ASX: KAU

KAISER REEF LIMITED

Annual Report

For the year ended 30 June 2024

Contents

MANAGING DIRECTOR'S ADDRESS TO SHAREHOLDERS

Dear Fellow Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the Kaiser Reef Limited (Kaiser) Annual Report for the financial year ended 30 June 2024 (FY24). I would like to take this opportunity to reflect on our progress, address the challenges we faced, and outline our plans for the year ahead.

Kaiser made strong progress during the year as we continued to improve our operations while executing significant exploration and development drilling. In FY24, our gold mining operations produced 7,608 ounces (2023: 11,350 ounces) and sold 7,582 ounces (2023: 11,349 ounces) of gold at an average realised price of AU$3,126 (2023: AU$2,705).

The year-on-year decrease in production reflects short term mining challenges that we faced in the December quarter and resolved in the March quarter. More significantly, the results reflect Kaiser's focus on decline and lateral development for future mining as opposed to remnant mining. This is a key part of our strategy to deliver long-term growth by grasping what we view as a game-changing opportunity as we reach the Nova lodes at our flagship A1 Gold Mine in Victoria, Australia.

Late in FY24 we developed the A1 Mine decline to close to level 23, which is the end of the high-grade historical workings and mining area. This continuing development has opened multiple new ore headings allowing greater volumes of high gold grade airleg ore. Mineralisation is proven to continue, with numerous high grade and unmined reef systems identified from drilling. From here at the A1 Mine we have identified a low CAPEX pathway towards significant growth in production rates.

Late in FY24, we signed a strategic investment agreement with Ragnar Metals Limited (ASX: RAG), under which Ragnar agreed to a $5 million strategic placement of Kaiser shares at $0.15 per share. As part of this agreement, we welcomed the Ragnar Chairman, Steve Formica, as Kaiser's new Non-Executive Chairman.

Capital from the placement financed our final push towards accessing the Nova levels of the A1 Mine. Having focused earlier in the year on key infrastructure upgrades at the A1 Mine to increase production and profitability, we are now well-funded and strongly positioned to accelerate our development and production growth at this consistent high-grade producing asset.

During the year, we delivered extensive site improvements and upgrades at our Maldon processing plant. We also developed plans to explore and evaluate Maldon to eventually look towards opening up a second mining operation. In this way we plan to deliver diversified long-term growth in production and cashflow, focused on Victorian gold assets following the late FY24 divestment of our NSW exploration assets for total consideration of up to $3.625 million.

The high Australian gold price, which has increased in AU dollar terms by nearly 30% in the past year, continues to support unhedged Australian gold producers such as Kaiser. The company remains unhedged, debt free and poised to increase production and profitability in FY25.

I am proud of how our team addressed its challenges in the past year. I would like to thank our personnel for their dedicated efforts and my fellow Board members for their counsel.

I would also like to express my gratitude to our investors for their continued support and belief in our vision. We are committed to delivering results that will reward your faith in Kaiser Reef. As our business continues to gain scale, we look forward to sharing this journey with you.

Jonathan Downes
Managing Director
Kaiser Reef Limited (ASX:KAU)

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 year ended 30 June 2024.

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

- Adrian Byass
  Non-Executive Chairman (resigned 8 May 2024)

- Steven Formica
  Non-Executive Chairman (appointed 22 May 2024)

- Jonathan Downes
  Managing Director

- Stewart Howe
  Executive Director

- Bradley Valiukas (appointed 18 December 2023)
  Executive Director

The qualifications, experience and special responsibilities of the Directors are presented on page 9.

Principal activities

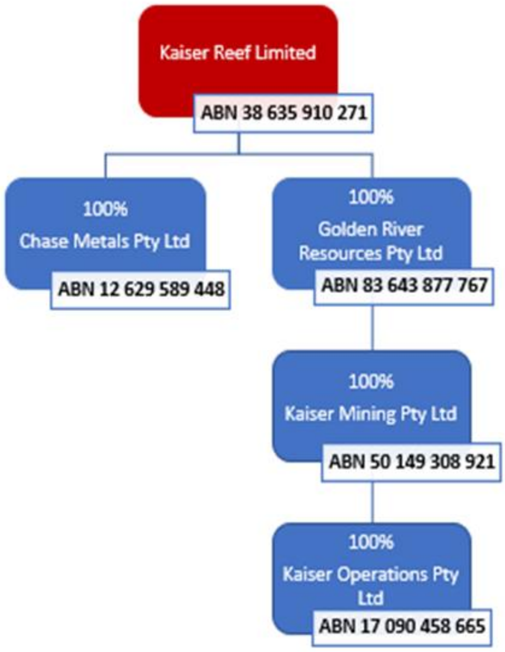
During the year, the principal activities of the Group were mining, production and the sale of gold as well as mineral exploration and development.

Dividend paid or recommended

No dividend has been paid and the Directors do not recommend the payment of a dividend for the year ended 30 June 2024 (30 June 2023: nil).

Corporate information

Kaiser Reef Limited is limited by shares and is incorporated and domiciled in Australia. The Group's corporate structure is as follows:



Overview of the Group's activities

The Group continued its growth trajectory with a number of milestone achievements during the 2024 financial year. The key results for the year were:

- Development of decline to close to level 23 which is the end of historical workings and mining completely unmined areas.
- Continued modernisation of the Maldon process plant to gain efficiency and increase through put.

The Directors' Report covers the year ended 30 June 2024. During the 2024 financial year the Group recorded a statutory loss of $5,534,228 (2023: statutory profit of $1,171,617) and net cash inflows from operating activities of $467,757 (2023: inflows of $5,581,144) and a closing cash balance of $1,112,332 (2023: closing cash balance of $3,225,145).

The focus of FY24 was the future mine development and further exploration at Maldon to ensure an expanded and profitable future mine plan.

The consolidated results for the year are summarised as follows:

	2024	2023
	$	$
EBITDA[3][6]	**(1,759,949)**	4,906,015
Depreciation and amortisation	***(3,723,566)***	*(3,727,698)*
EBIT[2][6]	**(5,483,505)**	1,168,317
Finance cost and interest	***(50,723)***	*3,300*
(Loss)/profit before tax[4]	**(5,534,228)**	1,171,617
Statutory (loss)/profit [1] after tax	**(5,534,228)**	1,171,617

(1) Statutory (loss)/profit is net (loss)/profit 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) 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.

Review of operations

A1 Mine Operations

Safety is a key focus for the Group. Management continues to initiate reviews and improvements to safety processes as part of continuous operational improvements.

The A1 Mine continued to ramp up plan prepared by the Group that is designed to access increased production sources from airleg and mechanised mining methods.

During the year, the company mined the Queens Lode in the last quarter and pushed decline extension and lateral development past towards level 23 which is the last of the historical workings and mining area. This continuing development has opened multiple new ore headings allowing greater volumes of high gold grade airleg ore and mechanised stoping.

In 2024, the A1 Mine produced 7,608 ounces (2023: 11,350 ounces) and sold 7,582 ounces (2023: 11,349 ounces) of gold at an average realised price of $3,126 Australian Dollars (2023: $2,705).

The Group's tonnage production increased by 6%, offset by a lower grade which has reduced overall ounces for the year. This is a reflection of focusing on decline and lateral development for future mining and discontinuation of remnant mining.

The A1 mine commenced its Nova Gold Project in the last quarter. The Nova Gold Project hoists high grade gold mineralisation at unmined levels of the A1 mine. The 23 Level of the A1 Mine is the extent of historical workings. The new mine development will surpass the 23 Level and is expected to contribute to the increased high grade gold production, marking a milestone as production transitions from the current remnant gold mine operation.

Highlights of the drilling results announced 30 October 2023:

- A1UDH-545: 0.9m @ 50.7g/t gold from 51.2m
- A1UDH-539: 0.64m @ 8.0 g/t gold from 10.8m; and 0.2 @395.3 g/t gold from 20.4m
- A1UDH-541: 0.28m @ 159.6 g/t gold from 24.9m
- A1UDH-531: 2.4m @ 24.0 g/t gold
- A1UDH-528: 4.4m @ 117.8 g/t gold; and from 0.3m @40.7g/t gold
- A1UDH-533: 2.3m @ 28.4 g/t gold
- A1UDH-537: 5.4m @ 42.4 g/t gold

Maldon Processing Plant

There were no reportable safety or environmental incidents recorded at the Maldon processing facilities in 2024. The plant processed 34,458 tonnes of ore at an average recovery of 94.0% in 2024 (2023: 32,540 tonnes of ore at an average recovery of 96.1%).

Mill tailings continue to be discharged into Tailings Storage Facility (TSF) No 5. Construction of the next lift of the TSF facility (TSF Lift 5D) is planned in November 2024.

The Group continued to drill out Nuggety. The drilling faced challenges, including deviations from the planned trajectory due to natural rock formation variations and encountering unreported historic underground workings. The Group remains encouraged by the results obtained from the program. Significant quartz reefs and promising gold grades, such as 0.46m @ 205 g/t gold and 2.2m @ 10.3 g/t gold, are recorded on the same target areas.

The best drill intercept was returned of (announced 30 April 2024):

- NG_SDH_005: 0.3m @ 22.77 g/t gold from 258.9m
- 0.38m @ 4.04 g/t gold from 305.3m

Looking ahead, the Group intends to direct its efforts towards further exploration down plunge from the Nuggetty mine workings, focusing on areas with a high level of confidence in mineralisation based on historic drilling data. The company emphasises the continued exploration potential and prospectivity of the Maldon Goldfield, underscoring its commitment to advancing the project.

During the year, the processing plant continued major refurbishments and upgrade projects to increase efficiency and longevity of the plant.

The Mill upgrade works delivered a 10% increase in throughput capacity. Reduction in unit cost through lower power consumption and efficient automated operation are expected, which will reduce operating costs and support any future expanded mining activities.

Post balance date the process plant installed a gravity unit to capture course gold to increase gold recovery.

Th Group continued a number of community projects to further improve engagement in the Maldon region. These projects included continuous noise monitoring, agricultural irrigation water supply and community visits to the facilities.

Future Development, prospect and business strategies

Kaiser Reef's strategic focus is to deliver long term value from it's key assets, the A1 mine and Union Hill mine. The focus follows the proposed sale of its New South Wales projects in FY25.

The strategic focus areas for A1 mine:

- The Nova project to push development below the 23 level past historical workings and unmined areas
- Further exploration drilling below the 23 level

The strategic focus areas for Union Hill:

- Additional resources drilling to increase the existing JORC mineral resources of 186,656 ounces
- Mine plan to bring the Union Hill mine back in production

Material business risks

Kaiser prepares its business plan using estimates of production and financial performance based on a business planning system and a range of assumptions and expectations. The Group's business, operating and financial results and performance are subject to risks and uncertainties, some of which are beyond the Group's reasonable control. The uncertainties arise from a range of factors, including the Group's operating scope, nature of the mining industry and changing economic factors. The business risks assessed as having the potential to have a material impact on the business, operating and/or financial results and performance by the Group include:

Resource and reserve estimates

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Group's operations and reduce the estimated amount of mineral resources and ore reserves available for production and expansion plans. The Group manages the risk associated with resource and reserve estimates by engaging suitably experienced and qualified contractors and operators and ensuring that the Competent Person meets the requirements of the JORC Code 2012.

