

ASX RELEASE

6 September 2022

Kaiser commences engineering at Union Hill targeting second gold mine

Kaiser Reef Limited (**ASX: KAU**) ("**Kaiser**" or the "**Company**") is pleased to report that following the delivery of a first stage Mineral Resource Estimate and accompanying Exploration Target at its 100% owned historic Union Hill gold mine (Union Hill Mine) at Maldon, that it has commenced infill drill planning and early-stage engineering work. This engineering work will be used for the scoping and other technical/planning studies for the potential development of a second gold mining operation at Maldon. Continued exploration and infill drilling targeting increasing the resource size and confidence are also proposed and will be initiated following the results obtained from the engineering work.

Kaiser's wholly owned Union Hill Mine, located between Ballarat and Bendigo has highly supportive development characteristics that would be extremely difficult and slow to reproduce, including:

- Granted Mining Licence
- Proximity to nearby wholly owned and under capacity gold processing plant
- Current Mining Permits
- Existing decline, power and ventilation
- Defined open ended resources (ASX release dated 21 July 2022)
 - **1.2 Mt at 4.4 g/t gold** (Inferred) for 186,656 ounces of gold; and
 - **1.75 to 2.7Mt at between 3 g/t gold and 4 g/t gold** Exploration Target for between 165,000 ounces of gold to 345,000 ounces of gold
- Open Ended mineralisation (Figure 1)

Kaiser believes that the Union Hill Mine has the potential to be the next significant gold mine to come online in Victoria (Figure 2). The preliminary engineering and drill planning has identified that future work required will comprise of drill planning, second egress planning, power and ventilation upgrade investigations/planning and various other work, as required. At this early stage it is not possible to provide guidance on the study and decision outcomes.



Images showing the Union Hill portal, the Kaiser Mine manager and a director inspecting mineralisation, and the processing plant at Maldon

Managing Director Jonathan Downes commented, "We are pleased with the successful work to date up at the A1 Mine and see strong future potential. We are encouraged that the Union Hill Mine has the potential to become a valuable second producing asset within an expanded Kaiser portfolio. The aim of this recently commenced work programme at Union Hill is based on a clearly defined runway to increasing long term production and profitability."

"We are now turning greater attention to the first stage of studies required to bring the Union Hill Mine into complementary production. We have an extraordinarily strong advantage already established at this site to bring on the next significant high grade Victorian gold mine. Maldon has historically produced 2.1M oz at 28 g/t gold. Within the upper levels we have recently defined substantial lodes of mineralisation, as released on 21 July 2022. This is a substantial initial inventory but the strong potential for defining more ore is supported by the open-ended mineralisation at depth and the Target Resource."

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

For further information:

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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 holds 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.

