

Kaiser Reef Limited



Interim Financial Report

For the half year ended 31 December 2022

Directors' Report**Contents**

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Directors’ Report

Directors’ Report

Directors

The Directors present their report on “Kaiser” or “the Group”, consisting of Kaiser Reef Limited and the entities it controlled at the end of, or during, the financial period ended 31 December 2022.

The following persons were Directors of Kaiser Reef Limited at any time during the period and up to the date of this report:

- Adrian Byass
Non-Executive Chairman
- Jonathan Downes
Managing Director
- Stewart Howe
Executive Director

Principal activities

During the period, the principal activities of the Group were mining, production and the sale of gold as well as mineral exploration and development. There was no significant changes in the nature of activities of the Group during the period.

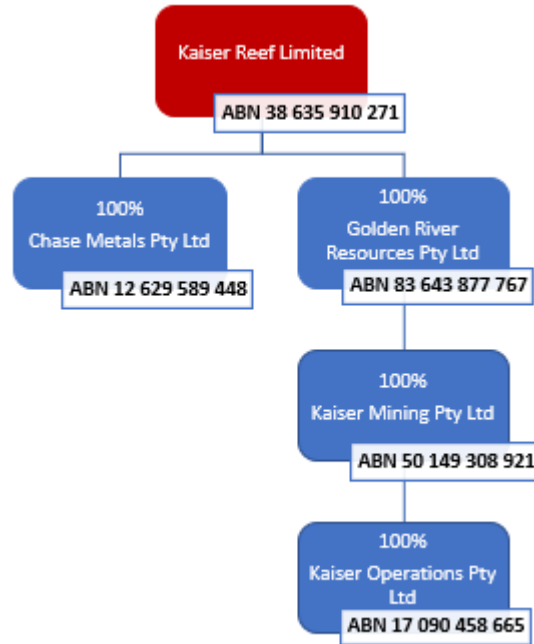
Dividend paid or recommended

No dividend has been paid and the directors do not recommend the payment of a dividend for the period ended 31 December 2022.

Corporate information

Kaiser Reef Limited is limited by shares and is incorporated and domiciled in Australia. In August 2022, Centennial Mining Limited changed the company name and company type to Kaiser Mining Pty Ltd. In September 2022, Maldon Resources Pty Ltd changed company name to Kaiser Operations Pty Ltd.

The Group’s corporate structure is as follows:



Directors' Report

Overview of the Group's activities

The Group continued its focus on increasing production and made a number of milestone achievements during the period. The key results for the period were:

- Increased gold production by 78% over the previous corresponding period
- Declared a JORC mineral resource at the Union Hill mine at Maldon of 186,656 ounces of gold on a mine with substantial existing infrastructure.
- Commenced upgrading the electrical system at the A1 gold mine (to be completed in 3rd quarter) which will improve underground ventilation and support increased production.
- Substantial resource drilling and mine planning at the A1 Mine to support future production.
- Continued the decline development to deeper and new areas to expand mining opportunities.

The Directors' Report covers the 6 month period ended 31 December 2022. During this financial period the Group recorded a statutory profit of \$1,508,210 compared to a statutory loss of \$2,663,850 for the 31 December 2021 period.

The Group's focus is the key infrastructure upgrades at A1 to increase production and profitability. The Group also conducted exploration and engineered evaluation at Maldon to eventually look towards opening up a second mining operation.

The consolidated results for the period are summarised as follows, with negative balances representing loss:

	31 December 2022	31 December 2021
EBITDA ⁽³⁾⁽⁶⁾	4,618,128	(325,890)
EBIT ⁽²⁾⁽⁶⁾	1,507,763	(2,667,797)
Loss before tax ⁽⁴⁾	1,508,210	(2,663,850)
Statutory profit/(loss) ⁽¹⁾ after tax	1,508,210	(2,663,850)
Total net significant items after tax	-	-
EBITDA ⁽⁶⁾ (excluding significant items)	4,618,128	(325,890)
EBIT ⁽⁶⁾ (excluding significant items)	1,507,763	(2,664,797)
Profit/(loss) before tax (excluding significant items)	1,508,210	(2,663,850)
Underlying net profit/(loss) after tax⁽⁵⁾⁽⁶⁾	1,508,210	(2,663,850)

(1) Statutory profit/(loss) is net profit/(loss) after tax attributable to owners of the parent.

