

24 March 2026

Kalamazoo Resources Ltd (KZR) BUY

Share Price: **A\$0.12**

Excellent high grade intercepts at Mt Olympus

Target Price: **A\$0.73**

KZR has reported high grade assay results at Mt Olympus with hole KADD0002 confirming gold mineralisation extends ~300m down plunge from the current pit shell. Awaiting assay results for KADD0009 which was drilled to intersect mineralization close to an historical intercept of 18.8m @ 5.4g/t Au from 453m (AMODD0028). The deep drilling is aimed at delineating an Underground Exploration Target of 2.0-6.0Mt @ 2g/t Au for 129-387koz. Infill drilling also intersected wide, high grade ore zones, validating the geological model and supporting a potential Resource increase in the lower parts of the pit shell. We retain our BUY recommendation with PT of A\$0.73/share (previously A\$0.74/share).

Excellent intercepts at Mt Olympus (100%)

- Best results comprise:
 - 43.8m @ 3.4g/t Au from 93m including 21m @ 4.6g/t Au (KADD0004 - Infill)
 - 30.9m @ 1.5g/t Au from 215m including 9.2m @ 2.4g/t Au from 234m (KADD0006 - Extensional)
 - 8.8m @ 11.0g/t Au from 21m (KADD0003 - Infill)
 - 5.5m @ 9.6g/t Au from 59m (KADD0004 - Infill)
 - 3.9m @ 4.3g/t Au from 418m (KADD0002 – Extensional)
- Results confirm Mt Olympus mineralisation extends well below the current pit shell and remains open.
- Geological model reinforced; strong gold mineralisation associated with conglomerate host rock and Zoe Fault feeder structures.
- Total Resource of 1.44Moz includes 1.1Moz @ 2.7g/t Au within an open pit at Mt Olympus.

Financial Summary

- NPV of A\$0.73/share rising to A\$1.06/share at spot.
- Cash of ~A\$10M, listed investments A\$4.1M, nil debt.
- Cheap relative to peers with EV/Resource of A\$21/oz compared to peer developer average of A\$162/oz.
- We model 83kozpa at AISC of A\$2,214/oz from FY30. Capex of A\$220M with payback of ~1 year at spot prices.

Key Dates Ahead

- CY26 – Ongoing drill results.
- Sep. Q'26 – Resource update.
- Dec. Q'26 – Mt Olympus PFS.
- Dec. Q'27 – Mt Olympus DFS, FID & financing.
- Dec. Q'29 – First gold production.

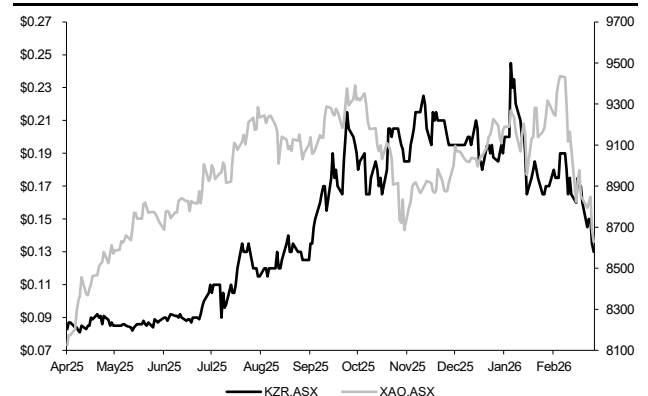
Company Data

Shares – ordinary (M)	312.9
Dilution (M)	38.7
Total (fully diluted) (M)	351.5
Market capitalisation (\$M)	37.5
12 month low/high (\$)	0.07 / 0.25
Average monthly turnover (\$M)	2.9
GICS Industry	Metals & Mining

Financial Summary (fully diluted/normalised)

Year End June	FY28F	FY29F	FY30F	FY31F	FY32F
Revenue (\$M)	0.0	0.0	282.6	393.6	380.0
Costs (\$M)	5.0	6.0	120.7	175.4	176.3
EBITDA (\$M)	-5.0	-6.0	161.9	218.2	203.7
NPAT (A\$M)	-3.7	-9.8	98.3	131.9	126.2
EPS (cps)	-0.4	-1.1	10.9	14.6	14.0
EPS Growth (%)	na	na	>100	34	-4
PER (x)	na	na	1.1	0.8	0.9
Cashflow (A\$M)	-3.5	-8.8	157.2	179.2	157.6
CFPS (c/sh)	-0.4	-1.0	17.4	19.8	17.4
PCFPS	na	na	0.7	0.6	0.7
EV	51	200	104	-64	-198
EV/EBITDA	-10	-33	0.6	-0.3	-1.0
Payout ratio (%)	na	na	na	na	10%
DPS	0.0	0.0	0.0	0.0	1.4
Yield (%)	0.0	0.0	0.0	0.0	11.6
Franking (%)	0.0	0.0	0.0	0.0	100.0

