

Company

ASX: KZR

ACN: 150 026 850

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www.kzr.com.au

Capital Structure

Shares: 174,803,538

Unlisted Options:

18,000,000

Performance Rights:

1,875,000

Market Cap (\$0.091):

A\$15.91m

Cash: A\$3.02m

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Projects

Western Australia

Ashburton

Pear Creek

Mallina West

Victoria

Castlemaine

South Muckleford

Tarnagulla

Myrtle Gold

Mt Piper

Quarterly Activities Report

For the period ending 31 March 2024

Highlights

Lithium Projects – Kali Metals IPO

- Kali Metals listed on the ASX on 8 January 2024 (ASX: KM1) following an IPO that raised the maximum \$15m at \$0.25 per share
- Kalamazoo retained 29,147,250 ordinary shares in Kali (representing 20.2% of Kali's issued capital)
- Eligible Kalamazoo shareholders received 1 ordinary Kali share for every 17.64 ordinary Kalamazoo shares (1 for 17.64) via an in-specie distribution of a total of 9,715,750 ordinary shares in Kali (representing 6.7% of Kali's issued capital)
- Kalamazoo shareholders also received a Priority Offer entitlement to participate in the Kali IPO which was heavily oversubscribed with Kalamazoo shareholders receiving a further 8,000,000 ordinary shares in Kali (representing 5.5% of Kali's issued capital)

Gold Projects

- Option Agreement signed with De Grey Mining Limited ("**De Grey**") to acquire Kalamazoo's **1.44Moz¹** Ashburton Gold Project ("**AGP**") by the payment of an Option Fee of **\$3 million**
- Kalamazoo has granted De Grey exclusivity for 12 months, with the right to extend for a further 6 months ("**Option Period**"), to complete development studies at its sole cost
- At any stage during the Option Period, De Grey can exercise the Option and purchase the AGP for \$30 million in cash and/or De Grey shares spread across two \$15 million tranches
- Goldie North Prospect drill program results received from Mt Piper Gold Project, Victoria with best interval **0.15m @ 13.9 g/t Au** from 17.48m in GN23DD04²
- Goldie North Prospect drill program results included numerous narrow gold intercepts which are the subject of ongoing structural and targeting studies

Corporate

- Dr Luke Mortimer appointed to the role of Chief Executive Officer effective 11 January 2024
- Mr Luke Reinehr, the co-founder and CEO since 2019, to continue as Executive Chairman of Kalamazoo. Mr Reinehr is also the Non-Executive Chairman of Kali.

¹ ASX: KZR 7 February

² ASX: KZR 28 March 2024

Lithium Projects - Kali Metals IPO

Kali Metals (“Kali”) commenced trading on the ASX (“KM1”) on 8 January 2024 with Kalamazoo retaining 29,147,250 ordinary shares in Kali (representing 20.2% of Kali’s issued capital). The IPO was conducted in the December 2023 quarter and was the recipient of strong support from Kalamazoo shareholders and new investors, with the offer to raise up to a maximum of \$15 million at \$0.25 per share heavily oversubscribed.

The Priority Offer for Kalamazoo shareholders to participate in the Kali IPO closed on 4 December 2023 and was also heavily oversubscribed with Kalamazoo shareholders receiving 8,000,000 ordinary shares in Kali (representing 5.5% of Kali’s issued capital). Eligible Kalamazoo shareholders also received 1 ordinary Kali share for every 17.64 ordinary Kalamazoo shares (1 for 17.64) via an in-specie distribution of a total of 9,715,750 ordinary shares in Kali (representing 6.7% of Kali’s issued capital). The in-specie distribution of Kali shares to eligible Kalamazoo shareholders was completed on 3 January 2024.

Kali was established from the spin out of Kalamazoo’s portfolio of Australian lithium assets in the Pilbara region of Western Australia and the Lachlan Fold Belt of northeast Victoria and southern New South Wales. This includes Kalamazoo assigning its interests to Kali of the Earn-in Agreement with Sociedad Quimica y Minera de Chile S.A. (“SQM”), which operates in respect of the DOM’s Hill and Marble Bar Projects, in the Pilbara. Kalamazoo’s lithium projects were combined with the highly prospective lithium mineral rights of TSX-listed Canadian gold miner Karora Resources Inc. (“Karora”) (TSX: KRR) across an extensive range of projects located south of Kalgoorlie, Western Australia (“Higginsville Lithium Project”).

