ASX RELEASE

8 October 2021

Queens Lode - A1 Gold Mine Milestone and Drilling Results

- **Queens Lode reached** by decline advance represents a major milestone
- **First ore from the Queens Lode already shipped for processing**
- **Exploration/Resource drilling results from the Queens Lode completed prior to mining. Continued to deliver excellent results** which include;

  - A1UDH-456: 26.1m @ 6.2 g/t gold from 33.6; including
    - **12.2m @ 10.3 g/t gold** from 39.8m
  - A1UDH-457: **8.4m @ 7.2 g/t gold** from 14m; and
    - **9.3m @ 9.4 g/t gold** from 38.4m**;** within
    - 24.6m @ 4.7 g/t gold from 38.4m
  - A1UDH-460: 9.6m @ 5.5 g/t gold from 13.7m; and
    - 24.4m @ 6.7 g/t gold from 36.6m; including
    - **12.4m @ 10.9 g/t gold** from 38.6m
  - A1UDH-462: **2.1m @ 18.3 g/t gold** from 11.2m

- **Drilling complete** - with final assay results due shortly and to be incorporated into the resource and mining studies at A1
- **Drill rig transferred from A1 to Maldon**

Kaiser Reef Limited (**Kaiser**, or **The Company**) is pleased to provide an update for operations at the high-grade, A1 gold mine in regional Victoria.

A1 Gold Mine

Operations at the A1 Mine are progressing well and mining continues post the recent earthquakes in the region. Mining has now reached the top of the Queens Lode at the 1260mRL. Access has been provided by the extension of the decline from 1300mRL which commenced in June. Mechanical stoping will begin when further development is completed and this is key in ramping up production at the A1 Mine.

The Queens Lode is high-grade and attractive due to its width. It has not been previously exploited by historical mining and is amenable to mechanical stoping mining methods. This will complement current, and ongoing air-leg mining.

Developing the Queens Lode is planned to provide a strong increase in production rates at lower rates of costs per tonne. The A1 deposit in general is characterised by narrow, very high-grade gold veins exploited using airleg stope mining and mainly within an extensive intrusive diorite body. The Queens Lode ore body is quite different from the ore typically mined at A1 and it displays wide zones of alteration.

An example of the heavily bleached Queens lode mineralisation is shown below in Figure 1.

Figure 1: Three of the site geologists , Zac Marshall (Senior Geologist), Shawn Panton (Chief Geologist) and Tom Stevensen-Vissers(another great geologist) holding the first mined ore from the Queens Lode displaying typical white bleached diorite mineralisation.

The decline development conducted by Kaiser has recently opened new areas for airleg mining activities, including the 19 Level Intermediate (1280mRL) which has now been accessed. Recently the decline has also reached the 19 Level (1260mRL) which is located adjacent to the top of, and into, the Queens Lode. Coarse gold encountered in development on the 19 Level is shown in Figure 2. The first ore was extracted and shipped for processing from the Queens Lode yesterday. This is an exciting milestone to have achieved and will facilitate increasing production from the 19 Level. This progress has now seen the first development into the Queens Lode.

Figure 2: Face sample from the mining areas on 1320mRL showing unusually coarse gold.

Exploration/Resource Drilling

Kaiser is pleased to report further excellent results into the Queens Lode, including

- A1UDH-453: **0.2m @ 62.1 g/t gold** from 30.0m; and
  - **10.3m @ 4.1 g/t gold** from 126.9 m; and
  - **1m @ 9.2 g/t gold** from 140.8m
- A1UDH-456: **15.9m @ 4.6 g/t gold** from 12.4m; and
  - **26.1m @ 6.2 g/t gold** from 33.6; including
  - **12.2m @ 10.3 g/t gold** from 39.8m
- A1UDH-457: **8.4m @ 7.2 g/t gold** from 14m; and
  - **9.3m @ 9.4 g/t gold** from 38.4m**;** within
  - **24.6m @ 4.7 g/t gold** from 38.4m
- A1UDH-458: **1m @ 34.1 g/t gold** from 53.9m; and
  - **0.4m @ 17.8 g/t gold** from 67.8m
- A1UDH-460: **9.6m @ 5.5 g/t gold** from 13.7m; and
  - **24.4m @ 6.7 g/t gold** from 36.6m; including
  - **12.4m @ 10.9 g/t gold** from 38.6m
- A1UDH-462: **2.1m @ 18.3 g/t gold** from 11.2m

A full list is contained in Appendix 1.