KZR – performance over one year



Disclosure and Disclaimer

This report must be read with the disclosure and disclaimer on the final page of this document. Petra Capital was sole lead manager and bookrunner for this Company's placement to raise up to \$8m and \$2m via a SPP at A\$0.17/sh on 22 December 2025 for which fees were received.

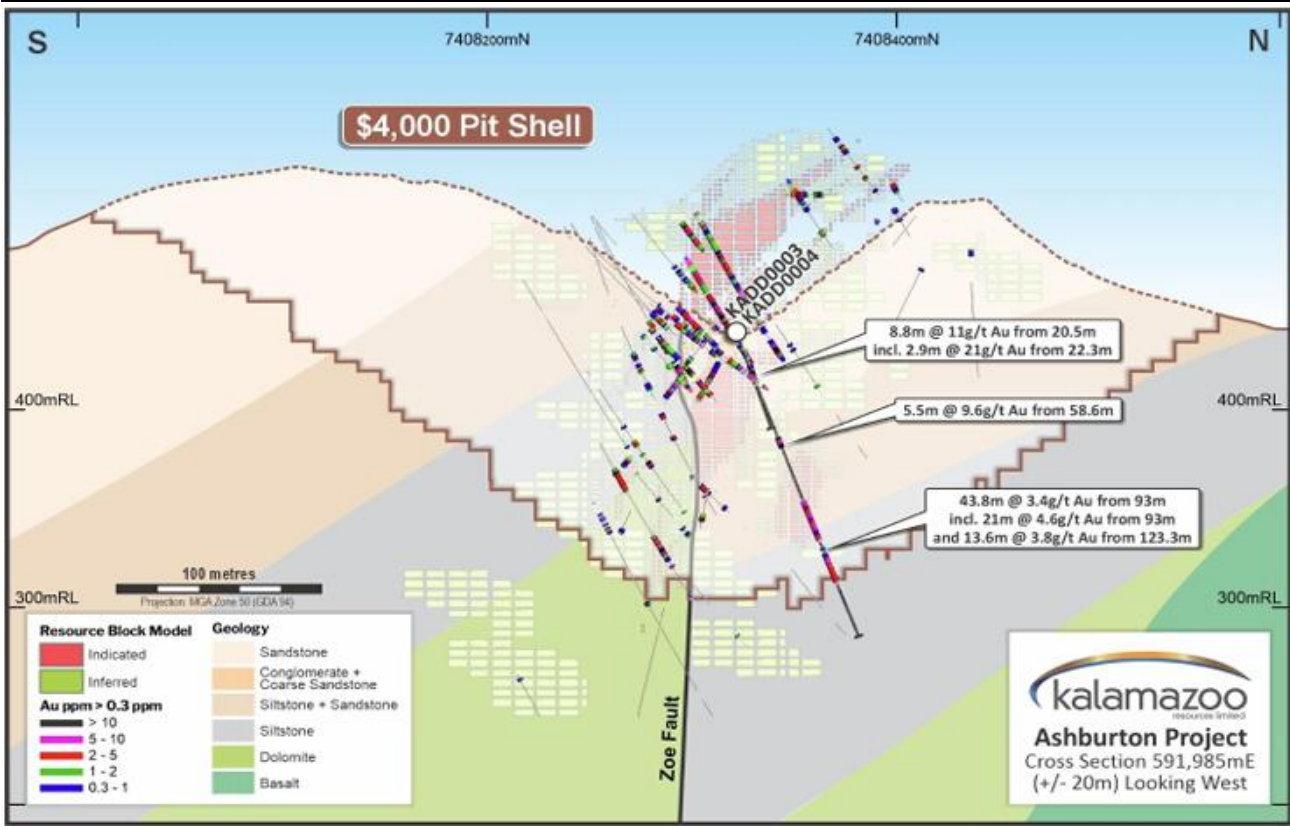
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Analysis