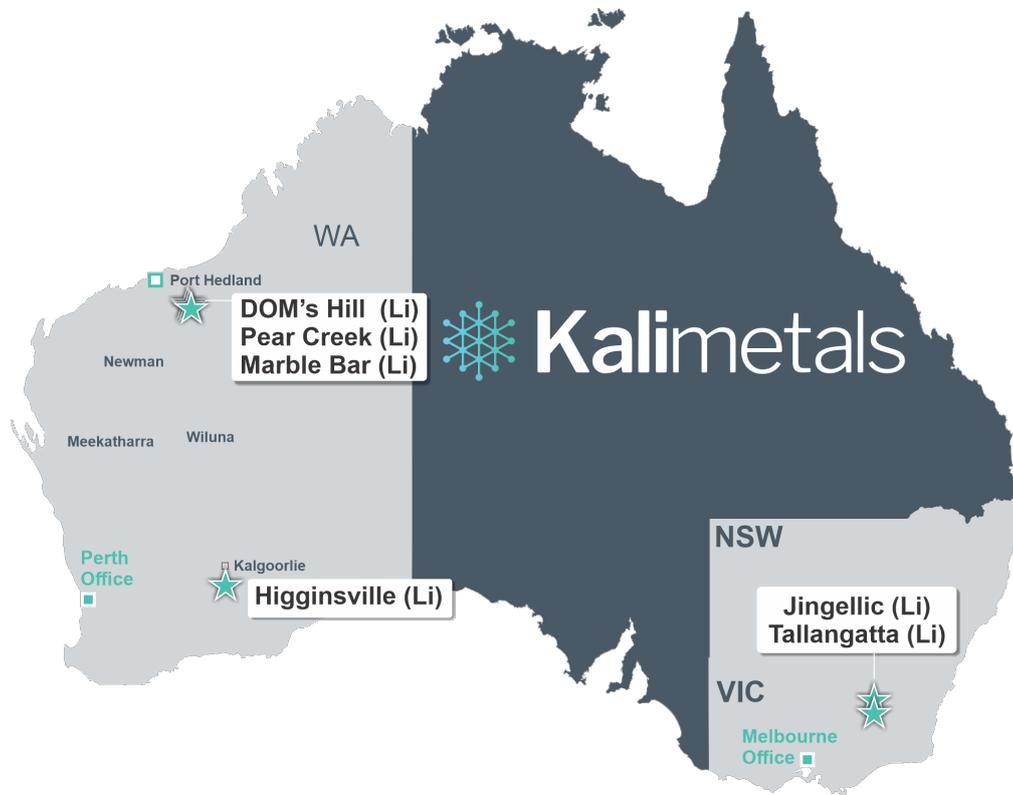


Figure 1: Kali Metals Portfolio of Australian Lithium Assets

Kalamazoo has lodged a Class Ruling application with the Australian Taxation Office (“ATO”) with respect to the tax treatment of the in-specie distribution of Kali shares to eligible Kalamazoo shareholders. Kalamazoo continues to liaise with the ATO on the detail and outcome of this application and will inform all shareholders once a formal response is received from the ATO.

On listing on the ASX, Kali’s ~3,854km² portfolio of assets comprised:

- **Pilbara Region, WA** – The DOM’s Hill, Marble Bar, and Pear Creek Lithium Projects including title and all exploration rights. Kalamazoo has assigned its interests in the SQM Earn-in Agreement, which operates in respect of the DOM’s Hill and Marble Bar Projects, to Kali
- **Eastern Yilgarn Region, WA** – Lithium Rights across the entire Higginsville Project tenements
- **NSW / Victoria** – The Jingellic and Tallangatta Lithium Projects, including the option to earn a 100% interest in the MEG Lithium Rights at EL8958, located adjacent to the Jingellic Project

Gold Projects

VICTORIAN GOLD PROJECTS

Kalamazoo’s landholding in the Central Victorian Goldfields covers 1,992 km² consisting of the Castlemaine Goldfield, the southern extensions to the Maldon/South Muckleford Goldfield, a central tenement position in the Tarnagulla Goldfield, the Myrtle Gold Project and the 1,522 km² Mt Piper Gold Project (Figure 2).

During the quarter, activity at Kalamazoo’s Victorian Gold Project was concentrated on the Mt Piper Gold Project.