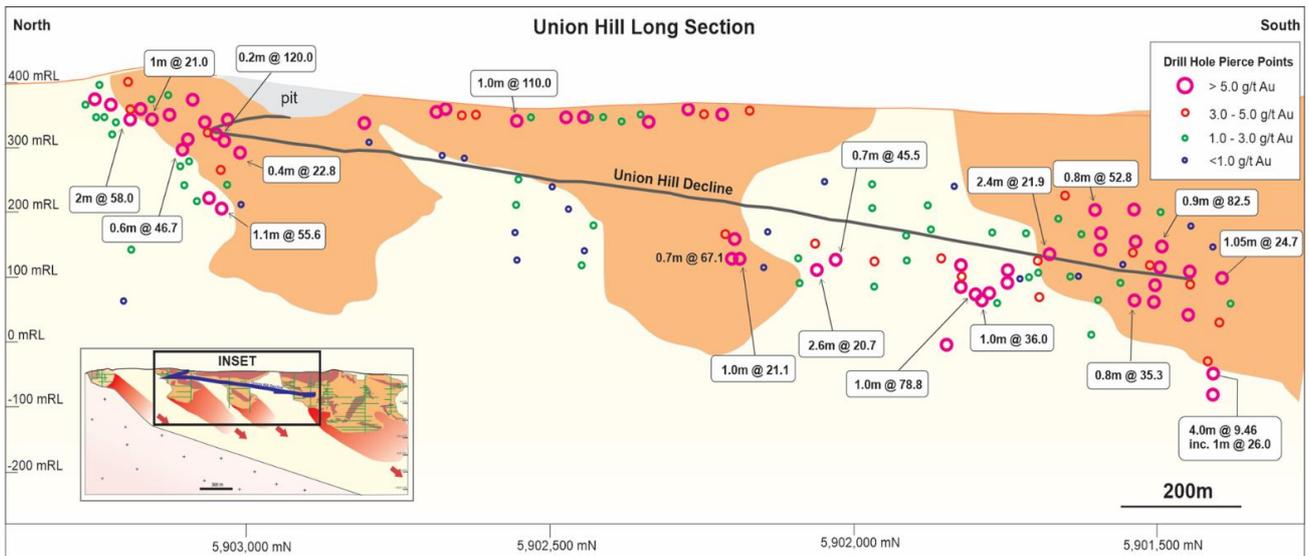


Figure 1: Union Hill Long Section showing existing decline and existing drill hole intercepts (looking East)

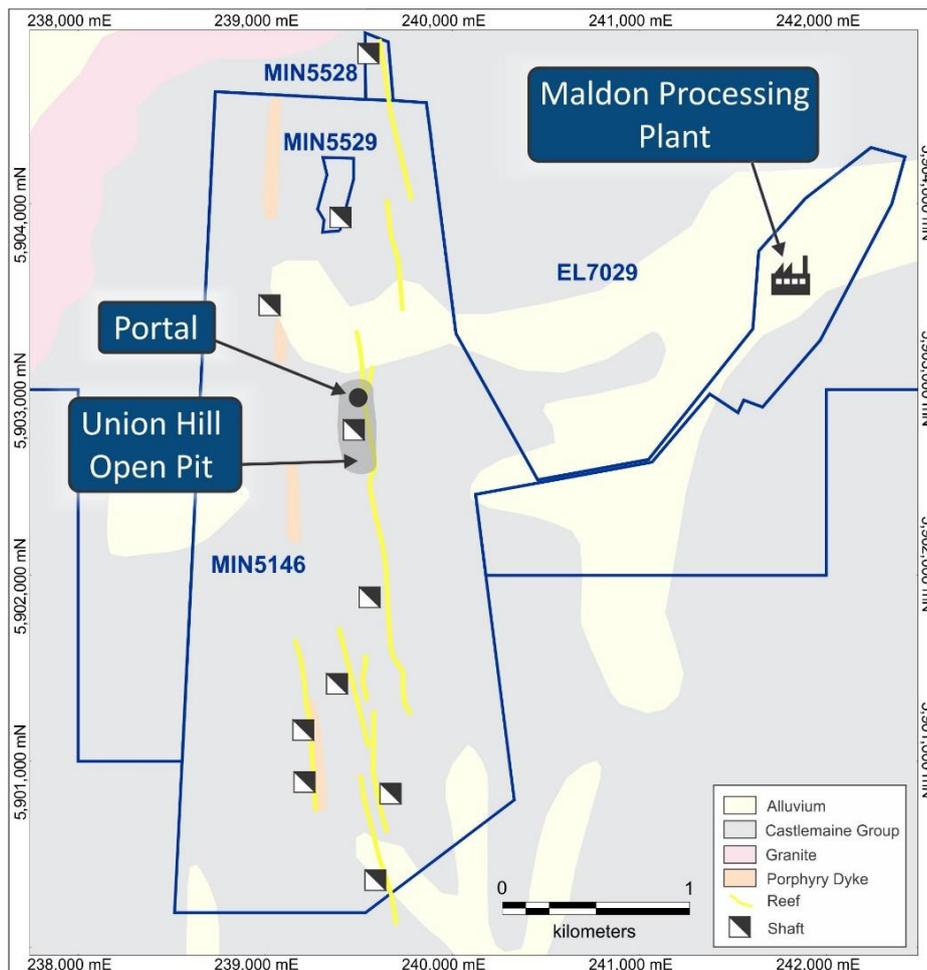


Figure 2: Maldon Plan location view