(2) EBIT is earnings before interest expense, finance costs and income tax expense.

(3) EBITDA is EBIT before depreciation and amortisation.

(4) Loss before tax is loss before income tax expense.

(5) Underlying net profit after income tax is net profit after income tax ("statutory profit") excluding significant items.

(6) EBIT, EBITDA and underlying net loss after tax are non-IFRS financial measures, which have not been subject to review or audit by the Group's external auditors. These measures are presented to enable understanding of the underlying performance of the Group by users.

Directors' Report

Review of operations

A1 Mine Operations

The A1 Mine is continuing its safety upgrade and production ramp up strategy. The drilling and decline development has identified and accessed mining opportunities and may eventually support expanded mining rates.

Currently, gold ore is mined at the A1 Mine and then ore is then treated at the Group's wholly owned CIL processing facility at Maldon.

Gold production increased during the period and a high voltage power upgrade was commenced to enable ongoing increases.

During the period, the Group's produced 5,903 ounces of gold (2021 comparable period: 3,319 ounces) and sold 5,904 ounces of gold (2021 comparable period: 3,468 ounces) at an average realised price of \$2,559 Australian dollars (2021 comparable period: \$2,457 Australia dollars).

Maldon Processing Plant

The plant processed 16,344 tonnes of ore in the period end 31 December 2022 (2021 comparable period: 12,629 tonnes) at an average recovery of 96.3% (2021 comparable period: 95.1%).

The mill tailings continues to be discharged into Tailings Storage Facility (TSF) N° 5. Construction of the first lift of the TSF facility (TSF Lift 5C) was completed in December 2021. Planning of the next 1.5m lift was underway in the period, and is expected to be constructed in the second half of FY24.

During the period, the Group continued its Community Engagement Plan (CEP) with Environmental Review Committee (ERC) members. The focus for the period was around noise monitoring and controls which saw the company acquire a range of new mobile noise monitoring stations.

During the period, water from the Union Hill underground mine was used for process operations and excess water was directed to the Nuggetty Water Management Group for agriculture irrigation.

Maldon Urban Landcare Group continued working bees to conduct maintenance of the Eaglehawk Open Cut Pit revegetation site in Maldon.

Exploration activities

A1 Drilling program

Drilling results from the A1 mine have identified high grade gold mineralisation substantially deeper than previously achieved. The drilling identified mineralisation approximately 115m below the current decline face, with visible gold encountered in these deeper unknown reef systems. Assays returned up to 69 g/t gold (ASX release dated 23 November 2022). The implications are encouraging for the future of the A1 mine and the Group remains committed to expanding and improving the A1 mining operations.

Drilling during the reporting period returned results (ASX release dated 23 November 2022) including:

- A1UDH-509: 04M @ 69.2 g/t gold from 229.4m
- A1UDH-510: 2.2M @ 23.8 g/t gold from 73.8m; including
A1UDH-510: 0.4M @ 47.3 g/t gold from 73.8m and
A1UDH-510: 0.2M @ 23.8 g/t gold from 75.8m
- A1UDH-511: 0.4M @ 14.1 g/t gold from 79.8m

- A1UDH-512: 4.0M @ 11.9 g/t gold from 34.65m

The drill holes at A1 continue to target both near term mining and new deeper medium term discoveries. Kaiser is pleased that the drilling is delivering its objectives which are to provide the mining team with an increased range of mining opportunities.

Auditor independence

A copy of the Auditor's Independence Declaration required under section 307C of the Corporations Act 2001 is set out on page 6.