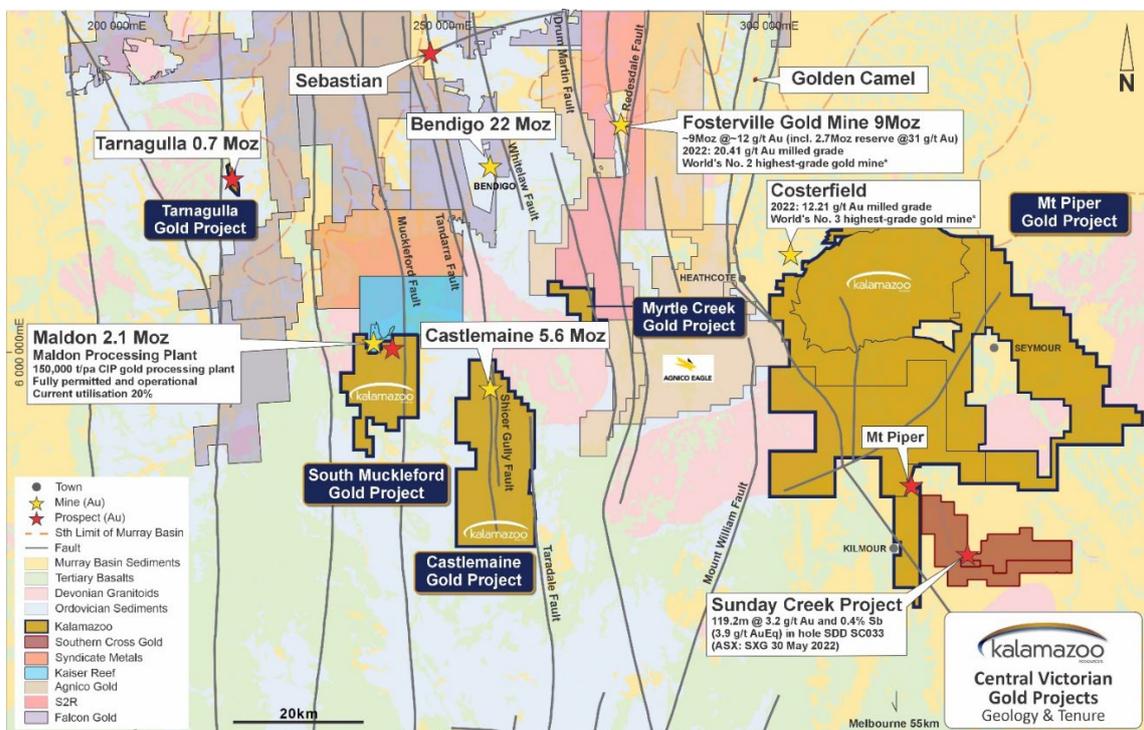


Figure 2: Kalamazoo’s gold exploration projects in the Bendigo Zone, Central Victoria³

³ Willman et al 2002, Geology Survey Victoria, Report 121; Agnico Eagle Website www.agnicoeagle.com; Mandalay Resources Website <https://mandalayresources.com/operations/costerfield-mine/>

MT PIPER GOLD PROJECT

EL6775, EL7331, EL7337, EL7366, EL7380 and ELA7481

The Mt Piper Gold Project is situated approximately 75km north of Melbourne, is traversed by the Hume Freeway and boasts excellent access to local infrastructure (Figure 3).

Located along the western margin of the Melbourne Zone and adjacent to the Bendigo Zone in the Central Victorian Goldfields, the Mt Piper Gold Project is considered highly prospective for epizonal, high-grade gold and antimony deposits (i.e., Fosterville-style). Strategically located adjacent to Agnico Eagle Mine Limited’s (NYSE: AEM) large exploration land tenure and 30km from its world-class Fosterville gold mine in Central Victoria. It is also situated between Mandalay Resources’ (TSX: MND) high-grade Costerfield gold-antimony mine (1km) and the Sunday Creek Project (Southern Cross Gold, ASX: SXG).

Goldie North Prospect

Situated in the southwest portion of EL6775, the Goldie North Prospect (Figure 4) was originally identified by earlier rock chip sampling by the previous owners, Torrens Mining Ltd, at the Goldie North Prospect. This historical sampling defined high-grade gold mineralisation with best rock chip assay results including **31.1 g/t** and **30.4 g/t Au⁴**. These high grade samples were subsequently confirmed by Kalamazoo high-grade rock chip sample assay results **up to 74 g/t Au⁵**. There are no known records of any historical drilling or gold production from this prospect.

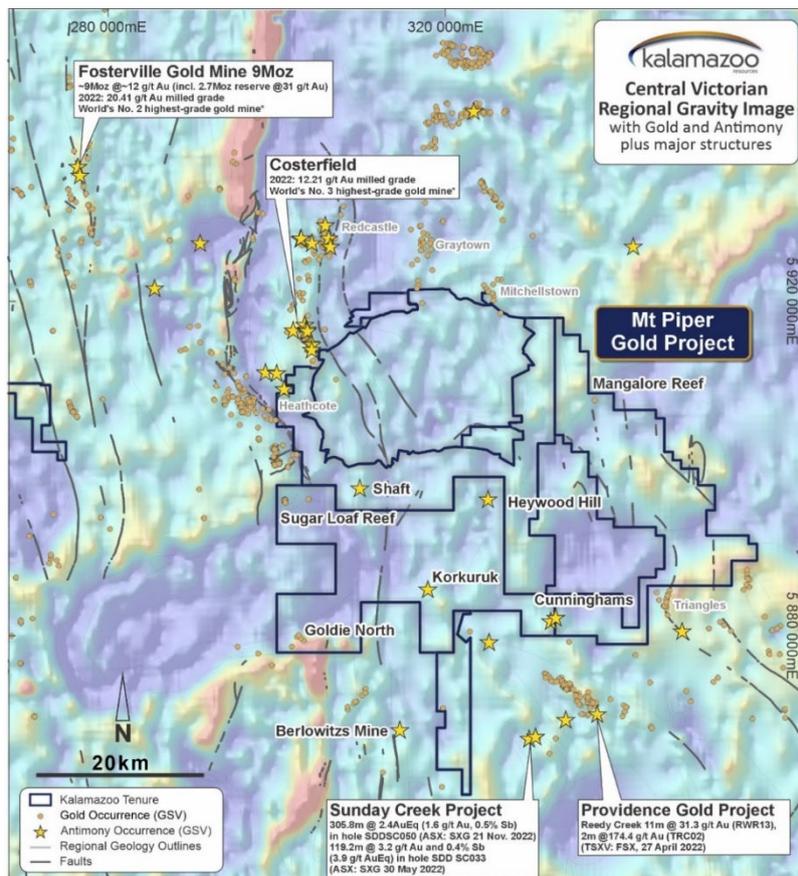


Figure 3: Mt Piper Gold Project tenements and gold and antimony occurrences on background regional gravity image⁶

⁴ ASX: Torrens Mining Ltd (ASX: TRN) 13 December 2021

⁵ ASX: KZR 3 August 2023

⁶ ASX: KZR 3 August 2023

Based upon the encouraging rock chip and soil sampling results a reconnaissance diamond drill hole program (4 x drill holes; total 464m) was completed in the December 2023 Quarter which was designed to test for reef mineralisation grade, width, structural style and orientation with all holes intercepted the Pyalong Granite with variable alteration and quartz veining. From logging of all drill holes two shear vein sets were recognised, and one predominate tension vein set together indicating a shallow plunge to the northwest. GN23DD03 was drilled to test part of this target area, however, was the only hole not to intersect gold mineralisation and is currently interpreted to have overshot the target position.