Drilling has now concluded at the A1 site and assays for the remaining holes are awaited. The drilling has returned some outstanding results to date and has been a valuable exercise. This is the first time in many years that the information required for future planning and detailed mining studies has been acquired. Results for outstanding drillholes will be released when received. Drilling referenced in this release is shown below in Figure 3.

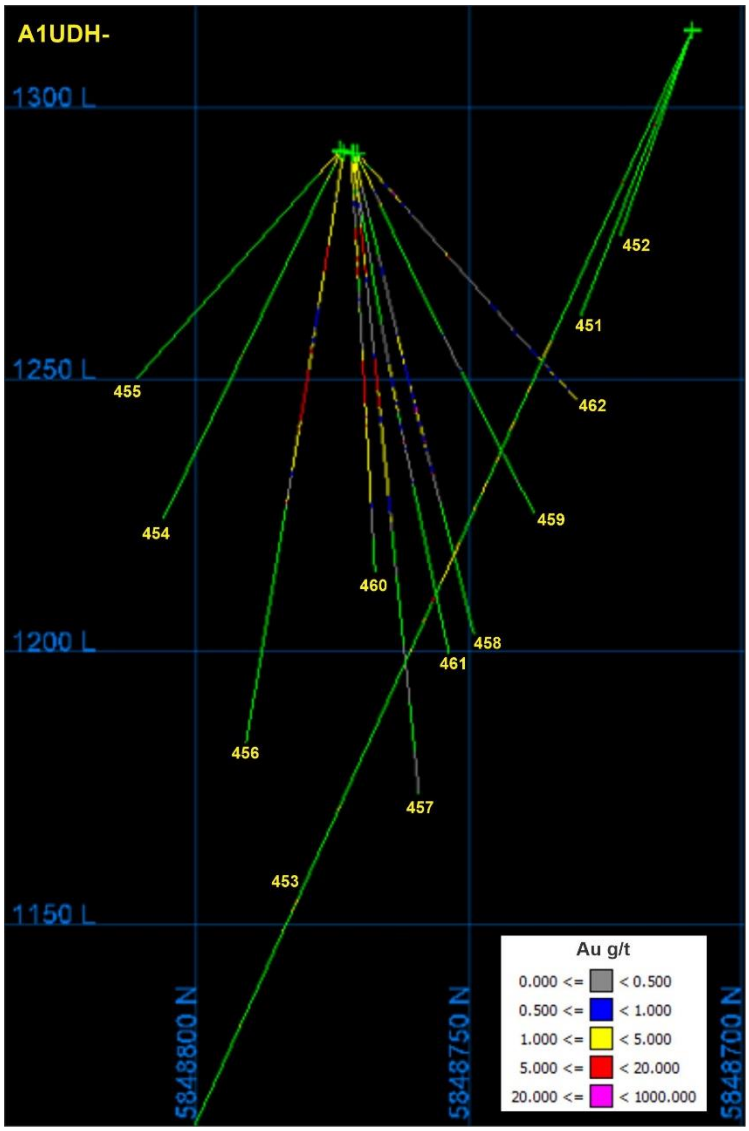

Figure 3: Drillhole section showing individual drill traces.

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

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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 does not hold securities in the company.