Events occurring after the end of the financial period

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial half year that, in their opinion, has significantly affected or may significantly affect in future years the Company's or the Group's operations, the results of those operations or the state of affairs.

This report is made in accordance with a resolution of Directors.

For and on behalf of the Board

Dated at Melbourne this 09th day of March 2023.



Jonathan Downes
Managing Director

DECLARATION OF INDEPENDENCE BY WAI AW TO THE DIRECTORS OF KAISER REEF LIMITED

As lead auditor for the review of Kaiser Reef Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Kaiser Reef Limited and the entities it controlled during the period.



Wai Aw
Director

BDO Audit Pty Ltd

Melbourne, 9 March 2023

Financial Report

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About this report

Kaiser Reef Limited (the "Company" or "Parent Entity") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Company as at and for the period ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is a for-profit entity primarily involved in mining and sale of gold, mineral exploration and development.

The financial report is a general-purpose financial report, which has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated half year financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the audited annual financial report for the year ended 30 June 2022.

The comparative amounts for Profit or Loss items are for the six months ended 31 December 2021, and for Balance Sheet items balances are as at 30 June 2022.

The Board of Directors approved the consolidated financial statements on 09 March 2023.

Consolidated statement of profit or loss and other comprehensive income

for the half year ended 31 December 2022

	Notes	Consolidated 31 December 2022	Consolidated 31 December 2021
Operations			
Revenue	1	15,110,270	8,524,777
Mine operating costs	1	(9,541,191)	(8,719,428)
Gross profit/(loss)		5,569,079	(194,651)
Other income	1	21,390	757,709
Exploration expensed		(587)	(349)
Corporate costs		(903,703)	(886,276)
Depreciation and amortisation		(3,110,365)	(2,338,906)
Share based payments		(60,291)	5,468
Operating profit/(loss)		1,515,523	(2,657,005)
Finance costs		(4,373)	(6,845)
Foreign exchange movement		(2,940)	-
Profit/(loss) before income tax		1,508,210	(2,663,850)
Income tax expense		-	-
Net profit/(loss) after tax		1,508,210	(2,663,850)
Other comprehensive income		-	-
Total comprehensive income/(loss) attributable to equity holders of the Company		1,508,210	(2,663,850)
Earnings per share			
Basic earnings/(loss) per share (cents per share)		1.07	(2.13)
Diluted earnings/(loss) per share (cents per share)		1.07	(2.13)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of financial position

as at 31 December 2022

	Notes	Consolidated 31 December 2022	Consolidated 30 June 2022
Assets			
Current assets			
Cash and cash equivalents	2	3,141,436	6,581,919
Trade and other receivables		1,786,315	1,439,577
Inventories		4,948,993	2,180,448
Total current assets		9,876,744	10,201,944
Non-current assets			
Trade and other receivables		857,000	857,000
Property, plant and equipment		7,900,878	5,933,674
Mine properties	3	6,592,744	7,403,195
Exploration and evaluation		6,164,299	5,176,034
Total non-current assets		21,514,921	19,369,903
Total assets		31,391,665	29,571,847
Liabilities			
Current liabilities			
Trade and other payables		4,353,653	3,964,921
Provisions		623,275	582,971
Interest bearing liabilities		-	267,836
Total current liabilities		4,976,928	4,815,728
Non-current liabilities			
Rehabilitation provision		1,698,000	1,698,000
Other Provisions		307,027	248,294
Total non-current liabilities		2,005,027	1,946,294
Total liabilities		6,981,955	6,762,022
Net assets		24,409,710	22,809,825
Equity			
Contributed equity	4	35,501,223	35,431,839
Reserves		1,409,763	1,447,649
Accumulated losses		(12,501,276)	(14,069,663)
Total equity		24,409,710	22,809,825

