



## ASX RELEASE

12 December 2022

# Executive Directors Incentive Scheme

Kaiser Reef Limited (**ASX: KAU**) (“**Kaiser**” or the “**Company**”) is initiating a Performance Incentive Scheme for Executive Directors to compliment the employee bonus and share schemes that the Company already has in place. In 2022 a bonus was paid to staff members for achieving operational profitability at Kaiser’s operations in Victoria. Non-Executive and Executive Directors did not participate in this bonus scheme.

A longer- term and strategic incentive package for Executive Directors is proposed and will subject to the shareholder approval. Non-Executive Directors will not participate in either scheme.

The proposed package is based on Short Term Incentives Programme (‘**STIP**’) (defined over 12-month period) and Long Term Incentive Programme (‘**LTIP**’) (defined over a 36-month period) from date of shareholder approval. All remuneration received will be in the form of Performance Rights with vesting conditions.

Combined STIP and LTIP are proposed to be equal to the base remuneration (pro rata) of each Executive Director over the noted period. The incentive plan has total possible remuneration of 100% allocated as follows: a) base remuneration (50%), b) STIP (20%), and c) LTIP (30%).

Under the proposal a total of 1,200,000 Performance Rights will be issued. A breakdown of relevant Performance Equity is set out in Appendix 1. All incentives are Performance Rights which vest upon either the set vesting conditions being met or in a change of control situation.

To be eligible for vesting in the period, the mining operations of the Company must be cash flow positive at an operational level (excluding depreciation and amortisation) making allowances for one-off, significant capital investment in infrastructure. Full details will be contained in the Notice of Meeting.

This announcement has been authorised for release to the market by Non-Executive Chairman, Adrian Byass.

### For further information:

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Non-Executive Chairman  
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## Appendix 1

### Jonathan Downes, Managing Director (100% Pro rata) proposed Performance Equity

STIP (maximum 20% total) 320,000 Performance Rights

- Maintain or improve trailing 12 month LTI, MTI statistics) 5%
- Define >0.5 million oz Au MRE<sup>1</sup> 10%
- Production > 5,000 oz au per quarter for 2 successive quarters 5%
- Production requires AISC < 50% of realised sale price

LTIP (maximum 30% total) 480,000 Performance Rights

- Maintain or improve trailing 12 month LTI, MTI statistics) 5%
- Define >0.75 million oz Au MRE 10%
- Define reserve >20,000 oz Au 5%
- Submit and have work plan approved for mining Maldon 10%
- Production requires AISC < 50% of realised sale price

### Stewart Howe, Executive Director (50% Pro rata) proposed Performance Equity

STIP (maximum 20% total) 140,000 Performance Rights

- Maintain or improve trailing 12 month LTI, MTI statistics) 5%
- Define >0.5 million oz Au MRE 10%
- Production > 5,000 oz au per quarter for 2 successive quarters 5%
- Production requires AISC < 50% of realised sale price

LTIP (maximum 30% total) 260,000 Performance Rights

- Maintain or improve trailing 12 month LTI, MTI statistics) 5%
- Define >0.75 million oz Au MRE 10%
- Define reserve >20,000 oz Au 5%
- Submit and have work plan approved for mining Maldon 10%
- Production requires AISC < 50% of realised sale price

#### Notes:

<sup>1</sup>MRE = Mineral Resource Estimate under JORC 2012 guidelines.