Rules 11.1.2, 11.1.3 and 11.4 do not apply to the Proposed Transaction.

This advice is subject to any amendments to the Listing Rules or changes in the interpretation or administration of the Listing Rules and policies of ASX.

This release is provided as a cleansing notice.

Stuart Town Project Tenements

EL9203
EL9199
EL8491
EL8952
EL9198

Macquarie North Project Tenements

EL9623
EL9624

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

For further information, please contact:

Company

Jonathan Downes

E. jonathan.downes@kaiserreef.com.au

Investor Relations

Melissa Tempra

E. melissa@nwrcommunications.com.au

About Kaiser Reef Limited (ASX: KAU)

Kaiser Reef is a high-grade gold producer and exploration company with a clear focus on gold within the Lachlan Fold Belt. This spans across the border through NSW and into Victoria and has been a major gold producing region for Australia since the mid 1800's.

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