The above consolidated statement of financial position should be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of changes in equity

for the half year ended 31 December 2022

	Note	Consolidated			Total
		Contributed Equity	Share based payment reserve	Accumulated Losses	
Balance at 1 July 2022		35,431,839	1,447,649	(14,069,663)	22,809,825
<i>Total comprehensive income for the period</i>					
Profit attributable to equity holders of the Company		-	-	1,508,210	1,508,210
Other comprehensive income		-	-	-	-
<i>Transactions with owners of the Company recognised directly in equity:</i>					
Employee incentives issued as shares		31,384	-	-	31,384
Performance rights expired		-	(60,177)	60,177	-
Share base payments		-	60,291	-	60,291
Transfer of equity		38,000	(38,000)	-	-
Balance at 31 December 2022		35,501,223	1,409,763	(12,501,276)	24,409,710

	Note	Consolidated			Total
		Contributed Equity	Share based payment reserve	Accumulated Losses	
Balance at 1 July 2021		31,499,826	477,760	(11,806,823)	20,170,763
<i>Total comprehensive income for the period</i>					
Loss attributable to equity holders of the Company		-	-	(2,663,850)	(2,663,850)
Other comprehensive income		-	-	-	-
<i>Transactions with owners of the Company recognised directly in equity:</i>					
Share-based payments		-	850,532	-	850,532
Ordinary shares issued for working capital		5,122,472	-	-	5,122,472
Cost of Equity issued		(1,226,517)	-	-	(1,226,517)
Balance at 31 December 2021		35,395,781	1,328,292	(14,470,673)	22,253,400

The above consolidated statement of changes in equity should be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of cash flows

for the half year ended 31 December 2022

Notes	Consolidated 31 December 2022	Consolidated 31 December 2021
Cash Flows From Operating Activities:		
Receipts from customers (inclusive of GST)	15,126,840	8,526,608
Payments to suppliers and employees (inclusive of GST)	(13,029,326)	(8,767,195)
Interest received	4,820	5,878
Interest paid	(4,373)	(6,845)
Net cash inflow/(outflow) from operating activities	2,097,961	(241,554)
Cash Flows From Investing Activities:		
Payments for property, plant and equipment	(2,788,011)	(777,520)
Payments for development of mining properties	(1,494,332)	(2,057,818)
Payments for exploration and evaluation	(988,265)	(1,092,220)
Net cash outflow from investing activities	(5,270,608)	(3,927,558)
Cash Flows From Financing Activities:		
Proceeds from issue of ordinary shares	-	5,122,472
Payment for cost of shares issued	-	(370,517)
Insurance premium funding principal repayments	(267,836)	(263,269)
Lease principal repayments	-	(9,558)
Net cash (outflow)/inflow from financing activities	(267,836)	4,479,128
Net (decrease)/increase in cash and cash equivalents	(3,440,483)	310,016
Cash and cash equivalents at the beginning of the period	6,581,919	4,787,279
Cash and cash equivalents at the end of the period	3,141,436	5,097,295

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the taxation authority are classified as part of operating cash flows.

The above consolidated statement of cash flows should be read in conjunction the notes to the consolidated financial statements.

Notes to the Financial Report

1 Revenue and Mine Operating Costs

	Consolidated 31 December 2022	Consolidated 31 December 2021
Revenue		
Gold sales	15,110,270	8,518,605
Silver sales	19,409	6,172
Other income	-	5,897
Scrap metal sales	1,981	1,812
Reversal of provisions ⁽¹⁾	-	750,000
Total	15,131,660	9,282,486
Mine Operating Expenses		
Gold operation expenditure	(3,789,514)	(4,723,268)
Employee expense	(5,751,677)	(3,996,160)
Total operating cost	(9,541,191)	(8,719,428)

(1) The State Revenue Office Victoria has finalized the stamp duty of the properties acquired in the Centennial Mining Limited (Renamed Kaiser Mining Pty Ltd) acquisition to be \$15,652 payable in April 2022.

Sales revenue

Revenue from the sale of gold and silver in the course of ordinary activities is measured at the fair value of the consideration received or receivable. The Group recognises revenue at a point in time when control (physical or contractual) is transferred to the buyer, the amount of revenue can be reliably measured and the associated costs can be estimated reliably, and it is probable that future economic benefits will flow to the Group.