Actual mineralisation of ore bodies may be different from those predicted, and any material variation in the estimated Ore Reserves, including metallurgy, grade, dilution, ore loss, or stripping ratio at the Group's properties may affect the economic viability of its properties, and this may have material adverse impact on the Group's results of operations, financial condition and prospects. There is also a risk that depletion of resource and reserves will not be offset by discoveries or acquisitions, or that divestitures of assets will lead to a lower resource and reserve base. The resource and reserve base of the Group may decline if reserves are mined without adequate replacement and the Group may not be able to sustain production beyond current mine lives, based on current production rates.

Commodity prices

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Group. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic or political factors on both a regional and global basis. These factors may have a negative effect on the Group's exploration, project development and production plans and activities, together with its ability to fund those plans and activities.

Operating risks

The operations of the Group may be affected by various factors, including operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; natural disasters; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Such changes may have an adverse effect on the operations and production ability of the Group by increasing costs or delaying activities. The Group manages operating risks through a variety of means including selecting suitably experienced and qualified contractors and operators; regular monitoring of the performance of contractors and operators; the recruitment and retention of appropriately qualified employees and contractors; and the regular review by the Board of the Group's key risks.

Environmental and approval risks

The ability of Group to operate, develop and explore projects may be delayed and limited by environmental and approval considerations and significant costs may result from complying with Group's environmental and approval obligations. The Group recognises management's best estimate for assets' retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Reliance on transportation facilities and infrastructure:

The Group depends on the availability and affordability of reliable transportation facilities and infrastructure (e.g. roads, bridges, airports, air transport, power sources and water supply) to deliver consumables to site, and final product to market. Interruption in the provision of such infrastructure (e.g. due to adverse weather, pandemic, community or government interference) could adversely affect the Group's operations, financial condition and results of operations. The Group's operating procedures include business continuity plans which can be enacted in the event any particular infrastructure is temporarily unavailable.

Other natural disasters

Seismic activity is of particular concern to mining operations. The A1 mine in Victoria is in an area known to be seismically active and is subject to risks of earthquakes. The A1 mine is located in the Victoria (Australia) high country forest area which is in the high risk area for bush fire.

Production, cost inputs and capital estimates:

The Group prepares estimates of future production, operating costs and capital expenditure relating to production at its operations. The ability of the Group to achieve production targets or meet operating and capital expenditure estimates on a timely basis cannot be assured. The assets of the Group are subject to uncertainty with regards to ore tonnes, grade, metallurgical recovery, ground conditions, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant and equipment.

Failure to achieve production, cost or capital estimates, or material increases to costs, could have an adverse impact on the Group's future cash flows, profitability and financial condition. The development of estimates is managed by the Group using a rigorous budgeting and forecasting process. Actual results are compared with budgets and forecasts on a regular basis to identify drivers behind discrepancies that may result in updates to future estimates.

Mining operations and facilities are intensive users of electricity, gas and carbon-based fuels. Energy prices can be affected by numerous factors beyond the Group's control, including global and regional supply and demand, carbon taxes, inflation, political and economic conditions, and applicable regulatory regimes. The prices of various sources of energy may increase significantly from current levels.

The Group's production costs are also affected by the prices of commodities it consumes or uses in its operations, such as diesel, lime, sodium cyanide and explosives, and increases in labour rates. The prices of such commodities are influenced by supply and demand trends affecting the mining industry in general and other factors outside the Group's control. Increases in the price for materials consumed in Kaiser Reef's mining and production activities could materially adversely affect its results of operations and financial condition.

Labour costs are impacted by the overall supply of skilled labour to the mining industry, where a lack of labour will increase competition and therefore cost. A lack of skilled labour may also impact the Group's ability to effectively and efficiently execute operational plans.

The Group manages risks associated with input costs through a centralised procurement function which analyses market trends, supply environment, and operational demand planning, to establish appropriate sourcing strategies for spend categories.

Risk management

The Group manages the risks listed above, and other day-to-day risks through an established enterprise-wide risk management framework, which conforms to Australian and international standards and guidance. The Group's risk reporting and control mechanisms are designed to ensure strategic, safety, environment, operational, legal, financial, tax, reputational and other risks are identified, assessed and appropriately managed by key qualified personnel and/or consultants. The financial reporting and control mechanisms are reviewed during the year by management the board, the internal audit function and the external auditor. Senior management and the Board regularly review the risk of the business and the effectiveness of the Group's management of those risks.

Environmental management

The Kaiser Reef Group regards compliance with environmental legislation, regulations and regulatory instruments as the minimum performance standard for its operations. The Group's operations in New South Wales (NSW) and Victoria are subject to environmental regulation under both Commonwealth and State legislation. The Group has environmental bonds lodged with both the NSW and Victorian government.

There were no externally reportable or outstanding environmental incidents during the year ended 30 June 2024 at any of the Group's operating sites which has not been immediately rectified.

Directors' Report

Information on Directors

Adrian Byass
B.Sc (Geo) Hons, B.Eco, FSEG and MAIG

Non-Executive Chairman
Appointed as Chairman 2 September 2019
Resigned as Chairman 8 May 2024

Mr Byass has more than 20 years' experience in the mining industry with extensive experience as a Board member of ASX, TSXV and AIM listed companies. This experience has principally been gained from both listed and unlisted entities around the world through the operation of as well as the evaluation and development of mining products for a range of base, precious and specialty metals and bulk commodities.

Other current listed company directorships:

- Galena Mining Limited
  - Non-Executive Chairman
- Infinity Lithium Corporation Limited
  - Non-Executive Chairman
- Sarama Resources Limited
  - Non-Executive Director

Former listed company directorships in last three years:

- Kingwest Resources Limited (resigned 23 May 2022)
  - Non-Executive Director

Interest in Securities:

- 3,205,000 fully paid ordinary shares
- 4,000,000 unlisted options exercisable at $0.25 on 27 Nov 2026

Steve Formica

Non-Executive Chairman
Appointed as Chairman 22 May 2024

Mr Formica has been a successful businessman and operations manager for over 35 years in several privately held business ventures across multiple industry sectors. He brings to the Company practical management and business development experience.

Mr Formica is chairman and non-executive director for multiple listed companies and a successful investor in a number of ASX listed entities.

Other current listed company directorships:

- Ragnar Metals Limited
  - Non-Executive Chairman
- Albion Resources Limited
  - Non-Executive Chairman
- EcholQ Limited
  - Non-Executive Director
- Bindi Metals Limited
  - Non-Executive Director
- Great Northern Minerals Limited
  - Non-Executive Director

Former listed company directorships in last three years:

- Jade Gas Holdings Limited (23 September 2021)
  - Non-Executive Director

Interest in Securities:

- 5,305,250 fully paid ordinary shares
- 400,000 unlisted options exercisable at $0.30 on 30 Sep 2024
- 2,000,000 unlisted options exercisable at $0.25 on 12 Jul 2028

Jonathan Downes
B.Sc (Geo) and MAIG

Managing Director
Appointed as Director 2 September 2019

Mr Downes has more than 25 years' experience in the mining industry and has worked in various geological and corporate capacities. Jonathan has experience with nickel, gold and base metals and has also been involved with numerous private and public capital raisings. Mr Downes is currently on the boards of Brightstar Resources Limited and Nickel X Limited

Other current listed company directorships:

- Brightstar Resources Limited (Kingwest Resources Limited merged with Brightstar Resources Limited effective 26 May 2023)
- Nickel X Limited
  - Non-Executive Director
- Cazaly Resources Limited
  - Non-Executive Director

Former listed company directorships in last three years:

- Galena Mining Limited (resigned 29 October 2021)
  - Non-Executive Director
- Corazon Mining Limited (resigned 1 September 2022)
  - Non-Executive Director

Interest in Securities:

- 3,835,625 fully paid ordinary shares
- 4,000,000 unlisted options exercisable at $0.25 on 27 Nov 2026

Stewart Howe
BE (Chem), ME (Mining), MAppFin, FAICD and FAusIMM

Executive Director
Appointed as Director 10 February 2021

Mr Howe has +40 years' experience in the global resources industry including the last 18 years in mining. Stewart spent 6 years as Chief Development Officer of Zinifex Limited, where he directed the spin-off of Zinifex's smelters to create Nyrstar N.V. and restarted development of Dugald River Mine now owned by MMG. During the past 14 years Mr Howe has provided advisory roles to boards, private equity and financiers related to restructuring and acquisition of mining assets in base metals and bulk commodities. Mr Howe is an experienced director, chairing the board of Whittle Consulting Group and serving on the boards of a government owned water authority and not-for-profit organisations.

Other current listed company directorships:

- Galena Mining Limited
  - Non-Executive Director

Interest in Securities:

- 312,500 fully paid ordinary shares
- 3,000,000 unlisted options exercisable at $0.25 on 27 Nov 2026

Directors' Report

Information on Directors (continued)

Bradley Valiukas
B.Eng (Mining)

Executive Director
Appointed as Director 18 December 2023

Mr Valiukas is a highly experienced mining engineer with 25 years of operations, management and executive experience, covering underground and open pit operation across multiple commodities around Australia and internationally. He has held corporate and management roles at Northern Star Resources Limited, Focus Minerals Ltd and Mincor Resources NL. He has extensive underground experience including narrow vein gold and airleg operations, with multiple mine start-ups and rectifications completed.

Other current listed company directorships:

- Auramin Limited
  - Managing Director

Interest in Securities:

- 2,000,000 unlisted options exercisable at $0.25 on 18 Dec 2026
- 2,000,000 performance rights

Information on Company Secretaries

Aida Tabakovic
BBus and GradDipBus (Law)

Joint Company Secretary
Appointed as Joint Company Secretary 5 July 2021

Miss Tabakovic has over 11 years' experience in the accounting profession. Her experience includes financial accounting reporting, company secretarial services, ASX and ASIC compliance requirements. Miss Tabakovic has been involved in listing a number of junior exploration companies on the ASX and is currently Company Secretary for numerous ASX listed companies.

Stephen Brockhurst
BCom

Joint Company Secretary
Appointed as Joint Company Secretary 5 July 2021

Mr Brockhurst has over 20 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses on a number of initial public offers. His experience includes corporate and capital structuring, corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements. Mr Brockhurst has served on the board and acted as Company Secretary for numerous ASX listed companies. He is currently a Director of Locksley Resources Limited (ASX: LKY) and Company Secretary Kingfisher Mining Ltd, Heavy Minerals Limited and Estrella Resources Limited.

Remuneration Report (Audited)

The remuneration report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for key management personnel (KMP) who are defined as the persons having the authority and responsibility for planning and directing the major activities of the Group.

Remuneration philosophy

The performance of the Group depends on the quality of the Company Directors and executives and employees and therefore the Group must attract, motivate and retain appropriately qualified industry personnel. During the financial year ended 30 June 2024, Kaiser Reef Limited did not seek the advice of remuneration consultants.

Remuneration policy

Remuneration levels of the executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and the individuals experience and qualifications. During the year, the Group did not have separately established remuneration committees, The Board is responsible for determining and reviewing remuneration arrangements for the executives and non-executive Directors.