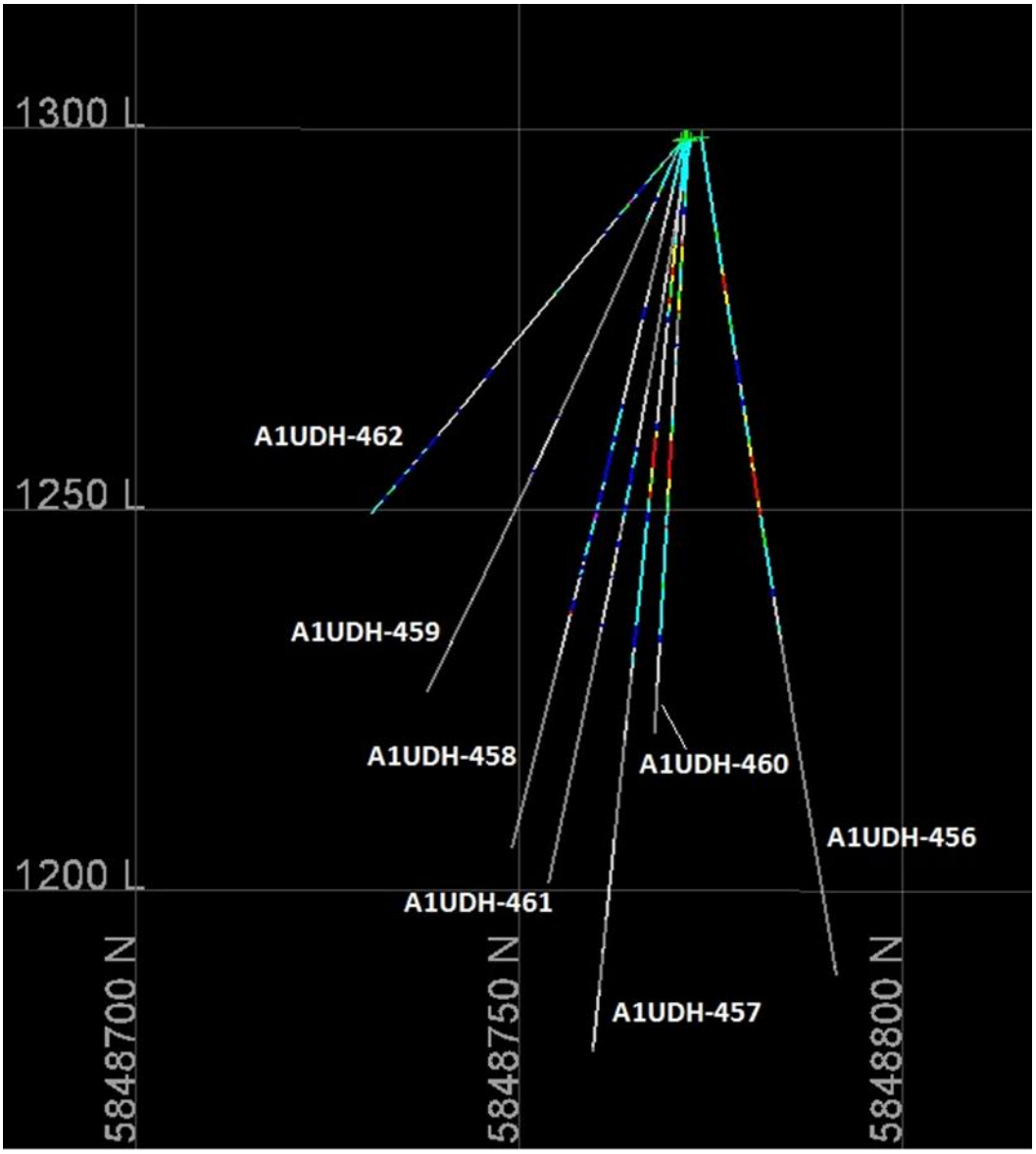
Future Performance

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.