KALAMAZOO RESOURCES LIMITED (KZR)																	
<table border="0"> <tr> <td>23-Mar-26</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Year End June</td> <td>A\$</td> <td></td> <td></td> <td></td> <td></td> </tr> </table>						23-Mar-26						Year End June	A\$				
23-Mar-26																	
Year End June	A\$																
PROFIT & LOSS																	
Sales Revenue	\$M	0.0	0.0	282.6	393.6	380.0											
Other Income	\$M	0.0	0.0	0.0	0.0	0.0											
Operating Costs	\$M	5.0	6.0	120.7	175.4	176.3											
Exploration	\$M	0.0	0.0	0.0	0.0	0.0											
Other	\$M	0.0	0.0	0.0	0.0	0.0											
EBITDA	\$M	(5.0)	(6.0)	161.9	218.2	203.7											
Dep. & Amort.	\$M	0.2	1.0	16.8	32.8	33.9											
EBIT	\$M	(5.2)	(7.0)	145.1	185.4	169.8											
Net Interest	\$M	(1.5)	2.8	4.7	(3.1)	(10.4)											
Pre-Tax Profit	\$M	(3.7)	(9.8)	140.4	188.5	180.3											
Tax	\$M	0.0	0.0	42.1	56.5	54.1											
Minorities	\$M	0.0	0.0	0.0	0.0	0.0											
Net Profit	\$M	(3.7)	(9.8)	98.3	131.9	126.2											
Abnormal	\$M	0.0	0.0	0.0	0.0	0.0											
Reported Profit	\$M	(3.7)	(9.8)	98.3	131.9	126.2											
Dividends Paid	\$M	0.0	0.0	0.0	0.0	12.6											
Adjustments	\$M	0.0	0.0	0.0	0.0	0.0											
Retained Earnings	\$M	(19.1)	(28.8)	69.4	201.4	314.9											
CASH FLOW																	
Revenue	\$M	0.0	0.0	282.6	393.6	380.0											
Costs	\$M	(5.0)	(6.0)	(120.7)	(175.4)	(176.3)											
Net Interest	\$M	1.5	(2.8)	(4.7)	3.1	10.4											
Tax Paid	\$M	0.0	0.0	0.0	(42.1)	(56.5)											
Gross Cash Flow	\$M	(3.5)	(8.8)	157.2	179.2	157.6											
Net Capex	\$M	(45.0)	(136.0)	(51.0)	(6.0)	(6.0)											
Exploration	\$M	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)											
Dividends	\$M	0.0	0.0	0.0	0.0	(12.6)											
Other	\$M	0.0	0.0	(5.0)	0.0	0.0											
Free Cashflow	\$M	(53.5)	(149.8)	96.2	168.2	133.9											
Equity Issues	\$M	99.8	0.0	0.0	0.0	0.0											
Net Borrowings	\$M	0.0	130.0	(80.0)	(50.0)	0.0											
Net Investments	\$M	0.0	0.0	0.0	0.0	0.0											
Surplus Cash Flow	\$M	46.3	(19.8)	16.2	118.2	133.9											
BALANCE SHEET																	
Cash	\$M	57.9	38.1	54.2	172.4	306.3											
Other Current	\$M	0.5	0.5	42.4	59.0	57.0											
Total Current	\$M	58.4	38.6	96.6	231.4	363.3											
Fixed Assets	\$M	48.1	183.1	217.3	190.5	162.7											
Expl. & Evaluation	\$M	34.6	39.6	44.6	49.6	54.6											
Intangibles	\$M	0.0	0.0	0.0	0.0	0.0											
Other	\$M	2.4	2.4	7.4	7.4	7.4											
Total NC Assets	\$M	85.0	225.0	269.3	247.5	224.6											
TOTAL ASSETS	\$M	143.4	263.6	365.9	478.9	587.9											
Total Debt	\$M	0.0	130.0	50.0	0.0	0.0											
Current Liab	\$M	3.5	3.5	45.6	60.0	57.5											
Non Current Liab	\$M	0.4	0.4	42.3	59.0	56.9											
TOTAL LIAB	\$M	3.9	133.9	137.9	119.0	114.5											
NET ASSETS	\$M	139.5	129.7	228.0	359.9	473.5											
SH/HLDRS FUNDS	\$M	139.5	129.7	228.0	359.9	473.5											
RATIO ANALYSIS																	
EPS	¢	(0.4)	(1.1)	10.9	14.6	14.0											
PER	x	na	na	1.1	0.8	0.9											
EPS Growth	%	na	>100	>100	34	(4)											
EBITDA per share	¢	(0.6)	(0.7)	17.9	24.1	22.5											
EBITDA Multiple	x	(22)	(18)	0.7	0.5	0.5											
EV/EBITDA	x	(10)	(33)	0.6	(0.3)	(1.0)											