Segment reporting

The consolidated entity has considered the requirements of AASB 8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity operates predominantly in one business segment and in one geographical location. The operations of the consolidated entity consist of mineral production and exploration, within Australia.

2 Cash and cash equivalents

	Consolidated 31 December 2022	Consolidated 30 June 2022
Cash at bank and on hand	1,141,436	6,581,919
Term deposits	2,000,000	-
	3,141,436	6,581,919

Cash and cash equivalents includes cash on hand, deposits and cash at call held at financial institutions, other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3 Mine Properties

	Consolidated 31 December 2022	Consolidated 30 June 2022
Mine properties		
At beginning of the period	7,403,195	7,456,645
Additions	1,494,332	4,084,741
Amortisation for the period	(2,304,783)	(4,138,191)
At end of the period	6,592,744	7,403,195

Mine properties

Mine development expenditure represents the acquisition cost and/or accumulated exploration, evaluation and development expenditure in respect of areas of interest in which mining has commenced.

When further development expenditure is incurred in respect of a mine, after the commencement of production, such expenditure is carried forward as part of the mine development only when substantial future economic benefits are established, otherwise such expenditure is classified as part of production and expensed as incurred.

Mine development costs are deferred until commercial production commences, at which time they are amortised on a unit-of-production basis over mineable reserves. The calculation of amortisation takes into account future costs which will be incurred to develop all the mineable reserves. Changes to mineable reserves are applied from the beginning of the reporting period and the amortisation charge is adjusted prospectively from the beginning of the period.

Accounting judgements and estimates

The Group applies the units of production method for amortisation of its life of mine property assets, which results in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Amortisation has been based on indicated resource estimates. These calculations require the use of estimates and assumptions in relation to reserves, metallurgy and the complexity of future capital development requirements; changes to these estimates and assumptions will impact the amortisation charge in the consolidated income statement and asset carrying values.

Impairment of assets

All asset values are reviewed at each reporting date to determine whether there is objective evidence that there have been events or changes in circumstances that indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. An impairment loss is recognised for the amount by which the carrying amount of an asset or a cash generating unit ('CGU') exceeds the recoverable amount. Impairment losses are recognised in the consolidated income statement.

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular assets that may lead to impairment.

When required by an indicator of impairment, Fair Value is determined as the net present value of the estimated future cash flows. Future cash flows are based on life-of-mine plans using market based commodity price quantities of ore reserves, operating costs and future capital expenditure. Costs to dispose have been estimated by management.

Notes to the Financial Report

Accounting judgements and estimates - Impairment

Significant judgements and assumptions are required in making estimates of Fair Value. The CGU valuations are subject to variability in key assumptions including, but not limited to: long-term gold prices, currency exchange rates, discount rates, production, operating costs, future capital expenditure and permitting of new mines. An adverse change in one or more of the assumptions used to estimate Fair Value could result in a reduction in a CGU's recoverable value. This could lead to the recognition of impairment losses in the future.

At 31 December 2022, the Group determined that there were no indicators of impairment for the A1 cash generating unit due to strong spot gold and consensus forecast prices at 31 December 2022, existing long life mining at A1 mine and further development of resources, together with the relatively low carrying value to recover.

Ore Reserves

The Group determines and reports Ore Reserves under the 2012 edition of the Australian Code for Reporting of Mineral Resources and Ore Reserves, known as the JORC Code. The JORC Code requires the use of reasonable investment assumptions to calculate reserves. Due to the fact that economic assumptions used to estimate reserves change from period to period, and geological data is generated during the course of operations, estimates of reserves may change from period to period.

Accounting judgements and estimates– Ore reserves and resources

Reserves are estimates of the amount of gold product that can be economically extracted from the Group's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, future capital requirements, short and long term commodity prices and exchange rates.

