KAISER REEF

ASX: KAU

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Kaiser Completes Acquisition of the Henty Gold Mine

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Kaiser has completed the acquisition of the Henty Gold Mine, and become a multi-asset Australian gold producer

Kaiser Reef Limited (ASX: KAU) ("Kaiser" or the "Company") is pleased to confirm the **completion of its acquisition** of the Henty Gold Mine and associated Tasmanian exploration tenements from Catalyst Metals Limited (ASX: CYL) ("Catalyst").

KEY HIGHLIGHTS

- **Transformational acquisition** establishes Kaiser as a +30kozpa gold producer with a clear growth pathway to +50kozpa[1].
- **Historical production of 1.4Moz** @ 8.9g/t Au[2] and JORC Ore Reserves of 1.2Mt @ 4.0g/t Au for 154koz[3].
- Fully permitted **300ktpa CIL plant and established infrastructure**, supported by a skilled workforce of over 150 people.
- **Strategic partnership with Catalyst**, now a 19.99% shareholder in Kaiser, enabling potential joint development of the Maldon processing plant.
- Well-funded post-transaction, following a successful **$30 million Placement** and a $10 million facility with Auramet International Inc.

Jonathan Downes, Managing Director of Kaiser, commented:

"We are delighted to officially welcome the Henty Gold Mine and its team into the Kaiser portfolio. The acquisition of the profitable Henty Gold Mine significantly strengthens our production base, provides compelling near-mine exploration opportunities, and establishes the Company as a leading high-grade gold producer in Australia."

"Catalyst has built a strong and profitable operation at Henty over the past four years, and we are committed to building on that success. Their continued involvement as a major shareholder and potential JV partner at Maldon supports a collaborative approach to value creation."

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STRATEGIC RATIONALE

- **Established production platform:** The Henty Gold Mine is an established gold production platform, with historical production of 1.4Moz @ 8.9g/t[2]. Since acquiring Henty in 2021, Catalyst has made significant operational improvements and investments at Henty, including drill platforms, drilling, tailings, underground fleet and people.

- **5-year mine plan:** Work to date has culminated in establishing a robust 5-year mine plan underpinned by a **current Ore Reserves of 1.2Mt @ 4.0g/t for 154koz**[3]. There is significant scope to extend mine life based on the current **Mineral Resource of 4.1Mt @ 3.4g/t Au for 449koz**[3] along with the considerable opportunities for near-mine exploration and development success (ASX 24/3/2025 Transformational Acquisition of the Henty Gold Mine and ASX 24/3/2025 Investor Presentation).

- **Significant infrastructure:** There is significant infrastructure in place at the Henty Gold Mine including a 300ktpa CIL processing plant, surface & underground workshops, administration complex, access to hydro generated grid power and refreshed tailings storage capacity.

- **Implement and build on operational capacity:** Key Kaiser executives have significant experience in the optimisation of similar assets to Henty achieved through a combination of operational improvement and targeted exploration investment. The support from Catalyst as a 19.99% strategic shareholder, along with the addition of the Henty site operating team, a stable & skilled local workforce of +150 employees, will further strengthen the Kaiser team.

- **Flagship asset:** With the Henty Gold Mine as its flagship asset, the Kaiser team will provide dedicated focus to continue the significant work completed by Catalyst and further drive operational improvements at Henty.

- **Significant increase to Kaiser's gold production:** the acquisition of the Henty Gold Mine will immediately transform Kaiser into a multi-asset gold producer with +30koz of annual production. The acquisition of the Henty Gold Mine will allow Kaiser to generate immediate cashflow providing the Company with enhanced financial flexibility for further reinvestment, exploration, debt reduction or return to shareholders. The current record gold price environment provides Kaiser with an excellent opportunity to generate strong margins from an operation that has historically held a stable cost base.

- **Re-rating potential:** The total upfront consideration of A$31.6 million reflects an acquisition metric of less than A$1,200 per production ounce[4]. Given the current trading range of small ASX gold producers on an EV/Production basis, the transaction represents excellent value and a potential re-rating opportunity for Kaiser shareholders.

For further information in respect to the acquisition, please refer to the Company's ASX Announcement dated 24 March 2025.

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COMPLETION OF PLACEMENT AND FUNDING FACILITY

The Company confirms it has today completed Tranche 2 of the $30 million placement through the issue of 149,133,075 fully paid ordinary shares in the Company at an issue price of $0.14 per share, approved at the Company's meeting of shareholders held on 7 May 2025 ("General Meeting").

The Company has also secured a further A$10 million of funding secured with Auramet International Inc, consisting of a A$8 million senior secured gold loan and a A$2 million unsecured gold prepayment facility ensuring a strong working capital position.

In accordance with the terms of the facility agreement with Auramet International Inc, the Company has today also issued Auramet International Inc, 3,000,000 Options, exercisable at $0.20 per option and expiring on 16 May 2027. The issue of these Options was approved by shareholders at the General Meeting.

1. The Company confirms that it is not aware of any new information or data that materially affects the production targets disclosed in this announcement, and that all material assumptions and technical parameters underpinning the targets continue to apply and have not materially changed. Based on the December quarter 2025 production of 6,594 ounces. Refer to ASX Announcement dated 24/03/205 'Investor Presentation'
2. Refer to ASX Announcements dated 24/03/2025 'Investor Presentation' & 'Transformational Acquistion of the Henty Gold Mine'
3. The Company confirms that the production target referred to in this announcement is based on a previously published announcement, and that it is not aware of any new information or data that materially affects the information included in that announcement. All material assumptions and technical parameters underpinning the production target continue to apply and have not materially changed. Refer to ASX Announcement dated 24/03/205 'Investor Presentation'Refer to Kaiser Reef Ltd ASX Annoucement dated 24/03/2025 "Transformational Acquisiton of the Henty Gold Mine" and Refer to ASX Announcement dated 24/03/205 'Investor Presentation'
4. Refer to ASX Announcement dated 24/03/205 'Investor Presentation'

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Appendix 1: Project Overview

Henty Gold Mine Overview

Henty is located in a world-class mineral province, hosting high-grade multi-commodity mines in northwest Tasmania. Henty commenced operations in 1996 and has since produced approximately 1.4 million ounces of gold at mined grade of approximately 9 g/t (ASX 24/3/2025 Transformational Acquisition of the Henty Gold Mine and ASX 24/3/2025 Investor Presentation). The project also includes a strategic underexplored tenement package with 25 kilometres of strike along the Henty fault.

Operations consist of an underground mine accessed via a decline. Primary mining methods are long hole bench stoping, traverse open stoping and cut and fill stoping, Henty is an owner-operated operation utilising a local and regional drive-in and drive-out workforce.

Processing is via a conventional carbon-in-leach (CIL) processing plant with the capacity to treat up to 300,000tpa. Processing achieves high recoveries (generally +90%) and produces a high-quality gold doré.