Director	Appointed	Length of service	
A Byass[1]	2 Sep 2019	4 years	Non-Executive Chairman
S Formica[2]	22 May 2024	0.1 Year	Non-Executive Chairman
J Downes	2 Sep 2019	4 years	Managing Director
S Howe	10 Feb 2021	3 years	Executive Director
B Valiukas[3]	18 Dec 2023	0.5 Year	Executive Director

		2023	2024
A Byass[1]	$	139,000	139,000
S Formica[2]	$	-	90,000
J Downes[4]	$	280,000	332,000
S Howe	$	133,333	133,333
B Valiukas	$	-	133,000
Annual aggregate fees	$	552,333	775,333
no. of non-executive directors		*1*	*1*
Shareholder approved annual aggregate Non-Executive Director fees	$	300,000	300,000

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. Performance rights granted to certain KMP are deemed to be performance based remuneration. Refer to the 'Performance Rights' section below for details of the terms and conditions of the performance rights granted to certain KMP during the year.

Related party transactions

Transactions between related parties were on commercial terms and conditions, no more favourable than those available from external parties, unless otherwise stated.

Brightstar Resources Limited – related party to and J Downes shared office facility arrangement during the year.

Total for the current year: $30,407 was charged by *Brightstar Resources Limited* with an outstanding amount of $2,983 (2023: nil) payable at 30 June 2024.

Loans to Directors and their related parties

No loans have been made to any Directors or any of their related parties during the current year. There were no further transactions with Directors including their related parties other than those disclosed above.

Contractual arrangements with executive KMPS

Component	J Downes Managing Director
Fixed remuneration	332,000
Contract duration	Ongoing contract
Notice by the individual / Company	6 months / 1 Month
Termination of employment (without cause)	Unvested LTI will remain subject to the achievement of the performance targets set at the original date. The Board has discretion to award a greater or lower amount
Termination of employment (without cause) or by individual	All unvested LTI will lapse

Component	S Howe Executive Director
Fixed remuneration	133,333
Contract duration	Ongoing contract
Notice by the individual / Company	6 months / 1 Month
Termination of employment (without cause)	Unvested LTI will remain subject to the achievement of the performance targets set at the original date. The Board has discretion to award a greater or lower amount
Termination of employment (without cause) or by individual	All unvested LTI will lapse

1 Mr Byass resigned as Non-Executive Director and Chairman 8 May 2024
2 Mr Formica was appointed as Non-Executive Director and Chairman 22 May 2024
3 Mr Valiukas was appointed as Executive Director 18 December 2023
4 Mr Downes was approved a pay increase effective 1 January 2024

Component	B Valiukas Executive Director
Fixed remuneration	133,000
Contract duration	Ongoing contract
Notice by the individual / Company	6 months / 1 Month
Termination of employment (without cause)	Unvested LTI will remain subject to the achievement of the performance targets set at the original date. The Board has discretion to award a greater or lower amount
Termination of employment (without cause) or by individual	All unvested LTI will lapse

Component	A Tran Executive KMP
Fixed remuneration	262,500
Contract duration	Ongoing contract
Notice by the individual / Company	12 weeks plus 3 weeks for every year after the second year
Termination of employment (without cause)	Unvested LTI will remain subject to the achievement of the performance targets set at the original date. The Board has discretion to award a greater or lower amount
Termination of employment (with cause) or by individual	All unvested LTI will lapse

Remuneration Report (Audited) continued

Details of Remuneration

Details of the nature of and amount of each element of the emoluments of each of the Directors and Key Management Personnel (KMP) of the Group for the year ended 30 June 2024

2024	**Short-term benefits**				**Post-employment benefits**	**Long-term benefits**			
Name	Cash salary & fees $	STI payment $	Non-monetary benefits[5] $	Leave[6] $	Super-annuation $	Share-based payments - Rights[7] $	Share-based payments - Options $	Total $	Proportion of total performance related[8]
Directors									
Adrian Byass[9]	104,104	-	6,372	-	11,451	169,001	-	290,928	-
Steven Formica[10]	10,000	-	-	-	1,100	129,073		140,173	-
Jonathan Downes	306,000	-	6,204	35,073	27,399	225,335	-	600,011	-
Stewart Howe	133,333	-	-	14,074	14,667	169,347	-	331,421	-
Bradley Valiukas[11]	72,042	-		5,937	7,925	139,076		224,980	12%
Total Directors	**625,479**	**-**	**12,576**	**55,084**	**62,542**	**831,832**	**-**	**1,587,513**	
Executives									
Andy Tran	275,000[12]	-	848	24,621	27,399	1,207	-	329,075	-
Total Executives	**275,000**	**-**	**848**	**24,621**	**27,399**	**1,207**	**-**	**329,075**	
Total 2024 KMP Remuneration	**900,479**	**-**	**13,424**	**79,705**	**89,941**	**833,039**	**-**	**1,916,588**	-
2023									
Directors									
Adrian Byass	115,395	-	4,229	-	12,117	-	-	131,741	n/a
Jonathan Downes	280,000	-	4,229	21,136	25,292	-	-	330,657	n/a
Stewart Howe	133,333	-	-	11,379	14,000	5,162	-	163,874	3%
Total Directors	528,728	-	8,458	32,515	51,409	5,162	-	626,272	
Executives									
Andy Tran	250,000	-	-	7,423	25,292	12,075	-	294,790	4%
Total Executives	250,000	-	-	7,423	25,292	12,075	-	294,790	-
Total 2023 KMP Remuneration	778,728	-	8,458	39,938	76,701	17,237	-	921,062	-

5 Non-monetary benefits for Executives comprise car parking and professional memberships including associated fringe benefits tax.

6 Leave consists of long service leave and annual leave entitlements.

7 The value of performance rights disclosed as remuneration is the portion of the fair value of the performance rights recognised in the reporting period in accordance with the Corporations Act 2001 and relevant Australian Accounting Standards. This value may not always reflect what an executive has received in the reporting period.

8 Calculated as 'STI payment' plus 'Share-based payments - Rights' divided by 'Total' remuneration.

9 Mr Abyass resigned as Non-Executive Director and Chairman on 8 May 2024.

10 Mr Formica was appointed as Non-Executive Director and Chairman on 22 May 2024.

11 Mr Valiukas was appointed Executive Director on 18 December 2023.

12 Shares issued to Mr Tran were relating to FY24 salary taken as shares on issued 1 August 2023. Number of share issued was 62,500 shares at $0.20, totalling $12,500 in value.

Remuneration Report (Audited) continued

KMP Shareholdings

The number of ordinary shares in Kaiser Reef Limited held by each KMP for the year ended 30 June 2024 are as tabled below:

2024	Balance at the beginning of year	Granted as remuneration during the year	Issued on exercise of the rights during the year	Other changes during the year	Balance at end of the year
Directors					
Adrian Byass[13]	3,205,000	-	-	(3,205,000)	-
Steven Formica[14]	-	-	-	5,306,250	5,306,250
Jonathan Downes	3,735,625	-	-	100,000[15]	3,835,625
Stewart Howe	312,500	-	-	-	312,500
Bradley Valiukas	-	-	-	-	-
Total Directors	**7,253,125**	**-**	**-**	**2,201,250**	**9,454,375**
Executives					
Andy Tran	872,433	-	-	62,500[16]	934,933
Total Executives	**872,433**	**-**	**-**	**62,500**	**934,933**

KMP Options Holdings

The number of options over ordinary shares in Kaiser Reef Limited held by each KMP for the year ended 30 June 2024 are as tabled below:

2024	Balance at the beginning of year	Granted as remuneration during the year	Reduction on lapse of the options during the year	Reduction of options during the year	Balance at end of the year	Vested and exercisable at 30 June 2024
Directors						
Adrian Byass[13]	2,000,000	3,000,000[17]	(2,000,000) [18]	(3,000,000)	-	-
Steven Formica	400,000[19]	2,000,000[20]	-	-	2,400,000	2,400,000
Jonathan Downes	2,000,000	4,000,000[21]	(2,000,000) [22]	-	4,000,000	4,000,000
Stewart Howe	400,000	3,000,000[23]	-	-	3,400,000	3,400,000
Bradley Valiukas	-	2,000,000[24]	-	-	2,000,000	2,000,000
Total Directors	**4,800,000**	**14,000,000**	**(4,000,000)**	**(3,000,000)**	**11,800,000**	**11,800,000**
Executives						
Andy Tran	500,000	-	(500,000)	-	-	-
Total Executives	**500,000**	**-**	**(500,000)**	**-**	**-**	**-**

KMP Performance rights

The number of rights over ordinary shares in Kaiser Reef Limited held by each KMP for the year ended 30 June 2024 are as tabled below:

2024	Opening rights held	Granted as remuneration during the year	Vested during the year	Forfeited during the year	Balance at end of the year
Directors					
Adrian Byass[13]	-	-	-	-	-
Steven Formica[14]	-	-	-	-	-
Jonathan Downes	800,000	-	-	(320,000)	480,000
Stewart Howe	600,000	-	-	(340,000)	260,000
Bradley Valiukas	-	2,000,000			2,000,000
Total Directors	**1,400,000**	**2,000,000**	-	**(660,000)**	**2,740,000**
Executives					
Andy Tran	200,000	-	-	(200,000)	-
Total Executives	**200,000**	**-**	**-**	**(200,000)**	**-**

[13] Mr Abyass resigned as Non-Executive Director and Chairman on 8 May 2024.
[14] Mr Formica was appointed 22 May 2024 Non-Executive Director and Chairman and shares were on market purchases prior to appointment.
[15] Mr Downes shares increases were on market purchases.
[16] Shares issued to Mr Tran were relating to FY24 salary taken as shares on issued 1 August 2023. Number of shared issue was 62,500 shares at $0.20, totalling $12,500 in value.
[17] Options issued to Mr Byass to provide performance linked incentive approved at AGM 23 November 2023.
[18] Free attaching options issued to Mr Byass on initial ASX company listing on the 26 February 2020.
[19] Pre-existing options Mr Formica had allocated as part of the Westar Capital limited in 6 September 2021 and expiring 30 September 2024.
[20] Options issued to Mr Formica to provide performance linked incentive, approved at EGM 10 July 2024.
[21] Options issued to Mr Downes to provide performance linked incentive approved at AGM 23 November 2023.
[22] Free attaching options issued to Mr Downes on initial ASX company listing on the 26 February 2020.
[23] Options issued to Mr Howe to provide performance linked incentive approved at AGM 23 November 2023.
[24] Options issued to Mr Valiukas to provide performance linked incentive approved at EGM 10 July 2024.

Remuneration Report (Audited) continued

Valuation of Rights Granted

During the 2024 year the Group granted the following rights to KMP, which were valued at grant date as follows:

		Bradley Valiukas		
Tranche	**Value per right**	**Number of rights granted**	**Total value***	**Valuation methodology**
A	$0.165	2,000,000[25]	$330,000	Share price at grant date
Total		**2,000,000**	**$330,000**	

*The holder must be an employee of the Company in order for the rights to vest on achievement of the relevant performance hurdles. Accordingly, the total value of rights at grant date has been vested over the relevant performance period. The rights value are at the grant date share price with nil discount, nil dividend expected and no market conditions.

Performance rights conditions

The performance rights granted to Mr Valiukas include vesting conditions being satisfaction of the following conditions:

By the 18th of December 2025:

LTIP 2,000,000

- A1 Mine operations reaches and maintains a production profile of 6,000 oz/quarter for at least two (2) consecutive quarter or more than a combine 18,000 ounces overs three (3) quarters and an AISC below AUD$2,000/oz.

