

ASX RELEASE | 21 OCTOBER 2024

Development of the A1 Nova Gold Mine Placement

Kaiser Reef Limited (“Kaiser” or “the Company”) is pleased to announce that it has received firm commitments for a Placement of Kaiser shares at \$0.15 per share to raise \$8 million (before costs) to complete the last stage of the A1 Mine production plan. The funds will be applied towards:

- The completion of the A1 Mine ramp up and expansion for high-grade gold production
- Recommencement of drilling at the A1 Mine
- General working capital and drilling at Maldon

This development focused investment is expected to be the final financing required to complete the development of the recently accessed Nova Gold Project (refer to ASX announcement dated 16 October 2024).

The new mine development is expected to significantly increase high-grade gold production, marking a significant milestone as production transitions from the current remnant gold mining operation. The engineering plan will involve creating a modern engineered mine layout without the compromises faced by the current operations. Kaiser has invested approximately \$24 million in capital costs to access the Nova Gold Project, located below the remnant mine workings and has implemented significant power, fleet, and ventilation upgrades.

Capital Raising

The Company has received firm commitments from sophisticated and professional investors for a Placement to raise \$8,050,000 (before costs) through an issue of a total of 53,666,666 fully paid ordinary shares in the capital of the Company (“**Placement Shares**”) at an issue price of \$0.15 per share (“**Placement**”).

The Placement will be completed in two tranches as follows:

- (a) 44,166,666 Placement Shares will be issued pursuant to Company’s existing placement capacity under ASX Listing Rules 7.1 and 7.1A (“**Tranche 1 Placement Shares**”); and
- (b) A total of 9,500,000 Placement Shares consisting of 3,500,000 Placement Shares which will be issued to participating Directors (along with their related parties) and 6,000,000 Placement Shares which will be issued to sophisticated and professional investors (“**Tranche 2 Placement Shares**”), will be subject to shareholder approval at the Company’s upcoming general meeting of shareholders (“**General Meeting**”).

Taurus Capital Pty Ltd have been engaged to act as a Lead Manager to the Placement and will receive a management fee of 1% and a placement fee of 5% of the funds raised and facilitated by Taurus Capital Pty Ltd under the Placement, and subject to shareholder approval at the Company's upcoming general meeting of shareholders, 12,500,000 unlisted options exercisable at \$0.22 and expiring on or before 31 December 2026 ("**Lead Manager Options**"). The Lead Manager Options will be issued at an issue price of \$0.00001 each.

Investor Awareness Appointment

Kaiser advises that it has entered into an investor relations agreement with S3 Consortium Pty Ltd. Key terms of the agreement are as follows:

- Term: Two (2) years
- Fees: \$375,000 plus GST to be paid as follows:
 - (i) Upfront components consisting of –
 - (a) 2,500,000 fully paid shares in the capital of the Company on the same terms and conditions as the Company's Placement; and
 - (b) \$37,500 cash (being GST component).

The upfront component shares will be issued to S3 Consortium Pty Ltd (or its nominee) in satisfaction of services to be rendered. The shares will be issued pursuant to Company's existing placement capacity under ASX Listing Rule 7.1.

In addition, S3 Consortium Pty Ltd and its Associated Entities have also participated in Company's Placement committing to an investment of \$330,000.

-ENDS-

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

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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 prolific 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.

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.