Kaiser Reef Limited

Appendix 1: Table of Drill Results

Hole ID	From (m)	To (m)	Length (m)	Grade (g/t Au)	GDA94 East	GDA94 North	RL (AHD +1000)	Depth (m)	Dip	Azi (Mag +12.5)	Core Size
A1UDH-451	20.8	21.2	0.4	18.82	429585.82	5848709.12	1313.9	64	-55	303.9	NQ-2
	55	55.2	0.2	2.31							
A1UDH-452	26.9	27.1	0.2	5.26	429585.8	5848708.91	1313.9	45.9	-55.2	300.8	NQ-2
	32.5	32.8	0.3	5.56							
A1UDH-453	30.0	30.2	0.2	62.06	429585.501	5848709.1	1314.0	365.9	-47.7	299.9	NQ-2
	35.6	35.9	0.3	22.43							
	37.6	38	0.4	8.84							
	41.4	41.6	0.2	10.89							
	77	81.1	4.1	2.28							
	88.1	90.1	2	2.75							
	97	99	2	2.21							
	106	107	1	2.78							
	112	115	3	2.21							
	118	119	1	2.01							
	126.9	137.2	10.3	4.11							
	140.8	141.8	1	9.17							
	145.8	146.8	1	3.78							
	153.5	154.5	1	2.35							
	192.8	193.5	0.7	2.31							
	215.8	216.8	1	2.29							
	218	218.6	0.6	3.33							
	223.1	223.7	0.6	3.63							
	246.7	247.5	0.8	2.33							
	342.5	343.5	1	3.66							
A1UDH-454	0.1	3	2.9	2.06	429523.0	5848773.27	1291.7	78.0	-59.7	34.3	NQ-2
	5.0	6.0	1.0	2.09							
	42.8	43.3	0.5	6.91							
A1UDH-455	0.0	6.3	6.3	2.17	429522.9	5848773.52	1292.1	60.0	-44.5	28.8	NQ-2
A1UDH-456	0.0	6.0	6.0	2.41	429522.5	5848773.0	1291.6	111.0	-78.4	26.2	NQ-2
	12.4	28.3	15.9	4.55							
	33.6	59.7	26.1	6.15							
inludes	39.8	52.0	12.2	10.31							
	65.4	65.6	0.2	5.78							
A1UDH-457	0.0	6.1	6.1	2.12	429522.9	5848771.0	1291.5	120.0	-79.3	133.2	NQ-2
	14.0	22.4	8.4	7.21							
	38.4	63.0	24.6	4.74							
includes	38.4	47.7	9.3	9.43							
A1UDH-458	0.3	7.1	6.8	2.09	429523.5	5848770.8	1291.4	102.0	-59.6	101.9	NQ-2
	38.7	39.7	1.0	2.06							
	53.9	54.9	1.0	34.1							
	60.8	61.1	0.3	7.87							
	67.8	68.2	0.4	17.79							
A1UDH-459	0.4	2.4	2	2.58	429524.2	5848770.5	1291.3	96.0	-44.6	104.6	NQ-2
A1UDH-460	0.3	8.9	8.2	2.14	429523.0	5848771.3	1291.4	78.0	-80.2	96.6	NQ-2
	13.7	23.3	9.6	5.48							
	36.6	61	24.4	6.71							
includes	38.6	51	12.4	10.85							
A1UDH-461	0.0	4.0	4.0	2.25	429523.4	5848771.6	1291.4	108.0	-60.4	96.2	NQ-2
	46.2	47.2	1.0	2.02							
	61.2	61.6	0.4	5.2							
A1UDH-462	1.2	6.2	5.0	2.02	429523.7	5848770.7	1291.5	71.6	-40.6	128.6	NQ-2
	11.2	13.3	2.1	18.25							
	29.2	29.8	0.6	6.98							
	67.0	68.0	1.0	4.94							



JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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.

Section 2 Reporting of Exploration Results

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:*	• Refer to Table 2.

Criteria	JORC Code explanation	Commentary
	○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above 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.