CFPS	¢	(0.4)	(1.0)	17.4	19.8	17.4											
PCFR	x	na	na	0.7	0.6	0.7											
DPS	¢	0.0	0.0	0.0	0.0	1.4											
Yield	%	0.0	0.0	0.0	0.0	11.6											
Franking	%	0.0	0.0	0.0	0.0	100.0											
Payout Ratio	%	0.0	0.0	0.0	0.0	0.1											
Gearing ND/E	%	na	71	na	na	na											
Interest Cover	x	3.4	na	30.6	na	na											
EBITDA Margin	%	na	na	57.3	55.4	53.6											
EBIT Margin	%	na	na	51.4	47.1	44.7											
Return On Assets	%	(3.6)	(2.7)	39.7	38.7	28.9											
Return On Equity	%	(2.6)	(7.5)	43.1	36.7	26.6											
Eff Tax rate	%	0.0	0.0	30.0	30.0	30.0											
OTHER DATA																	
Share Price	\$/sh.	0.120	0.120	0.120	0.120	0.120											
Number of shares	M	903.8	903.8	903.8	903.8	903.8											
Market Capitalisation	\$M	108.5	108.5	108.5	108.5	108.5											
EV	\$M	50.6	200.4	104.2	-63.9	-197.9											
RESERVES & RESOURCES																	
Share Price	(\$)	0.120															
Iss. Shares	(M)	312.9															
Options	(M)	30.7															
Perf Rights	(M)	8.0															
Mkt Cap.	(\$M)	37.5															
RESERVES / Mine Inventory																	
Tonnes	Mt	11.0	11.0	10.0	8.5	7.0											
Grade Au	g/t	2.2	2.2	2.2	2.2	2.2											
Contained Au	Moz	0.79	0.79	0.72	0.61	0.50											
Resources																	
Tonnes	Mt	16.2	16.2	15.2	13.7	12.2											
Grade Au	g/t	2.8	2.8	2.8	2.8	2.8											
Contained Au	Moz	1.44	1.44	1.35	1.21	1.08											
PRODUCTION (100%)																	
Ore Milled	Mt	0.00	0.00	1.00	1.50	1.50											
Au Grade	g/t	0.00	0.00	2.00	2.00	2.00											
Recovery	%	0.00	0.00	86.0	86.0	86.0											
Au Prodn (payable)	oz	0.00	0	49,222	73,833	73,833											
REVENUE (attributable)																	
Mt Olympus Gold	\$M	0.0	0.0	282.6	393.6	380.0											
Other	\$M	0.0	0.0	0.0	0.0	0.0											
Total	\$M	0.0	0.0	282.6	393.6	380.0											
COSTS																	
AISC	A\$/oz	0	0	2431	2362	2375											
AISC	US\$/oz	0	0	1641	1606	1615											
Costs	\$M	0.0	0.0	113.7	168.4	169.3											
Corp / Other	\$M	5.0	6.0	7.0	7.0	7.0											
Total Costs	\$M	5.0	6.0	120.7	175.4	176.3											
CAPEX																	
Mt Olympus Gold	\$M	45.0	136.0	51.0	6.0	6.0											
Other	\$M	0.0	0.0	0.0	0.0	0.0											
Total	\$M	45.0	136.0	51.0	6.0	6.0											
DEPRECIATION																	
Mt Olympus Gold	\$M	0.2	1.0	16.8	32.8	33.9											
Other	\$M	0.0	0.0	0.0	0.0	0.0											
Total	\$M	0.2	1.0	16.8	32.8	33.9											
EBITDA																	
Mt Olympus Gold	\$M	-5.0	-6.0	161.9	218.2	203.7											
Other (incl. writedowns)	\$M	0.0	0.0	0.0	0.0	0.0											
Total	\$M	-5.0	-6.0	161.9	218.2	203.7											
ASSUMPTIONS																	
Exchange Rate	A\$/US\$	0.67	0.67	0.68	0.68	0.68											
Gold Price	US\$/oz	4,375	4,125	3,875	3,625	3,500											
Gold Price	A\$/oz	6,530	6,157	5,741	5,331	5,147											
VALUATION (fully diluted)																	
Mt Olympus Gold Project (NPV8+1yr)	\$M	\$637.6	\$ 0.71														
Exploration (0.5Moz @ A\$100/oz)	\$	\$ 50.0	\$ 0.06														
Listed Investments	\$	\$ 4.1	\$ 0.00														
Corporate / Other	\$	\$(44.3)	\$(0.05)														
Net Cash (Debt) FY27	\$	\$ 11.6	\$ 0.01														
Total	\$	\$659.1	\$ 0.73														