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Valuation of Options Granted

During the year the Group granted the following options, Mr Valiukas and M Formica's options are still subject to shareholders approval as at 30 June 2024.

Description	**A Byass**	**J Downes**	**S Howe**	**B Valiukas**	**S Formica**
Number of options	3,000,000	4,000,000	3,000,000	2,000,000	2,000,000
Grant date	22/11/2023	22/11/2023	22/11/2023	18/12/2023	22/5/2024
Grant date share price ($)	0.17	0.17	0.17	0.165	0.145
Exercise price ($)	0.25	0.25	0.25	0.25	0.25
Volatility (%)	65	65	65	65	73
Risk free rate (%)	3.8	3.8	3.8	3.8	4.4
Term (in years)	3.00	3.00	3.00	3.00	3.98
Fair value per option ($)	0.056	0.056	0.056	0.056	0.065
Total value of options granted	**$169,001**	**$225,335**	**$169,001**	**$112,667**	**$129,073**

Relationship between Group performance and remuneration – past five years

Earnings[26]	**2024**	**2023**	**2022**	**2021**	**2020**
Sales revenue ($)	23,702,742	30,692,226	22,785,222	5,085,396	-
EBITDA ($)	(1,759,949)	4,906,015	4,541,592	(10,472,589)	(310,863)
Statutory net profit/(loss) after tax ($)	(5,534,228)	1,171,617	(2,262,838)	(11,806,825)	(318,999)
Underlying net profit/(loss) after tax ($)	(5,534,228)	1,171,617	(2,262,838)	(3,956,058)	(318,999)
Total shareholder returns					
Share price at financial year end ($)	0.17	0.20	0.15	0.26	0.29
Total dividends declared ($)	-	-	-	-	-
Basic earnings per shares ($)	(3.45)	0.82	(1.70)	(19.66)	(2.73)

Voting and comments made at the Company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, 94.8% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

END OF REMUNERATION REPORT (AUDITED)

[25] The probability of achievement has been applied at 30 June 2024 is 30%.

[26] No performance is measured on TSR

Meeting of Directors

During the year Directors' meeting were held. Attendance by each Director during the year were as follows:

	Number of eligible to attend	Attended
A Byass	2	2
S Formica	-	-
J Downes	2	2
S Howe	2	2
B Valiukas	1	1

Shares under options

There were 30,650,000 (30 September 2023: 18,494,800) unissued ordinary shares under option at the date of this report.

Shares issued on the exercise of options

There were no Kaiser Reef Limited ordinary shares issued on the exercise of options during the year ended 30 June 2024 (30 June 2023: nil). Refer to note 15 for further information on shares issued.

Indemnification and insurance of officers

The Company's Constitution provides that, to the extent permitted by law, the Company must indemnify any person who is, or has been, an officer of the Company against any liability incurred by that person including any liability incurred as an officer of the Company or a subsidiary of the Company and legal costs incurred by that person in defending an action.

During the year the Company paid an insurance premium for Directors' and Officers' Liability and Statutory Liability policies. The contract of insurance prohibits disclosure of the amount of the premium and the nature of the liabilities insured under the policy.

The Company has agreed to indemnify their external auditors, BDO Audit Pty Ltd, to the extent permitted by law, against any claim by a third party arising from the Company's breach of their agreement. The indemnity stipulates that the Company will meet the full amount of any such liabilities including a reasonable amount of legal costs.

Non-audit services

The Group may decide to employ the Auditor on assignments additional to their statutory audit duties where the Auditor's expertise and experience with the Company and/or Group are important.

The Board of Directors has considered the position and, is satisfied that the provision of non-audit services during the year as set out in Note 16 did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- The Executives annually informs the Board of the detail, nature and amount of any non-audit services rendered by BDO during the financial year, giving an explanation of why the provision of these services is compatible with auditor independence. If applicable, the Board take appropriate action to satisfy itself of the independence of BDO.

Auditor independence

A copy of the Auditor's Independence Declaration required under section 307C of the Corporations Act 2001 is set out on page 17 and forms part of this Directors' Report.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Events occurring after the end of the financial year

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial 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.

Announced on 22 May 2024, the Group announced the terms of Ragnar Metals Limited strategic investment of:

$5,010,000 placement in Kaiser at 15 cents per share (no discount) consisting of:

- tranche 1 of $930,000 (6,200,000 shares and 3,100,000 unlisted options); and
- tranche 2 of $4,080,000 (27,200,000 shares and 13,600,000 unlisted options) to be issued subject to shareholder approval at a general meeting.

1 option for every 2 shares, with a $0.22 exercise price and expiry of 31 July 2028.

Ragnar will receive a 1.5% net smelter return on gold produced from the A1 Gold Mine for a period of 5 years commencing from the 1 July 2025.

Shareholders approved a two tranche placement at the company's general meeting of shareholders held on 10 July 2024 and the funds were received the 16 July 2025. The investment represents a 16% holding of Kaiser Reef Limited.

Rounding of amounts

Kaiser Reef Limited is a Company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191 issued by the Australian Securities and Investment Commission (ASIC). As a result, amounts in this Directors' Report and the accompanying Financial Report have been rounded to the nearest dollars, except where otherwise indicated.

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

For and on behalf of the Board

Dated at Perth this 25th day of September 2024

Jonathan Downes
Managing Director

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

As lead auditor of Kaiser Reef Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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, 25 September 2024

Financial Report

Contents

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 Stock Exchange (ASX). The consolidated financial statements of the Company as at and for the year ended 30 June 2024 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 Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. Where required by accounting standards comparative figures have been adjusted to conform to changes in presentation in the current year. The consolidated financial report of the Group complies with International Financial Reporting Standards (IFRSs) and interpretations issued by the International Accounting Standards Board.

What's in this report

Kaiser Reef's Directors have included information in this report that they deem to be material and relevant to the understanding of the financial statements and the Group.

A disclosure has been considered material and relevant where:

- the dollar amount is significant in size (quantitative);
- the dollar amount is significant in nature (qualitative);
- the Group's result cannot be understood without the specific disclosure; and
- it relates to an aspect of the Group's operations that is important to its future performance.

Material accounting policies and critical accounting judgements and estimates applied to the preparation of the consolidated financial statements are presented where the related accounting balance or consolidated financial statement matter is discussed. To assist in identifying critical accounting judgements and estimates, we have highlighted them in the following manner:

Accounting judgements and estimates

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Operations			
Revenue	1	**23,702,742**	30,692,226
Mine operating costs	1	**(25,864,875)**	(27,329,939)
Gross (loss)/profit		**(2,162,133)**	3,362,287
Other income	1	**163,151**	120,834
Exploration expensed		**(1,066)**	(893)
Corporate costs	1	**(3,463,911)**	(2,286,055)
Operational (loss)/profit		**(5,463,959)**	1,196,173
Finance costs	10	**(70,269)**	(24,556)
(Loss)/profit before income tax		**(5,534,228)**	1,171,617
Income tax expense	2	**-**	-
Net (loss)/profit after tax		**(5,534,228)**	1,171,617
Other comprehensive income		**-**	-
Total comprehensive (loss)/income attributable to equity holders of the Company		**(5,534,228)**	1,171,617
Earnings per share			
Basic (losses)/earnings per share (cents per share)	3	**(3.45)**	0.82
Diluted (losses)/earnings per share (cents per share)	3	**(3.45)**	0.76

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 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Assets			
Current assets			
Cash and cash equivalents	10	**1,112,332**	3,225,145
Trade and other receivables	8	**652,351**	1,746,094
Inventories	8	**1,924,189**	2,384,484
Assets held for sale	6	**1,445,297**	-
Total current assets		**5,134,169**	7,355,723
Non-current assets			
Trade and other receivables	8	**847,000**	847,000
Property, plant and equipment	4	**7,168,219**	8,635,407
Mine properties	5	**13,091,107**	8,225,026
Exploration and evaluation	6	**3,995,687**	7,232,475
Total non-current assets		**25,102,013**	24,939,908
Total assets		**30,236,182**	32,295,631
Liabilities			
Current liabilities			
Trade and other payables	8	**3,042,730**	4,333,054
Provisions	13	**919,756**	635,695
Interest bearing liabilities	10	**413,415**	330,059
Total current liabilities		**4,375,901**	5,298,808
Non-current liabilities			
Rehabilitation provision	7	**1,285,031**	1,251,616
Provisions	13	**292,883**	312,578
Interest bearing liabilities	10	**186,401**	213,307
Total non-current liabilities		**1,764,315**	1,777,501
Total liabilities		**6,140,216**	7,076,309
Net assets		**24,095,966**	25,219,322
Equity			
Contributed equity	15	**39,611,166**	36,340,521
Share based payment reserve	14	**2,484,605**	1,738,050
Accumulated losses		**(17,999,805)**	(12,859,249)
Total equity		**24,095,966**	25,219,322

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 year ended 30 June 2024

	Note	Consolidated			
		Contributed Equity	Share based payment reserve	Accumulated Losses	Total
		$	$	$	$
Balance at 30 June 2023		**36,340,521**	**1,738,050**	**(12,859,249)**	**25,219,322**
Total comprehensive income for the year					
Loss attributable to equity holders of the Company		-	-	(5,534,228)	(5,534,228)
Transactions with owners of the Company recognised directly in equity:					
Share-based payments		-	759,922	351,679	1,111,601
Performance rights movement		-	(13,367)	41,993	28,626
Employee incentives issued as shares		35,909	-	-	35,909
Ordinary shares issued for strategic placement		3,475,000	-	-	3,475,000
Cost of equity issued		(240,264)	-	-	(240,264)
Balance at 30 June 2024	**15**	**39,611,166**	**2,484,605**	**(17,999,805)**	**24,095,966**

	Note	Consolidated			
		Contributed Equity	Share based payment reserve	Accumulated Losses	Total
		$	$	$	$
Balance at 30 June 2022		**35,431,839**	**1,447,649**	**(14,069,663)**	**22,809,825**
Total comprehensive income for the year					
Profit attributable to equity holders of the Company		-	-	1,171,617	1,171,617
Transactions with owners of the Company recognised directly in equity:					
Share-based payments		-	346,801	-	346,801
Performance rights movement		-	(18,400)	38,797	20,397
Employee incentives issued as shares		31,384	-	-	31,384
Ordinary shares issued for strategic placement		900,000	-	-	900,000
Cost of equity issued		(60,702)	-	-	(60,702)
Ordinary shares issued to Director provisionally granted in prior year		38,000	(38,000)	-	-
Balance at 30 June 2023	**15**	**36,340,521**	**1,738,050**	**(12,859,249)**	**25,219,322**

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 year ended 30 June 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Cash Flows From Operating Activities:			
Receipts from customers (inclusive of GST)		**23,840,197**	30,785,204
Payments to suppliers and employees (inclusive of GST)		**(23,357,813)**	(25,207,360)
Interest received		**19,546**	27,856
Interest paid		**(34,173)**	(24,556)
Net cash inflow from operating activities	10	**467,757**	5,581,144
Cash Flows From Investing Activities:			
Payments for property, plant and equipment	4	**(1,018,921)**	(4,176,350)
Payments for development of mining properties	5	**(3,073,928)**	(3,152,517)
Payments for exploration and evaluation	6	**(1,238,564)**	(2,056,441)
Proceeds from sales of fixed assets		**3,470**	-
Net cash outflow from investing activities		**(5,327,943)**	(9,385,308)
Cash Flows From Financing Activities:			
Proceeds from issue of ordinary shares	15	**3,475,000**	900,000
Payment for cost of shares issued	15	**(240,264)**	(60,702)
Insurance premium funding principal repayments		**(333,715)**	(328,536)
Lease principal repayments		**(153,648)**	(63,372)
Net cash inflow from financing activities		**2,747,373**	447,390
Net decrease in cash and cash equivalents		**(2,112,813)**	(3,356,774)
Cash and cash equivalents at the beginning of the year		**3,225,145**	6,581,919
Cash and cash equivalents at the end of the year	10	**1,112,332**	3,225,145

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 with the notes to the consolidated financial statements.