Best drill hole gold assay result was **0.15m @ 13.9 g/t Au from 17.48m** in GN23DD04. Several other narrow intervals between **0.1m and 0.32m returned between 1 and 5 g/t Au⁷**. These results indicate the potential for this prospect to host shallow, high grade vein sets that are the subject of ongoing further structural and targeting studies.

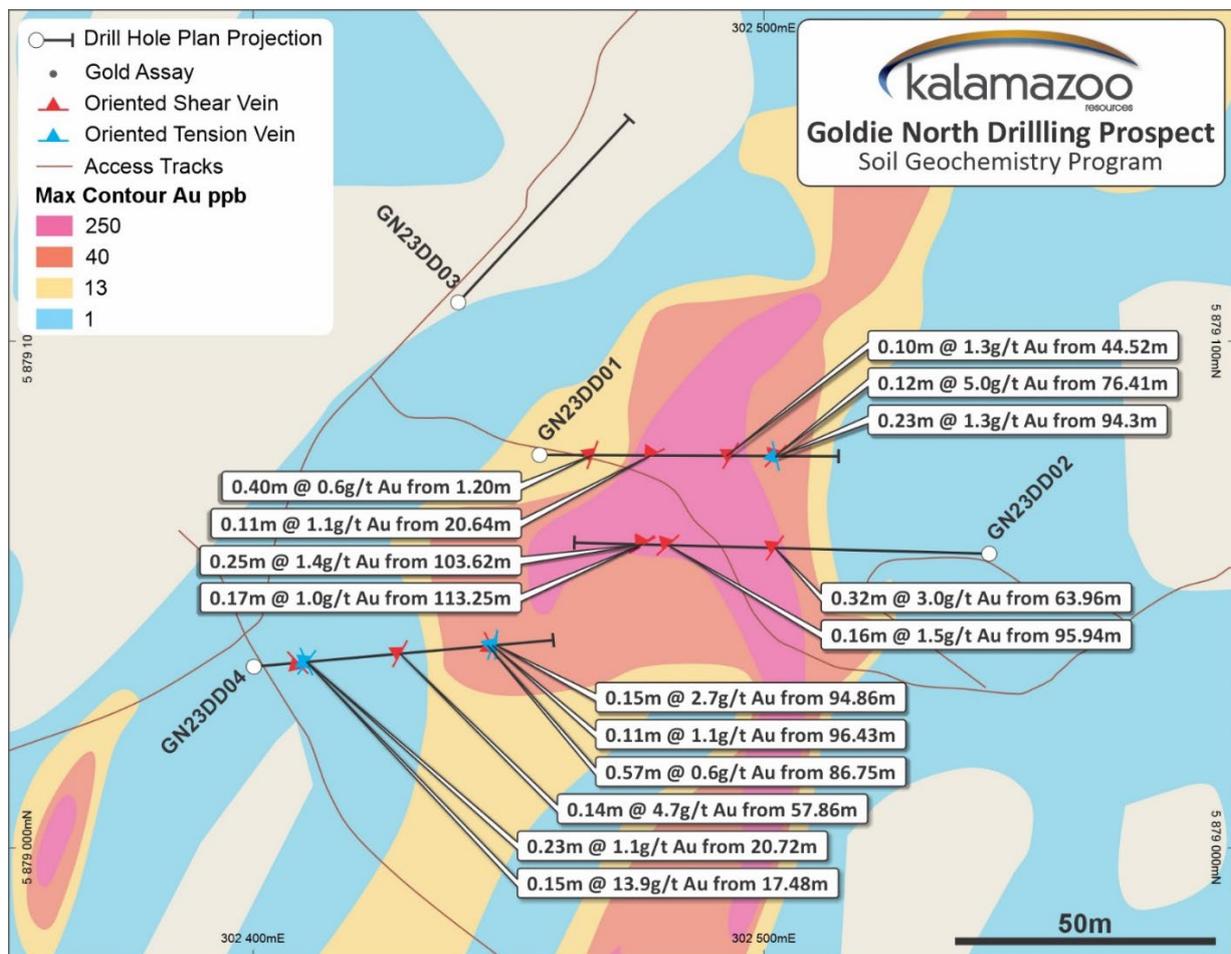


Figure 4: Goldie North Prospect drill hole location plan on background gold in soil anomalism. Drill traces show oriented structures and associated gold grades for results > 1g/t Au⁸

⁷ ASX: KZR 12 October 2023

⁸ ASX: KZR 28 March 2024

Ongoing exploration activities at the Mt Piper Project include:

- 3D structural modelling and interpretation of the Goldie North Prospect gold mineralised structures
- Future planning of a potential a gradient array IP survey and reconnaissance RC drilling program
- Further field reconnaissance of other identified prospects within in the Mt Piper Project
- Ongoing important Community Engagement