During the period, the Group has updated its mine properties estimate on the latest information and guidance from Australian Accounting Standard AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The A1 mine properties estimates are based on useful lives of and expected pattern of consumption of the future economic benefits embodied in depreciable assets. The effect of a change in an accounting estimate, shall be recognised prospectively by including it in the profit or loss.

Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data. This process may require complex and difficult geological judgements and calculations to interpret the data.

Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including:

- Asset carrying values may be impacted due to changes in estimated future cash flows.
- The recognition of deferred tax assets.
- Depreciation and amortisation charged in the consolidated statement of profit or loss may change where such charges are calculated using the units of production basis.
- Capital development deferred in the statement of financial position or charged in the consolidated income statement may change due to a revision in the development amortisation rates.

Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities.

4 Contributed equity

Details	Number of shares	\$
Opening balance 1 July 2022	141,281,237	35,431,839
Issue of shares in lieu of cash bonus	416,445	69,384
Closing balance 31 December 2022	141,697,682	35,501,223

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and performance rights are recognised as a deduction from equity, net of any tax effects.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

5 Events occurring after the balance date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial period that, in their opinion, has significantly affected or may significantly affect in future years the Company's or the Group's operations, the results of those operations or the state of affairs.

6 Contingencies

The Directors are not aware of any contingencies for the period ended 31 December 2022.

Notes to the Financial Report

7 Basis of preparation*Significant accounting policies*

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Critical accounting judgement and estimates

The preparation of the half year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this consolidated half year financial report, the significant estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the most recent annual financial report.

Going Concern

The financial statement are prepared on a going concern basis, which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 14 are in accordance with the *Corporations Act 2001*, including:
 - i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*; and
 - ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the six month period ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Signed in accordance with a resolution of the Directors:



Jonathan Downes

Managing Director

Melbourne
09 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kaiser Reef Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Kaiser Reef Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Wai Aw', written over a horizontal line.

Wai Aw
Director

Melbourne, 9 March 2023

Corporate Directory

BOARD OF DIRECTORS

A Byass	Non-Executive Chairman
J Downes	Managing Director
S Howe	Executive Director

SHARE REGISTRY

Automic Registry Pty Ltd
Level 2, 267 St Georges Terraces
Perth WA 6000

JOINT COMPANY SECRETARY

A Tabakovic
S Brockhurst

AUDITOR

BDO Audit Pty Ltd
Tower 4, Level 18,
727 Collins Street
Melbourne VIC 3008, AUSTRALIA

PRINCIPAL PLACE OF BUSINESS

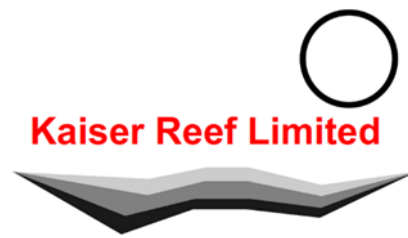
Unit 3, Churchill Court
335 Hay Street
Subiaco WA 6008
Telephone: +61 8 9481 0389
Email: admin@kaiserreef.com.au
Website: www.kaiserreef.com.au

REGISTERED OFFICE

Level 8, 216 St Georges Terrace
Perth WA 6000

STOCK EXCHANGE LISTING

Shares in Kaiser Reef Limited are quoted on the Australian
Securities Exchange
Ticker Symbol: KAU



Additional information for public listed companies

Schedule of Tenement

Project	Tenement Number	Location of Tenement	Status	Beneficial Interest
Stuart Town	EL8491	New South Wales	Granted	100%
	EL8592	New South Wales	Granted	100%
	EL9203	New South Wales	Granted	100%
	EL9198	New South Wales	Granted	100%
	EL9199	New South Wales	Granted	100%
A1	MIN5294	Victoria	Granted	100%
Maldon	MIN5146	Victoria	Granted	100%
	MIN5529	Victoria	Granted	100%
	MIN5528	Victoria	Granted	100%
	EL7029	Victoria	Granted	100%