1 Revenue, Income, mine operating costs and corporate costs

	Consolidated 2024 $	Consolidated 2023 $
Revenue		
Gold sales	**23,702,742**	30,692,226
Other income		
Silver sales	**33,672**	14,589
Interest revenue	**19,546**	27,856
Other	**93,207**	75,000
Scrap metal sales	**16,726**	3,389
Total other income	**163,151**	120,834
Total revenue and income	**23,865,893**	30,813,060
Mine operating costs		
Gold operation expenditure	**(11,167,879)**	(11,942,000)
Employee expense	**(10,973,440)**	(11,650,241)
Depreciation & Amortisation	**(3,723,556)**	(3,737,698)
Total operating cost	**(25,864,875)**	(27,329,939)
Corporate costs		
Administrative cost	**(2,325,045)**	(1,912,614)
Share based payments(1)	**(1,140,227)**	(367,198)
Foreign exchange movements	**1,361**	(6,243)
Total corporate costs	**(3,463,911)**	(2,286,055)

(1) Refer to note 14 on share based payments.

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.

The Group only sells its products to licenced refineries within Australia. During the period, the Group sold $15,172,497 of gold to ABC Refinery (Australia) Pty Ltd (2023: $30,692,226) and changed to Gold Corporation (Western Australian Mint) being its sole customer and sold $8,530,245 of gold bullion (2023: $nil). The company currently only sell its products to the Gold Corporation.

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.

Notes to the Financial Report

2 Income tax

Income tax expense	Consolidated 2024 $	Consolidated 2023 $
Current tax expense	-	-
Under provision in respect of the prior year	-	-
Movement in deferred tax	-	-
Total income tax expense	-	-

Numerical reconciliation of income tax expense to prima facie tax payable

	Consolidated 2024 $	Consolidated 2023 $
(Loss)/profit before income tax	**(5,534,228)**	1,171,617
Tax at the Australian tax rate of 25%	**(1,383,557)**	292,904
Tax effect of amounts not deductible/ (taxable) in calculating taxable income:		
Entertainment	**2,319**	1,605
Share based payments	**285,056**	91,800
FBT expense	**2,223**	2,073
Other permanent differences	**-**	-
Deferred tax assets (recognised)/not brought to account	**(445,459)**	(1,153,474)
Tax losses not brought to account	**1,539,418**	765,092
Income tax expense	**-**	-

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the consolidated profit and loss, except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Tax exposure

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities may impact tax expense in the period that such a determination is made.

Tax consolidation

Entities in the Australian tax consolidated group at 30 June 2024 included: Golden River Resources Pty Ltd (head entity), Kaiser Mining Pty Ltd and Kaiser Operations Pty Ltd. Current and deferred tax amounts are allocated using the “separate taxpayer within group” method.

A tax sharing and funding agreement has been established between the entities in the tax consolidated group. The Company recognises deferred tax assets arising from the unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Current tax liability

As at 30 June 2024, the Company had a nil current tax liability.

Accounting judgements and estimates

Deferred tax assets relating to the acquiree which have been brought to account to the extent of offsetting deferred tax liabilities relating to the acquisition of Kaiser Mining Pty Ltd are expected to be available for use by the Group in accordance with AASB 112 and IFRIC 23.

At 30 June 2024, tax losses relating to entities associated of $1,691,391 (tax effected) were not booked (2023: $765,092).

Notes to the Financial Report

2 Income tax (continued)

Deferred tax balances	Consolidated 2024 $	Consolidated 2023 $
Deferred tax liabilities		
Property, plant and equipment	**(715,721)**	(890,798)
Mine properties	**(3,662,351)**	(2,694,380)
Exploration and evaluation assets	**(997,516)**	(1,440,007)
Other temporary differences	**(98,706)**	(83,714)
Total	**(5,474,294)**	(5,108,899)
Offset by deferred tax assets	**5,474,294**	5,108,899
Net deferred tax liability recognised	**-**	-
Deferred tax assets		
Trade and other payables	**101,513**	88,397
Provisions – current	**246,718**	169,470
Rehabilitation provision – non-current	**320,425**	312,904
Provisions – non-current	**59,982**	71,139
Other tax deductible amounts	**3,975,474**	4,081,397
Tax losses	**3,566,661**	2,030,905
Total	**8,270,773**	6,754,212
Offset against deferred tax liabilities	**(5,474,294)**	(5,108,899)
Net deferred tax assets not brought to account	**2,796,479**	1,645,313

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Accounting judgements and estimates

At each reporting date, the Group performs a review of the probable future taxable profit in each jurisdiction. The assessments are based on the latest life of mine plans relevant to each jurisdiction and the application of appropriate economic assumptions such as gold price and operating costs. Any resulting recognition of deferred tax assets is categorised by type (e.g. tax losses or temporary differences) and recognised based on which would be utilised first according to that particular jurisdiction's legislation.

3 Earnings per share

	Consolidated 2024 Cents	Consolidated 2023 Cents
Basic (losses)/earnings per share	(3.45)	0.82
Diluted (losses)/earnings per share	(3.45)	0.76

Reconciliation of earnings/(losses) used in calculating earnings/(losses) per share

	Consolidated 2024 $	Consolidated 2023 $
Basic and diluted (losses)/earnings per share: (Loss)/profit after tax for the year	(5,534,228)	1,171,617

Weighted average number of shares

	Consolidated 2024 Number(1)	Consolidated 2023 Number
Weighted average number of ordinary shares used in calculating basic earnings per share	171,043,894	142,651,075
Weighted average number of ordinary shares and potential ordinary shares used in calculating diluted earnings per share	171,043,894	154,039,943

(1) Weighted average adjustment had an anti-dilutive impact on loss per share.

Basic earnings/(losses) per share

Basic earnings/(losses) per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the reporting year.

Diluted earnings/(losses) per share

Diluted earnings/(losses) per share adjusts the figures used in the determination of basic earnings/(losses) per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Basic loss per share is not diluted.

Performance rights and options

Performance rights and options granted to employees under the Kaiser Performance Rights Plan are considered to be potential ordinary shares and are included in the determination of diluted earnings per share to the extent to which they are dilutive. The rights and options are not included in the determination of basic earnings per share until the performance conditions are met.

Weighted average of number of shares

The calculation of the weighted average number of shares is based on the number of ordinary shares and performance rights during the year.

4 Property, plant and equipment

Non-current	Consolidated 2024 $	Consolidated 2023 $
Land and buildings		
At the beginning of the year	**386,400**	44,436
Additions	**-**	413,336
Depreciation (range 3-15 years)	**(143,867)**	(71,372)
Disposals	**-**	-
At the end of the year(1)	**242,533**	386,400
Plant and equipment		
At the beginning of the year	**8,249,007**	5,889,238
Additions	**721,140**	2,559,977
Assets under construction	**297,781**	1,616,373
Disposals	**(455)**	(44,557)
Depreciation (range 3-15 years)	**(2,341,787)**	(1,772,024)
At the end of the year	**6,925,686**	8,249,007
Total	**7,168,219**	8,635,407

Reconciliation of depreciation and amortisation to the consolidated income statement

	Consolidated 2024 $	Consolidated 2023 $
Depreciation		
Land and buildings	**(143,867)**	(71,372)
Plant and equipment	**(2,341,787)**	(1,772,024)
Amortisation		
Mine properties	**(1,237,902)**	(1,894,302)
Total	**(3,723,556)**	(3,737,698)

(1) Right of use assets totaling $203,807 have been included within balance.

Buildings, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation of assets is calculated using the straight line method to allocate the cost or revalued amounts, net of residual values, over their estimated useful lives. Where the carrying value of an asset is less than its estimated residual value, no depreciation is charged. Residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated income statement when realised.

Accounting judgements and estimates

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves determining fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

4 Property, plant and equipment (continued)

Right-of-use assets (leases)

This note provides information for right-of-use of asset where the group is a lessee.

Right-of-use assets	Consolidated 2024 $	Consolidated 2023 $
Land and buildings		
At the beginning of the year	**344,819**	-
Additions	**-**	413,336
Depreciation (range 2-3 years)	**(141,012)**	(68,517)
Disposals	**-**	-
At the end of the year	**203,807**	344,819

Right -of-use lease liabilities	Consolidated 2024 $	Consolidated 2023 $
Current	**140,275**	136,657
Non-Current	**73,029**	213,307
Total interest bearing liabilities	**213,304**	349,964

The Group's leasing activities

The Group leases rental accommodation for the A1 Mine. Contracts are typically made for fixed periods of 1 months to 2 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone value. As a Lessee the Group individually accesses single lease components.

Lease terms are negotiated on individual operational requirements and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.

Accounting judgements and estimates

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options under management's assessment are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain the asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Management has applied judgement in determining whether assets used by a supplier in providing services to the Group qualify as right-of-use assets.

Right-of-use assets are depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group has chosen not to do so for the right-of-use assets held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The financial effect of measuring lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of $144,456 (2023: 144,456).

5 Mine properties

Non-current Mine properties	Consolidated 2024 $	Consolidated 2023 $
At beginning of the year	**8,225,026**	7,403,195
Additions	**3,073,928**	3,152,517
Transfer from exploration	**3,030,055**	-
Rehabilitation movement(1)	**32,646**	(436,384)
Amortisation for the year	**(1,270,548)**	(1,894,302)
At end of the year	**13,091,107**	8,225,026

(1) Rehabilitation movement generated as a result of the change in discount rate applied to the rehabilitation provision and the unwinding of the discount (refer Note 7).

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 resources. The calculation of amortisation takes into account future costs which will be incurred to develop all the mineable resources. Changes to mineable resources 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 specific 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 and inferred resource estimates. These calculations require the use of estimates and assumptions in relation to resources, metallurgy and the complexity of future capital development requirements; changes to these estimates and assumptions will impact the amortisation charge in the consolidated statement of profit or loss and asset carrying values.

During the year, the Group increased the A1 Mine's life of mine plan as a result of strong positive drilling result analysis, historical mining data and mineral resources. This resulted in the reduction of amortisation charges of the mine properties.

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 statement of profit or loss.

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.

The identified CGU of the Group is: Kaiser Mining. The carrying value of all CGUs are assessed when an indicator of impairment is identified using fair value less costs of disposal ('Fair Value') to calculate the recoverable amount.

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 and/or mineral resources inventories, operating costs and future capital expenditure. Costs to dispose have been estimated by management.