WESTERN AUSTRALIA GOLD PROJECTS

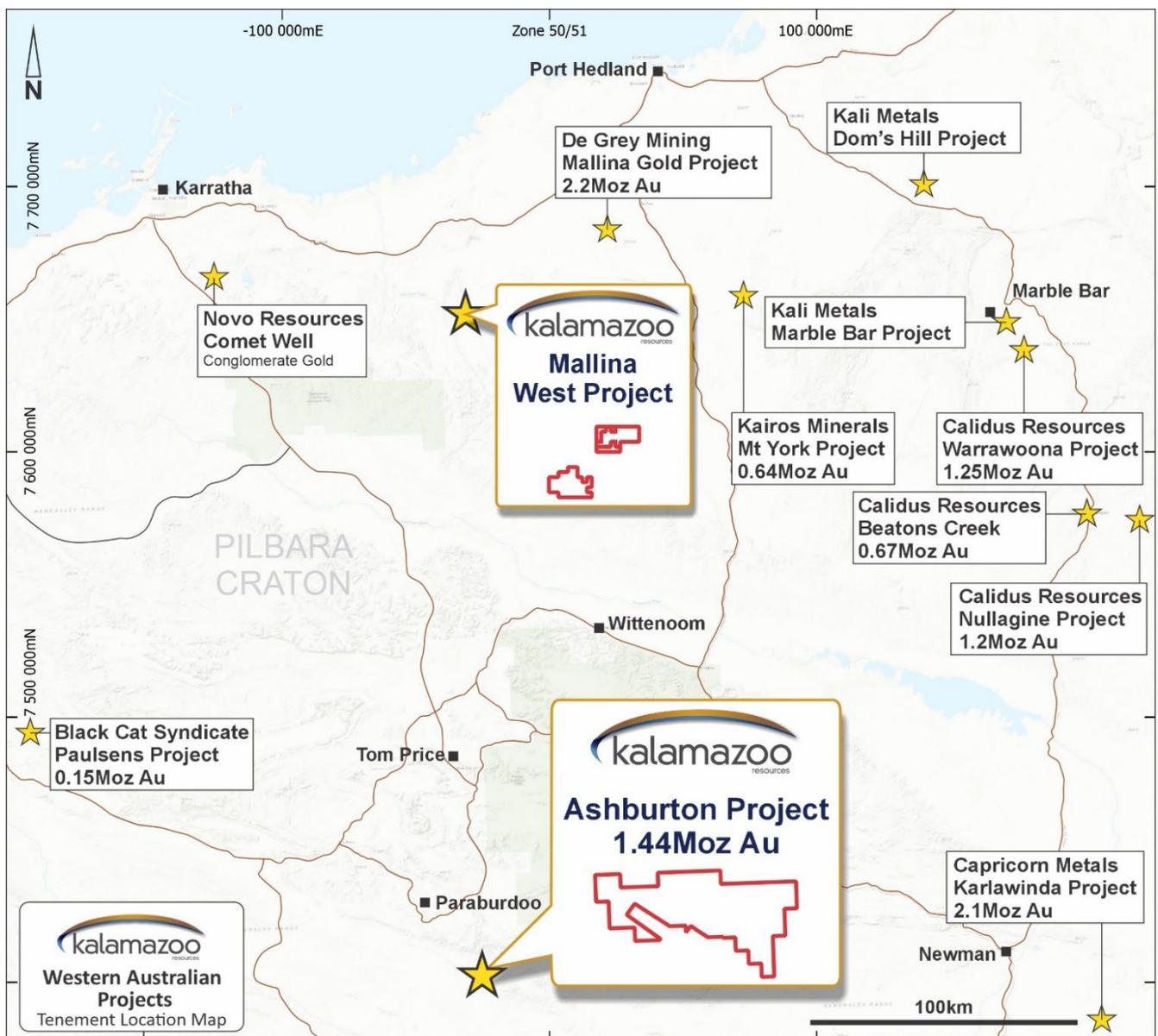


Figure 5: Pilbara Craton Location Map showing Kalamazoo's Western Australia Projects⁹

⁹ ASX: KZR 23 June 2020

ASHBURTON GOLD PROJECT

M52/639, M52/640, M52/734, M52/735, E52/1941, E52/3024, E52/3025 and EL52/4052, ELA47/4714, ELA47/4913

The Ashburton Gold Project (“**AGP**”) is located 35km SE of Paraburdoo townsite and within the prospective Nanjilgardy Fault Zone following the southern margin of the Pilbara Craton (Figure 10). The project covers 222km² and consists of Mining Leases M52/639, M52/640, M52/734 and M52/735 that produced **350,000oz Au** between 1998-2004 and Exploration Licences 52/1941, 52/3024, 52/3025 and 52/4052. The project also has two tenement applications ELA47/4714 and ELA47/4913.

Kalamazoo was pleased to announce during the quarter¹⁰ that it had signed an exclusive Option Agreement with De Grey Mining Limited (ASX: DEG) that provided De Grey with a 12-month option (with the right to extend for a further six months) to purchase the Ashburton Gold Project (“**AGP Option**”).