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 30 June 2024, the Group determined that there were no indicators of impairment for the Kaiser Mining cash generating unit due to the strong gold forecast prices at 30 June 2024, existing long life mining at A1 Mine, ongoing development of resources, together with the relatively low carrying value to recover. A formal estimation of impairment of the recoverable value of the Maldon development was made and no impairment was noted for low carrying value.

Mineral Resources

The Group determines and reports mineral resources 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 resources. Due to the fact that economic assumptions used to estimate resources change from period to period, and geological data is generated during the course of operations, estimates of resources may change from period to period.

Accounting judgements and estimates– Ore Resource

Resources are estimates of the amount of gold product that can be economically extracted from the Group's properties. In order to calculate resources, 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.

Estimating the quantity and/or grade of resources 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 resources 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 statement of profit and loss may change due to a revision in the development amortisation rates.
- Decommissioning, site restoration and environmental provisions may change where changes in estimated resources affect expectations about the timing or cost of these activities.

6 Exploration and evaluation

Non-current	Consolidated 2024 $	Consolidated 2023 $
At beginning of the year	**7,232,475**	5,176,034
Additions	**1,238,564**	2,056,441
Transfer to mine properties	**(3,030,055)**	-
Transfer to available for sale assets	**(1,445,297)**	-
At end of the year	**3,995,687**	7,232,475

Commitments for exploration

	2024 $	2023 $
In order to maintain rights of tenure to mining tenements for the next financial year, the Group is committed to tenement rentals and minimum exploration expenditure in terms of the requirements of the relevant government mining departments in Australia. This requirement will continue for future years with the amount dependent upon tenement holdings.	**743,690**	**856,190**

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group holds current rights to tenure and the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable resources.

Exploration and evaluation expenditure consists of an accumulation of acquisition costs and direct exploration and evaluation costs incurred, together with an allocation of directly related overhead expenditure.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward cost in relation to that area of interest.

When an area of interest is abandoned, or the Directors determine it is not commercially viable to pursue, accumulated costs in respect of that area are written off in the period the decision is made.

On the 25 June 2024, the Company announced a binding terms for divestment of the NSW exploration assets to HearMeOut Limited (HMO). Subject to satisfaction, including due diligence, ASX Approvals, HMO completing a capital raising and various regulatory approvals. The terms of the divestment are as follows:

- $25,000 Exclusivity Fee;
- $1,100,000 in Script in HMO;
- $500,000 reimbursement for past exploration;
- Up to $2,000,000 in performance rights in HMO based upon success hurdles that include resource definition and decisions to mine: and,
- Kaiser Reef Limited to retain 20% free carried interest in the projects until a decision to mine is reached

HearMeOut Limited is an unlisted public company proposed to be renamed Resolves Exploration Ltd upon listing. The transaction is expected to be complete with FY25 financial year.

Accounting judgements and estimates

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

7 Rehabilitation provision

	Consolidated 2024 $	Consolidated 2023 $
Non-current		
Provision for rehabilitation	**1,285,031**	1,251,616
	1,285,031	1,251,616
Movements in Provisions		
Rehabilitation		
Balance at start of year	**1,251,616**	1,698,000
Additions	**-**	-
Provision used during the year	**-**	(10,000)
Change in discount rate[1]	**3,330**	(436,384)
Unwinding of discount	**30,085**	-
Balance at end of year	**1,285,031**	1,251,616

(1) Represents a change in real discount rate to 2.44% applied to the rehabilitation provision at all operations (June 2023: 2.59%). This increase is reflective of the increase in long term government bond rates.

Provisions, including those for legal claims and rehabilitation and restoration costs, are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The Group has obligations to dismantle, remove, restore and rehabilitate certain items of property, plant and equipment and areas of disturbance during mining operations.

A provision is made for the estimated cost of rehabilitation and restoration of areas disturbed during mining operations up to reporting date but not yet rehabilitated. The provision also includes estimated costs of dismantling and removing the assets and restoring the site on which they are located. The provision is based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of contouring, topsoiling and revegetation to meet legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

There is some uncertainty as to the extent of rehabilitation obligations that will be incurred due to the impact of potential changes in environmental legislation and many other factors (including future developments, changes in technology and price increases). The rehabilitation liability is remeasured at each reporting date in line with changes in the timing and /or amounts of the costs to be incurred and discount rates. The liability is adjusted for changes in estimates. Adjustments to the estimated amount and timing of future rehabilitation and restoration cash flows are a normal occurrence in light of the significant judgments and estimates involved.

As the value of the provision represents the discounted value of the present obligation to restore, dismantle and rehabilitate, the increase in the provision due to the passage of time is recognised as a borrowing cost. A large proportion of the outflows are expected to occur at the time the respective mines are closed.

Accounting judgements and estimates

Mine rehabilitation provision requires significant estimates and assumptions as there are many transactions and other factors that will ultimately affect the liability to rehabilitate the mine sites. Factors that will affect this liability include changes in regulations, prices fluctuations, changes in technology, changes in timing of cash flows which are based on life of mine plans and changes to discount rates. When these factors change or are known in the future, such differences will impact the mine rehabilitation provision in the period in which it becomes known.

8 Working capital

Trade and other receivables

	Consolidated 2024 $	Consolidated 2023 $
Current		
Trade receivables	-	-
Other receivables(1)	614,690	1,726,650
Prepayments	37,661	19,444
	652,351	1,746,094
Non-current		
Rehabilitation bond	847,000	847,000
Total	1,499,351	2,593,094

(1) Other trade receivable mainly consists of GST which is refundable to the Group at the end of every quarter.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are usually due for settlement no more than 30 days from the date of recognition. Cash placed on deposit with a financial institution to secure bank guarantee facilities and restricted from use ('restricted cash') within the business is disclosed as part of trade and other receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. The amount of the provision for doubtful receivables is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

The Group does not have material trade receivables for which there is an expected credit loss though the consolidated profit and loss. It only sells to licenced refineries, refer to note 1 for sole customers.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

	Consolidated 2024 $	Consolidated 2023 $
Current		
Consumables	889,213	693,155
Ore stockpiles	532,366	295,855
Gold in circuit	442,258	1,395,474
Bullion on hand	60,352	-
Total	1,924,189	2,384,484

Consumables, ore stockpiles, gold-in-circuit and bullion on hand are valued at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure relating to mining activities, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Accounting judgements and estimates
The calculation of net realisable value (NRV) for ore stockpiles, gold in circuit and bullion on hand involves significant judgement and estimation in relation to timing and cost of processing, future gold prices, exchange rates and processing recoveries. A change in any of these assumptions will alter the estimated NRV and may therefore impact the carrying value of inventories.

Trade and other payables

	Consolidated 2024 $	Consolidated 2023 $
Current		
Trade payables	2,308,346	2,744,480
Other payables	734,384	1,588,574
Total	3,042,730	4,333,054

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which remain unpaid as at reporting date. The amounts are unsecured and are usually paid within 30 days from the end of the month of recognition.

9 Financial risk management

Financial risk management

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to withstand significant changes in cash flow under certain risk scenarios and still meet all financial commitments as and when they fall due. The Group continually monitors and tests its forecast financial position and has a detailed planning process that forms the basis of all cash flow forecasting.

The Group's normal business activities expose it to a variety of financial risk, being: market risk (especially gold price and foreign currency risk), credit risk and liquidity risk. The Group may use derivative instruments as appropriate to manage certain risk exposures.

Risk management in relation to financial risk is carried out by a centralised executive function in accordance with Board approved directives that underpin policies and processes. The Executive Leadership Team (and when required external consultants) assist the Board in discharging their responsibilities in relation to forecasted risk profiles, risk issues, risk mitigation strategies and compliance with company policy. The executive team regularly reports the findings to the Board.

(a) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments, cash flows and financial position. The Group may enter into derivatives, and also incur financial liabilities, in order to manage market risks. All such transactions are carried out within directives and policies approved by the Board.

(b) Currency risk

The currencies in which transactions primarily are denominated are Australian Dollars. The Group is exposed to currency risk only to the extent of currency fluctuation effects on gold sales and purchases of import inventories.

(c) Interest rate exposures

The Board manages the interest rate exposures. Any decision to hedge interest rate risk is assessed in relation to the overall Group exposure, the prevailing interest rate market, and any funding counterparty requirements.

(d) Capital management

The Group's total capital is defined as total shareholders' funds plus net debt. The Group aims to maintain an optimal capital structure to reduce the cost of capital and maximise shareholder returns. The Group has a capital management plan that is reviewed by the Board on a regular basis.

The Group is not subject to externally imposed capital requirements other than normal banking requirements.

(e) Credit risk

Credit risk is the risk that a counter party does not meet its obligations under a financial instrument or customer contract, with a maximum exposure equal to the carrying amount of the financial assets as recorded in the consolidated financial statements. The Group is exposed to credit risk from its operating activities (primarily customer receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risks related to receivables

Based on historic rates of default, the Group believes that no impairment has occurred with respect to trade receivables, and none of the trade receivables at 30 June 2024 were past due.

(f) Fair value estimation

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates carrying value. The fair value of other monetary financial assets and financial liabilities is based upon market prices.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement, or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined using generally accepted valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

9 Financial risk management (continued)

(h) Liquidity risk

Prudent liquidity risk management requires maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows, and matching maturity profiles of financial assets and liabilities. The Group undertakes sensitivity analysis to stress test the operational cash flows, which are matched with capital commitments to assess liquidity requirements. The capital management plan provides the analysis and actions required in detail for the next twelve months and longer term.

Fixed interest maturing in 2024	Floating interest rate	1 year or less $	Over 1 to 2 years $	Over 2 to 5 years $	Total $
Financial assets					
Cash and cash equivalents	-	1,112,332	-	-	**1,112,332**
Receivables	-	652,351	-	-	**652,351**
Non-current bonds	4.8%	-	-	847,000	**847,000**
	-	1,764,683	-	847,000	**2,611,683**
Financial liabilities					
Trade and other payables	-	3,042,730	-	-	**3,042,730**
Insurance premium funding	3.8%	218,220	-	-	**218,220**
Leases liability	6.3%	195,195	186,401	-	**381,596**
	-	3,456,145	186,401	-	**3,642,546**
Net financial (liabilities)/assets	**-**	**(1,691,462)**	**(186,401)**	**847,000**	**(1,030,863)**

Fixed interest maturing in 2023					
Financial assets					
Cash and cash equivalents	-	3,225,145	-	-	**3,225,145**
Receivables	-	1,746,094	-	-	**1,746,094**
Non-current bonds	0.3%	-	-	847,000	**847,000**
	-	4,971,239	-	847,000	**5,818,239**
Financial liabilities					
Trade and other payables	-	4,333,054	-	-	**4,333,054**
Insurance premium funding	5.1%	193,402	-	-	**193,402**
Leases liability	6.3%	136,657	213,307	-	**349,964**
	-	4,663,113	213,307	-	**4,876,420**
Net financial assets	**-**	**308,126**	**(213,307)**	**847,000**	**941,819**

10 Net debt

Cash and cash equivalents

	Consolidated 2024 $	Consolidated 2023 $
Cash at bank and on hand	**1,112,332**	3,225,145
	1,112,332	3,225,145

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.

Reconciliation of (loss)/profit from ordinary activities after income tax to net cash flows from operating activities

	Consolidated 2024 $	Consolidated 2023 $
(Loss)/profit after tax for the year	**(5,534,228)**	1,171,617
Depreciation and amortisation	**3,723,556**	3,737,698
Equity settled share-based payments	**1,140,227**	367,198
Change in operating assets and liabilities		
Receivables and prepayments	**1,093,743**	(306,517)
Inventories	**460,295**	(204,036)
Other assets	**66,308**	12,569
Trade creditors and payables	**(746,510)**	685,607
Provisions and other liabilities	**264,366**	117,008
Net cash inflows from operating activities	**467,757**	5,581,144

Interest bearing liabilities

	Consolidated 2024 $	Consolidated 2023 $
Current		
Lease liabilities (AASB16)	**140,275**	136,657
Insurance premium funding	**218,220**	193,402
Equipment lease	**54,920**	-
Total current	**413,415**	330,059
Non-Current		
Lease liabilities (AASB16)	**73,029**	213,307
Equipment lease	**113,372**	-
Total non-current	**186,401**	213,307
Total interest bearing liabilities	**599,816**	543,366

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw down of the facility, are recognised as prepayments and amortised on a straight line basis over the term of the facility.

Loans to Directors and their related parties

No loans have been made to any Directors or any of their related parties during this year. There were no further transaction with Directors including their related parties other than those disclosed in note 18.

Profit/(loss) before income tax includes the following specific expenses:

	Consolidated 2024 $	Consolidated 2023 $
Finance costs		
Interest paid/payable	**36,854**	24,556
Rehab discounts unwind	**33,415**	-
	70,269	24,556

11 Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2024, the parent company of the Group was Kaiser Reef Limited.

Financial statements

	Parent Entity	
	1 Jul 23 to 30 Jun 24 $	1 Jul 22 to 30 Jun 23 $
Result of the parent entity		
Loss after tax for the year	(3,479,746)	(2,258,140)
Total comprehensive loss for the year	**(3,479,746)**	(2,258,140)
Financial position of the parent entity	**30 June 2024**	30 June 2023
Current assets	532,099	2,615,786
Total assets	**23,666,367**	22,400,303
Current liabilities	(692,901)	(407,713)
Total liabilities	**(963,095)**	(628,155)
Total equity of the parent entity comprising:		
Share capital	39,611,166	36,340,521
Share based payment reserve	2,484,605	1,738,050
Accumulated losses	(19,392,499)	(16,306,423)
Total equity	**22,703,272**	21,772,148

Transactions with entities in the wholly-owned group

Kaiser Reef Limited is the parent entity in the wholly-owned group comprising the Company and its wholly-owned subsidiaries. It is the Group's policy that transactions are at arm's length.

Net loans payable to the Company amount to a net payable of $13,290,051 (2023: $9,936,453).

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

12 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy on consolidation.

All subsidiaries are 100% owned at 30 June 2023 and 30 June 2024.

	Country of Incorporation
Parent entity	
Kaiser Reef Limited	Australia
Subsidiaries of Kaiser Reef Limited	
Golden River Resources Pty Ltd	Australia
Chase Metals Pty Ltd	Australia
Subsidiaries of Golden River Resources Pty Ltd	
Kaiser Mining Pty Ltd	Australia
Subsidiaries of Kaiser Mining Pty Ltd	
Kaiser Operations Pty Ltd	Australia

13 Employee benefit expenses and other provisions

Expenses

	Consolidated 2024 $	Consolidated 2023 $
Employee related expenses		
Wages and salaries	**11,013,212**	11,431,617
Superannuation contributions	**1,163,479**	1,191,487
Equity settled share-based payments	**23,409**	18,397
	12,200,100	12,641,501

Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be paid within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid, including expected on-costs, when the liabilities are settled.

Superannuation contribution expense

Contributions to defined contribution funds are recognised as an expense as they are due and become payable. The Group has no obligations in respect of defined benefit funds.

Equity settled share-based payments

Performance rights issued to employees are recognised as an expense by reference to the fair value of the equity instruments at the date at which they are granted. Refer to Note 14 for further information.

Executive incentives

Senior executives may be eligible for short term incentive payments ("STI") subject to achievement of key performance indicators, approved by the Board of Directors. The Group recognises a liability and an expense for STIs in the reporting period during which the service is provided by the employee. Refer to note 14.

Key management personnel

	Consolidated 2024 $	Consolidated 2023 $
Short term employee benefits	**901,403**	787,187
Post-employment benefits	**89,941**	76,701
Leave	**79,705**	39,938
Share-based payments	**845,539**	17,237
	1,916,588	921,063

Disclosures relating to Directors and key management personnel are included within the Remuneration Report, with the exception of the table opposite.

Other provisions

	Consolidated 2024 $	Consolidated 2023 $
Current		
Employee benefits – annual leave	**809,755**	551,367
Employee benefits – long service leave	**110,001**	84,328
	919,756	635,695
Non-current		
Employee benefits–- long service leave	**292,883**	312,578
	292,883	312,578

Employee related and other provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made, plus expected on-costs, in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted with reference to market yields on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

14 Share-based payments reserve

Details	Consolidated 2024 $	Consolidated 2023 $
Opening balance	**1,738,050**	1,447,649
Value of options and rights granted/(vested)/(expired) during the year	**746,555**	290,401
Closing balance	**2,484,605**	1,738,050

Performance rights

The Group provides benefits to employees of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. Accounting standards preclude the reversal through the consolidated profit or loss of amounts which have been booked in the share-based payments reserve for performance rights, and which satisfy service conditions but do not vest due to market conditions.

Set out below are summaries of rights granted to employees in the current year under the Kaiser Reef Limited Performance Rights Plan to be approved by shareholders:

Consolidated 2024

Grant date	Expiry date	Fair value	Balance at start of the year (Number)	Granted during the year (Number)	Vested during the year (Number)	Expired during the year (Number)	Balance at end of the year (Number)	Exercisable at end of the year (Number)
12 Dec 2022	12 Dec 2023	$0.16	320,000	-	-	(320,000)	-	-
12 Dec 2022	12 Dec 2024	$0.16	480,000	-	-	-	480,000	-
12 Dec 2022	12 Dec 2023	$0.16	140,000	-	-	(140,000)	-	-
12 Dec 2022	12 Dec 2024	$0.16	260,000	-	-	-	260,000	-
01 Feb 2022	01 Feb 2024	$0.205	80,000	-	-	(80,000)	-	-
01 Feb 2022	01 Feb 2024	$0.079	80,000	-	-	(80,000)	-	-
17 Nov 2021	10 Aug 2023(1)	$0.079&$0.21	200,000	-	-	(200,000)	-	-
08 Feb 2021	08 Sep 2024	$0.29&$0.42	200,000	-	-	-	200,000	-
18 Dec 2023	18 Dec 2025(2)	$0.165	-	2,000,000	-	-	2,000,000	-
Total			**1,760,000**	**2,000,000**	**-**	**(820,000)**	**2,940,000**	**-**

Consolidated 2023

Grant date	Expiry date	Fair value	Balance at start of the year (Number)	Granted during the year (Number)	Vested during the year (Number)	Expired during the year (Number)	Balance at end of the year (Number)	Exercisable at end of the year (Number)
12 Dec 2022	12 Dec 2023	$0.16	-	320,000	-	-	320,000	-
12 Dec 2022	12 Dec 2024	$0.16	-	480,000	-	-	480,000	-
12 Dec 2022	12 Dec 2023	$0.16	-	140,000	-	-	140,000	-
12 Dec 2022	12 Dec 2024	$0.16	-	260,000	-	-	260,000	-
07 Oct 2021	07 Oct 2022	$0.235	150,000	-	-	(150,000)	-	-
07 Oct 2021	07 Oct 2023	$0.235	100,000	-	-	(100,000)	-	-
07 Oct 2021	07 Oct 2023	$0.079	100,000	-	-	(100,000)	-	-
01 Feb 2022	01 Feb 2022	$0.205	120,000	-	-	(120,000)	-	-
01 Feb 2022	01 Feb 2024	$0.205	80,000	-	-	-	80,000	-
01 Feb 2022	01 Feb 2024	$0.079	80,000	-	-	-	80,000	-
08 Feb 2021	01 Feb 2023	$0.42	100,000	-	-	(100,000)	-	-
17 Nov 2021(1)	10 Aug 2023	$0.079&$0.21	200,000	-	-	-	200,000	-
08 Feb 2021	08 Sep 2024	$0.29&$0.42	200,000	-	-	-	200,000	-
Total			**1,130,000**	**1,200,000**	**-**	**(570,000)**	**1,760,000**	**-**

(1) Mr Howe's rights were approved by shareholders at the AGM on the 17 November 2021.
(2) Mr Valiukas' rights were approved by shareholders at the EGM post balance date on the 10 Jul 2024.

14 Share-based payments reserve (continued)

Movement in unlisted options on issue

	2024		2023	
	Weighted average exercise price per option (cents)	Number of options	Weighted average exercise price per option (cents)	Number of options
Outstanding at the beginning of the year	35.15	18,494,800	34.59	20,744,800
Issued during the year	25.00	18,500,000	30.00	3,750,000
Expired or lapsed during the year	43.38	(6,344,800)	30.00	(6,000,000)
Exercised during the year		-		-
Outstanding at the end of the year	**27.32**	**30,650,000**	**35.15**	**18,494,800**
Exercisable at the end of the respective year	**27.32**	**30,650,000**	**35.15**	**18,494,800**

For the 18,500,000 options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Options Volume	Grant date	Expiry date	Share price at grant date $	Exercise price $	Expected Volatility	Risk-free rate	Fair value per option $
4,500,000	18 Dec 2023	30 Nov 2027	0.165	0.25	65%	3.8%	0.068
10,000,000	22 Dec 2023	21 Nov 2026	0.17	0.25	65%	4.4%	0.056
2,000,000	18 Dec 2023	17 Dec 2026	0.165	0.25	65%	4.4%	0.056
2,000,000	22 May 2024	12 May 2028	0.165	0.25	73%	4.4	0.065

The weighted average remaining contractual life of performance rights and options outstanding at the end of the year was 2.16 years (2023: 1.58 year).

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Share-based compensation with non market conditions are value at grant date share price in consideration of discount and dividend payments.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using either the binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period.

The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Accounting judgements and estimates

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either a Black-Scholes model or Binomial Pricing Model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Where performance rights are subject to vesting conditions, Management has formed judgments around the likelihood of vesting conditions being met.

15 Contributed equity

Details	Number of shares	$
Opening balance 30 June 2023	147,697,682	36,340,521
Share placement	23,166,667	3,475,000
Share issue fees	-	(240,264)
Shares issued to employees as remuneration for services performed	179,545	35,909
Closing balance 30 June 2024	**171,043,894**	**39,611,166**

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.

On 18 December 2023, the Group announced a strategic investor share placement raise approximately $3.5 million (before costs) with Taurus Capital Group Pty Ltd. The new shares were issued under the placement at a price of $0.15 per share, representing a 12% and 14% discount to the volume weighted average share price over the prior 5 and 10 trading days respectively, prior to the Company's trading halt. On 27 December 2023, the Group issued 23,166,667 shares for the placement.

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.