During the Option Period:

- De Grey plans to complete:
 - metallurgical drilling and test-work to determine the nature and recovery of the sulphide ores at the AGP’s Mt Olympus resource
 - multi-element geo-chemical analysis on retained samples/drill chips/drill core within the Mt Olympus resource area
 - remodel the geological mineralisation, alteration, weathering and geotechnical domains for processing and mining purposes
 - run open pit optimisations
 - utilise Kalamazoo personnel where necessary on a cost plus 10% basis
- De Grey is required to spend a minimum of \$1 million on exploration and assessment activities at the AGP during the Option Period and share all results with Kalamazoo
- During the Option Period and until Completion, De Grey is responsible for keeping all tenements in good standing at its sole cost
- At any stage during the Option Period, De Grey can exercise the Option and purchase the AGP for **\$30 million** in cash and/or De Grey shares by the payment to Kalamazoo of:
 - **\$15 million** on exercise of the Option; and then
 - **\$15 million** on the date 18 months from the exercise of the Option

On exercising the Option and acquiring the AGP, De Grey will assume all of Kalamazoo’s deferred consideration and royalty obligations in respect to the AGP.

Should the Option be exercised, Kalamazoo will be provided with the financial means to intensively continue its exploration efforts and investigate the acquisition of new projects, and/or provide a return to shareholders.

¹⁰ ASX: KZR 6 February 2024

Kalamazoo has evaluated numerous strategies for development of the AGP over the last three years and the Board believes the terms negotiated with De Grey offers the best opportunity for Kalamazoo shareholders to realise excellent value for the project.

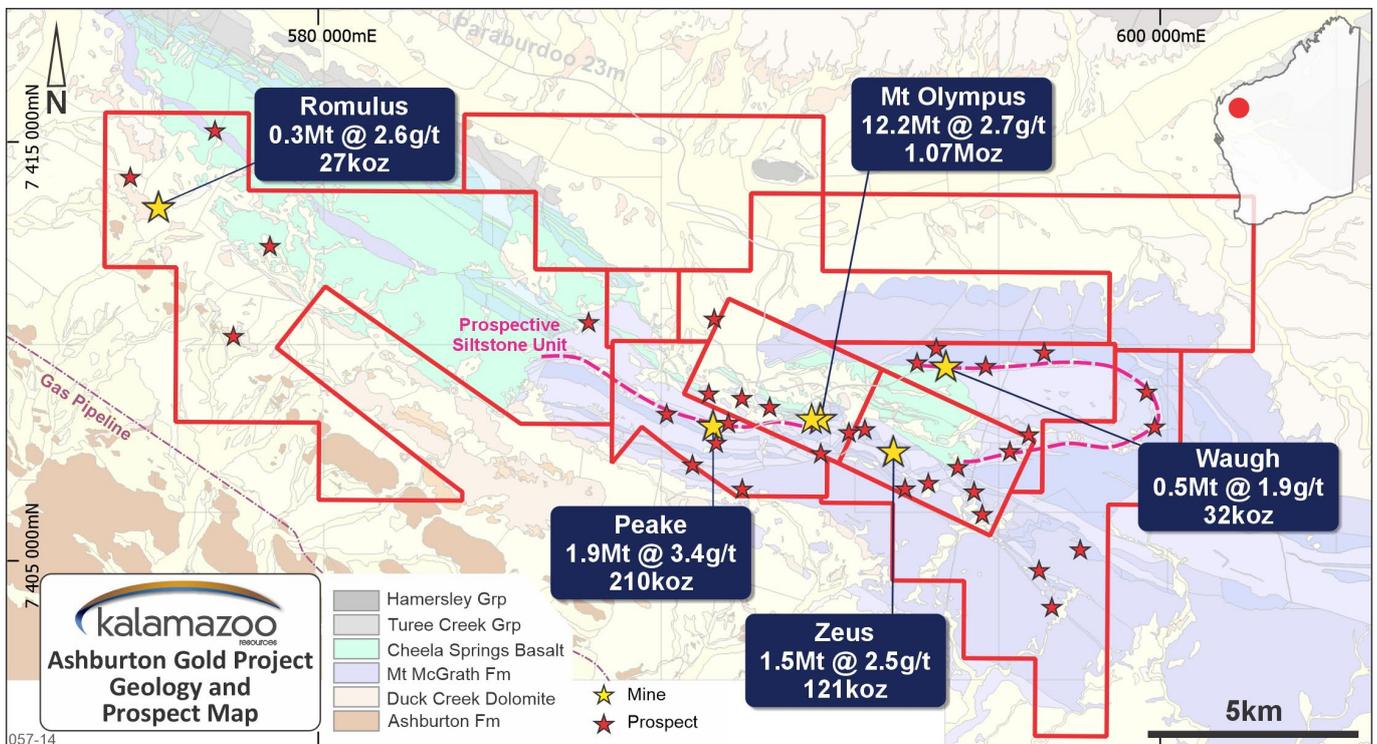


Figure 6: Geology map showing the historical open pit mines and locations of mines and prospects and new resource estimate numbers for each deposit¹¹

MALLINA WEST GOLD PROJECT

E47/2983 (80% interest in mineral rights other than lithium), E47/4342, E47/4489, E47/4490, E47/4491

The Mallina West Gold Project (E47/2983, E47/4489, E47/4490, E47/4491 and E47/4342) covers 484km² and is located in the Pilbara region, WA. The area is considered prospective for “Hemi-style” intrusion hosted gold mineralisation as well as additional styles of mineralisation associated with the Wohler Shear Zone, a prospective splay of the Tabbatabba, Mallina, Withnell and Berghaus Shear Zone complex (Figure 14).

¹¹ ASX: KZR 7 February 2023

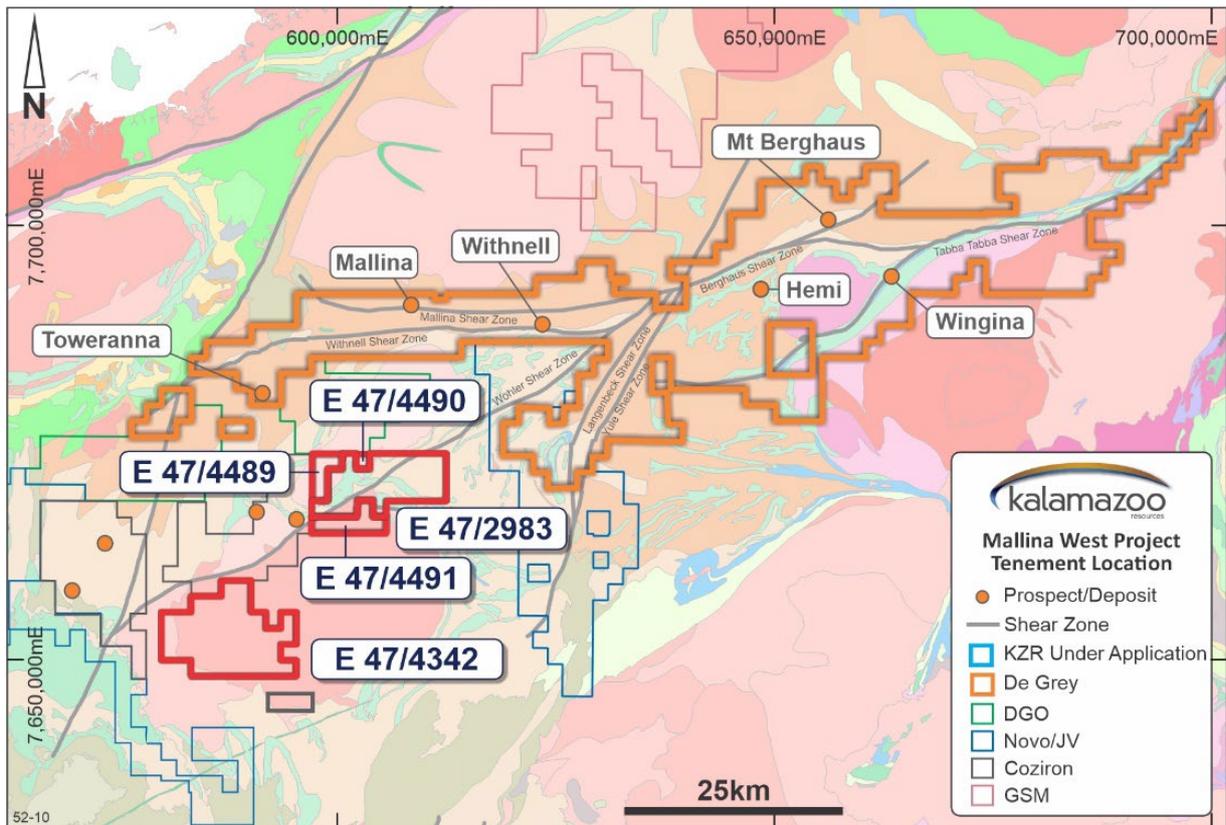


Figure 14: Mallina West Gold Project tenement location

CORPORATE

Appointment of Chief Executive Officer

Kalamazoo was pleased to announce that Dr Luke Mortimer was appointed to the role of Chief Executive Officer, effective 11 January 2024¹².

Dr Mortimer joined Kalamazoo in 2019 in the role of Exploration Manager, and since that time the Company’s exploration project portfolio has grown substantially to include major gold and lithium assets in the Pilbara WA, Central Victorian Goldfields, and the Lachlan Fold Belt of Vic/NSW. Dr Mortimer has played a key role as technical lead in Kalamazoo’s acquisition and development of lithium exploration assets, as well as holding the role of Exploration Manager for Kali until its recent ASX listing.

Prior to joining Kalamazoo, Dr Mortimer spent the majority of his career in senior exploration roles with WMC Exploration Division and MMG exploring worldwide for a range of commodities including gold, copper, nickel, and base metals. Dr Mortimer holds a BSc (Honours) and a PhD in geology.

Mr Luke Reinehr, who co-founded Kalamazoo and has been CEO since 2019, will continue as Executive Chairman of Kalamazoo and Non-Executive Chairman of Kali.

¹² ASX: KZR 11 January 2024

During the quarter, Bernard Crawford resigned from the role of Joint Company Secretary, with Carly Terzanidis remaining in the role of Company Secretary to the Company. The Board acknowledged and thanked Mr Crawford for his dedication and significant contribution since his appointment as Company Secretary in 2016.

Financials

Kalamazoo had cash of \$3.02m as at 31 March 2024.