16 Remuneration of auditors

During the year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the parent entity, and its related practices:

	Consolidated 2024 $	Consolidated 2023 $
BDO Audit Pty Ltd – Audit and Review of the Consolidated Financial Report	**166,501**	109,763
Non-audit services		
BDO Corporate Tax (WA) Pty Ltd – Taxation consulting services	**15,035**	15,450
Total remuneration for audit and non-assurance related services	**181,536**	125,213

17 Events occurring after the balance sheet date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial 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, except as described in this note.

On 22 May 2024, the Group announced the terms of Ragnar Metals Limited strategic investment of:

$5,010,000 placement in Kaiser at 15 cents per share (no discount) consisting of:

- tranche 1 of $930,000 (6,200,000 shares and 3,100,000 unlisted options); and
- tranche 2 of $4,080,000 (27,200,000 shares and 13,600,000 unlisted options) to be issued subject to shareholder approval at a general meeting.

1 option for every 2 shares, with a $0.22 exercise price and expiry of 31 July 2028.

Ragnar will receive a 1.5% net smelter return on gold produced from the A1 Gold Mine for a period of 5 years commencing from the 1st of July 2025.

Shareholders approved a two tranche placement at the Company's general meeting of shareholders held on 10 July 2024 with the funds received on 16 July 2024. The investment representing a 16% holding of Kaiser Reef Limited.

18 Related party transactions

Transaction between related parties are on commercial terms and conditions, no more favourable than those available to otherwise stated.

The below information stated covers the full financial year ended 30 June 2024.

Brightstar Resources Limited – related party to and J Downes shared office facility arrangement during the year.

Total for the current year: $30,407 was charged by *Brightstar Resources Limited* with an outstanding amount of $2,983 (2023: nil) payable at 30 June 2024.

Refer to Note 13 for details of KMP remuneration.

Refer to Note 14 for details of share based payments granted in the current year to KMP.

19 Contingencies

The Directors are not aware of any contingencies for the year ended 30 June 2024.

20 Basis of preparation

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following material items:

- Share based payment arrangements are measured at fair value.

Principles of consolidation – Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kaiser Reef Limited as at 30 June 2024 and the results for the year ended on that date (comparatives: 30 June 2023).

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, and as a result has an exposure or rights to variable returns, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control commences until the date control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Critical accounting judgement and estimates

The preparation of consolidated financial statements in conformity with AASB and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Going Concern

As disclosed in the consolidated financial statements, the Group recorded a net loss after tax of $5,534,228 (2023: profit after tax $1,171,617) and generated net cash outflows from operating and investing activities of $5,860,186 (2023: $3,804,164) for the year ended 30 June 2024.

These above factors indicate a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- On 25 June 2024, the Group signed a binding agreement to dispose of its New South Wales Exploration Tenement assets to focus on its core operations and reduce its non-essential exploration expenditure. $1.6M is expected to be received in cash and script for this transaction (Refer to note 6).
- If necessary, new capital raisings will be initiated. The company has been successful with multiple past capital raisings and with most recent in December 2023 with $3.5M.
- Post balance date (10 July 2024) shareholders approved a strategic investment of $5M from Ragnar Metals Limited into Kaiser Reef Limited.

Accordingly, the consolidated financial statements for the year ended 30 June 2024 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its operating costs and exploration expenditure commitments and pay its debts as and when they fall due for at least twelve months from the date of this report.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of the business, and at amounts that differ from those stated in the consolidated financial statements. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the Group not continue as a going concern.

21 Accounting standards

New Standards adopted

The accounting policies applied by the Group in this 30 June 2024 consolidated financial report are consistent with Australian Accounting Standards. All new and amended Australian Accounting Standards and interpretations mandatory as at 1 July 2023 to the group have been adopted and have not had a material impact upon recognition.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kaiser Reef Limited as at 30 June 2024 (comparatives: 30 June 2023).

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Critical accounting judgement and estimates

The preparation of consolidated financial statements 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.

Consolidated entity disclosure statement

for the year ended 30 June 2024

Entity name	Entity type	Country of incorporation	Ownership interest %	Tax residency
Kaiser Reef Limited	Body Corporation	Australia	100%	Australia*
Golden River Resources Pty Ltd	Body Corporation	Australia	100%	Australia*
Chase Metals Pty Ltd	Body Corporation	Australia	100%	Australia*
Kaiser Mining Pty Ltd	Body Corporation	Australia	100%	Australia*
Kaiser Operations Pty Ltd	Body Corporation	Australia	100%	Australia*

*Kaiser Reef Limited (the head entity/ultimate parent) and its wholly owned Australian subsidiaries are in an income tax consolidated group under the Australian tax consolidated regime

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Directors' declaration

1 In the opinion of the directors of Kaiser Reef Limited (the Company):

(a) the consolidated financial statements and notes that are contained in pages 19 to 42 and the remuneration report in the Directors' report, set out on pages 11 to 15, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Director and chief financial officer for the financial year ended 30 June 2024.

3 The directors draw attention to page 16 of the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

4 The information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the Directors:

Jonathan Downes

Managing Director

Perth
25 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Kaiser Reef Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kaiser Reef Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 20 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of Mine Properties, Plant & Equipment

Key Audit Matter	How the matter was addressed in our audit
The Group recognised mine properties, plant & equipment assets as disclosed in Notes 5 and 4 to the consolidated financial statements respectively. Assessing the recoverability of mine properties, plant & equipment was considered to be a key audit matter due to the importance of these assets to the Group's operations and the level of complexity involved in management's selection of accounting judgements, estimates and assumptions in their assessment.	Our procedures included, but were not limited to the following: • Enquiring with management on any changes to the accounting policies for mine properties, plant & equipment since the prior year. • Reviewing Board minutes, ASX announcements and the latest mine plans to determine whether there are any indicators of impairment. • Verifying the existence and condition of the A1 mine property, plant & equipment through physical inspection. • Testing the mathematical accuracy of the units of production (UoP) amortisation model for mine properties. • Challenging the key assumptions and estimates adopted within the amortisation model for mine properties. • Assessing the appropriate depletion of the estimated resource utilised in the amortisation model for mine properties to the latest verifiable mineable resource expert report on the A1 mine. • Obtaining the latest mine plans and assessing such plans support the recoverability of mine properties. • Reviewing the useful life adopted and testing a sample of mining plant and equipment depreciation charges for the financial year. • Assessing the adequacy of the disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 11 to 15 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Kaiser Reef Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Wai Aw
Director

Melbourne, 25 September 2024

Corporate Directory

BOARD OF DIRECTORS

S Formica	Non-Executive Chairman
J Downes	Managing Director
S Howe	Executive Director
D Valiukas	Executive Director

JOINT COMPANY SECRETARIES
A Tabakovic
S Brockhurst

PRINCIPAL PLACE OF BUSINESS
Level 2, 36 Rowland Street
Subiaco WA 6008
Telephone: +61 8 9481 0389
Email: admin@kaiserreef.com.au
Website: www.kaiserreef.com.au

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

SHARE REGISTRY
Automic Registry Pty Ltd
Level 5, 191 St Georges Terraces
Perth WA 6000

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

REGISTERED OFFICE
Level 8, 216 St Georges Terrace
Perth WA 6000

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%
Macquarie North	EL9623	New South Wales	Granted	100%
	EL9623	New South Wales	Granted	100%
A1	MIN5294	Victoria	Granted	100%
Maldon	MIN5146	Victoria	Granted	100%
	EL8215	Victoria	Pending approval	100%
	MIN5528	Victoria	Granted	100%
	EL7029	Victoria	Granted	100%

ASX Share Information

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies only. The information is current as at 20 September 2024.

1. **Shareholding**

a. **Distribution of Shareholders**

(i) *Ordinary share capital*
- 204,443,894 fully paid shares held by 1,114 shareholders. All issued ordinary share carry one vote per share and carry the rights to dividends.

	Class of Equity Security	
Category (size of holding)	Number of Holders	Fully Paid Ordinary Shares
1 - 1,000	38	6,672
1,001 – 5,000	195	582,423
5,001 – 10,000	170	1,345,108
10,001 – 100,000	457	18,533,270
100,001 – and over	254	183,976,421
	1,114	204,443,894

b. The number of shareholdings held in less than marketable parcels is 163.

c. The Company had the following substantial shareholders at the date of this report.

Fully Paid Ordinary Shares

Holder	Number	%
Ragnar Metals Limited	33,400,000	16.34
Timothy Neesham	11,932,000	5.84

d. **Voting Rights**

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. **20 Largest holders of quoted equity securities (fully paid ordinary shares)**

	Name	Number Held	Percentage %
1.	RAGNAR METALS LIMITED	33,400,000	16.34
2.	TIMOTHY NEESHAM GROUP HOLDINGS	11,932,000	5.84
3.	JACK YETIV	10,000,000	4.89
4.	HUNT PROSPERITY PTY LTD	9,000,000	4.40
5.	DC & PC HOLDINGS PTY LTD	5,550,000	2.71
6.	STEVEN FORMICA GROUP HOLDINGS	5,306,250	2.60
7.	BNP PARIBAS NOMINEES PTY LTD	3,651,819	1.79
8.	PELOTON CAPITAL PTY LTD	3,586,993	1.75
9.	KIANDRA NOMINEES PTY LTD	3,200,000	1.57
10.	NEWTON6 PTY LIMITED	2,700,000	1.32
11.	VALIANT EQUITY MANAGEMENT PTY LTD	2,405,000	1.18
12.	THE SUN W INVESTMENT PTY LTD	2,266,667	1.11
13.	CITICORP NOMINEES PTY LIMITED	2,243,215	1.10
14.	MAJI MAZURI PTY LTD & MAWINGO PTY LTD	2,219,256	1.09
15.	BROOKAVA PTY LTD	2,055,740	1.01
16.	BROWN BRICKS PTY LTD	1,937,500	0.95
17.	MRS ELIZABETH ANNE MACRAE	1,903,750	0.93
18.	BFB HOLDINGS PTY LTD	1,687,500	0.83
19.	NEWMEK INVESTMENTS PTY LTD	1,600,380	0.78
20.	ALL CRUSH (WA) PTY LTD	1,483,020	0.73
	Total	**108,129,090**	**52.89**
	Total issued capital - selected security class(es)	**204,443,894**	**100.00**

2. **Stock Exchange Listing**

Quotation has been granted for all the ordinary shares of the company on the Australian Securities Exchange Limited.

3. **Restricted Securities**

The Company does not have any restricted securities on issue as at the date of this report.

4. **Unquoted Securities**

The Company has the following unquoted securities on issue as at the date of this report:

- 8,000,000 options exercisable at $0.30 on or before 30 September 2024
- 200,000 options exercisable at $0.52 on or before 16 December 2024
- 200,000 options exercisable at $0.60 on or before 16 December 2024
- 750,000 options exercisable at $0.30 on or before 5 September 2025
- 2,000,000 options exercisable at $0.25 on or before 18 December 2026
- 10,000,000 options exercisable at $0.25 on or before 22 December 2026
- 3,000,000 options exercisable at $0.30 on or before 30 November 2027
- 4,500,000 options exercisable at $0.25 on or before 30 November 2027
- 2,000,000 options exercisable at $0.25 on or before 12 July 2028
- 16,700,000 options exercisable at $0.22 on or before 31 July 2028