The Quarterly Cashflow Report (Appendix 5B) for the current period provides an overview of the Company's financial activities. Cash exploration expenditure for the current period was \$348k. Corporate and other expenditure amounted to \$580k. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$145k and includes salary, directors' fees and superannuation.

This announcement has been approved for release to the ASX by Dr Luke Mortimer, Chief Executive Officer Kalamazoo Resources Limited.

For further information, please contact:

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Ben Creagh

Media & Investor Relations
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Competent Persons Statement

The information for the Victorian and New South Wales Projects, DOM's Hill, Marble Bar and Pear Creek Lithium Projects in Western Australia as well as the Mallina West Gold Project in Western Australia is based on information compiled by Dr Luke Mortimer, a competent person who is a Member of The Australian Institute of Geoscientists. Dr Mortimer is an employee engaged as the Exploration Manager for the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Dr Mortimer consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this release relating to the exploration data for the Ashburton Gold Project is based on information compiled by Mr Matthew Rolfe, a competent person who is a Member of The Australasian Institute of Geoscientists. Mr Rolfe is an employee of Kalamazoo Resources Ltd and is engaged as Exploration Manager – Ashburton Gold Project for the Company. Mr Rolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rolfe consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the estimation and reporting of mineral resources at the Ashburton Project is based on information compiled by Mr Phil Jankowski, who is a Fellow of Australasian Institute of Mining and Metallurgy. Mr Jankowski is an employee of CSA Global Ltd who are engaged as consultants to Kalamazoo Resources Limited. Mr Jankowski has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jankowski consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Historical ASX Announcements

In preparing the quarterly report for the period ended 31 March 2024 and to date, the Company has relied on the following ASX announcements. This report contains information extracted from ASX releases and reports cited herein. These are available to view on the Company's website (www.kzr.com.au). In relying on the following ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the following announcements, and that all material assumptions and technical information referenced in the announcements continue to apply and have not materially changed.

8/3/2024	Drilling completed at Goldie North Prospect, Mt Piper VIC
09/02/2024	Resignation of Joint Company Secretary
06/02/2024	KZR Grants De Grey Option to Acquire Ashburton Project
11/01/2024	Appointment of Chief Executive Officer
8/01/2024	Kalamazoo Lithium Spin Out Completed
21/11/2023	KZR Spin Out - Kali Metals IPO offer closed
14/11/2023	KZR Spin out - Kali Metals IPO to Raise up to \$15M now open
3/11/2023	KZR Spin out - Kali Metals lodges Prospectus for 12m IPO
12/10/2023	Drilling Commences at Mt Piper Gold Project
31/08/2023	Ashburton Gold Project Exploration Update
03/08/2023	High-grade Gold Rock Chip Samples at Mt Piper Gold Project
7/02/2023	New Mineral Resource Estimate - Ashburton Gold Project

Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that Kalamazoo's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Kalamazoo will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Kalamazoo's mineral properties. The performance of Kalamazoo may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.

TENEMENT INFORMATION IN ACCORDANCE WITH LISTING RULE 5.3.3

Project / Tenement ID	State	Status	Interest at start of quarter	Interest at end of quarter	Notes
MALLINA PROJECT					
E47/2983	WA	Granted	80%	80%	80% interest in minerals other than lithium
E47/4489	WA	Granted	100%	100%	
E47/4490	WA	Granted	100%	100%	
E47/4342	WA	Granted	100%	100%	
E47/4491	WA	Granted	100%	100%	
E47/4865	WA	Application	-	-	
E47/4868	WA	Application	-	-	
PEAR CREEK PROJECT					
E45/6457	WA	Granted	100%	100%	Kalamazoo Resources Ltd
MARBLE BAR PROJECT					
E45/4724	WA	Granted	100%	0%	100% interest in minerals other than lithium
DOM'S HILL PROJECT					
E45/6646	WA	Application	-	-	
E45/6647	WA	Application	-	-	
SNAKE WELL NORTH PROJECT					
E59/2580	WA	Granted	100%	100%	
ASHBURTON PROJECT					
M52/639	WA	Granted	100%	100%	
M52/640	WA	Granted	100%	100%	
M52/734	WA	Granted	100%	100%	
M52/735	WA	Granted	100%	100%	
E52/1941	WA	Granted	100%	100%	
E52/3024	WA	Granted	100%	100%	
E52/3025	WA	Granted	100%	100%	
E52/4052	WA	Granted	100%	100%	
EL47/4913	WA	Application	-	-	
EL47/4914	WA	Application	-	-	
CASTLEMAINE PROJECT					
EL006679	VIC	Granted	100%	100%	
EL006752	VIC	Granted	100%	100%	
TARNAGULLA PROJECT					
EL006780	VIC	Granted	100%	100%	
SOUTH MUCKLEFORD PROJECT					
EL006959	VIC	Granted	100%	100%	
EL007021	VIC	Granted	100%	100%	
MYRTLE GOLD PROJECT					
EL007323	VIC	Granted	100%	100%	

Project / Tenement ID	State	Status	Interest at start of quarter	Interest at end of quarter	Notes
MT PIPER PROJECT					
EL006775	VIC	Granted	100%	100%	
EL007331	VIC	Granted	100%	100%	
EL007337	VIC	Granted	100%	100%	
EL007366	VIC	Granted	100%	100%	
EL007380	VIC	Granted	100%	100%	
EL007481	VIC	Application	-	-	