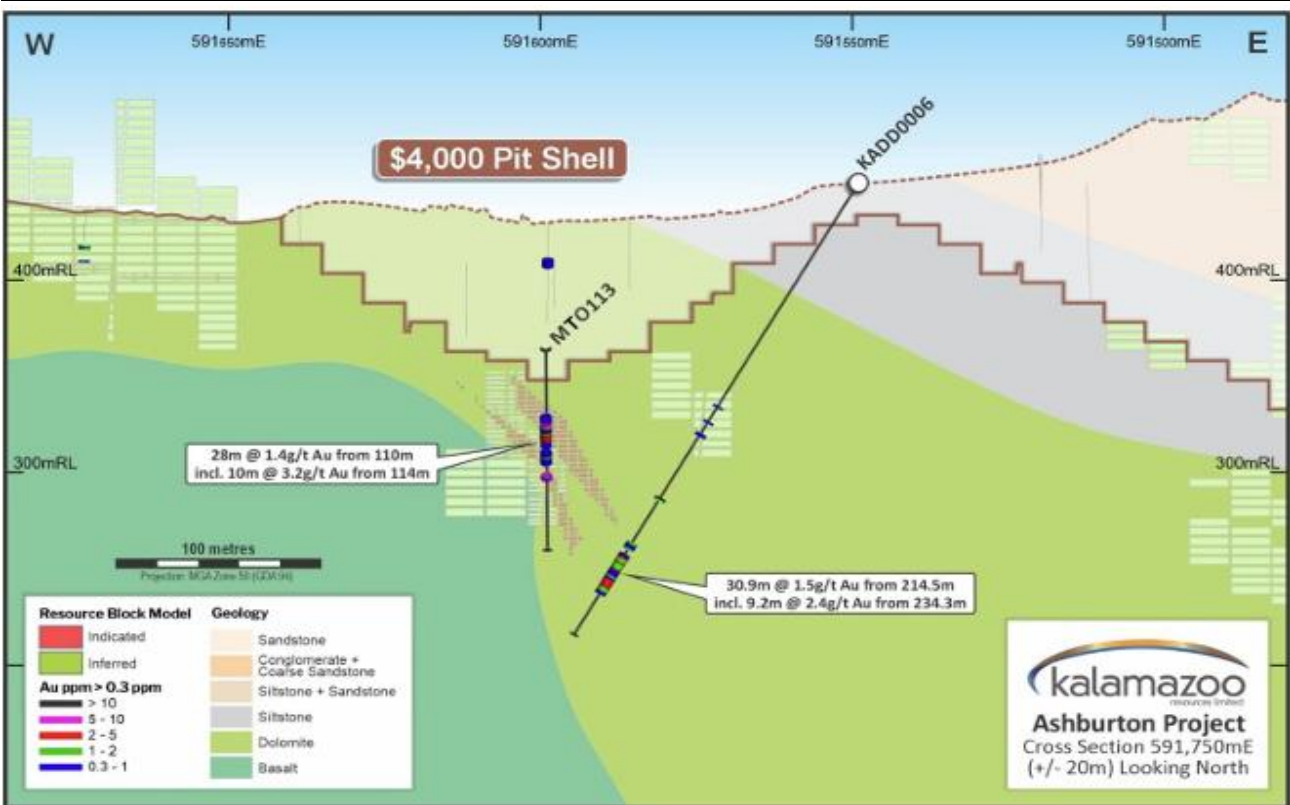
Source: Petra Capital. We assume an equity raise of A\$15M in FY26 via 75M shares at 20c/share, and an A\$105M raise in FY28 via 477M shares at 22c/share.

Figure 1: Cross Section looking WNW with KADD0003 & KADD0004 intercepts



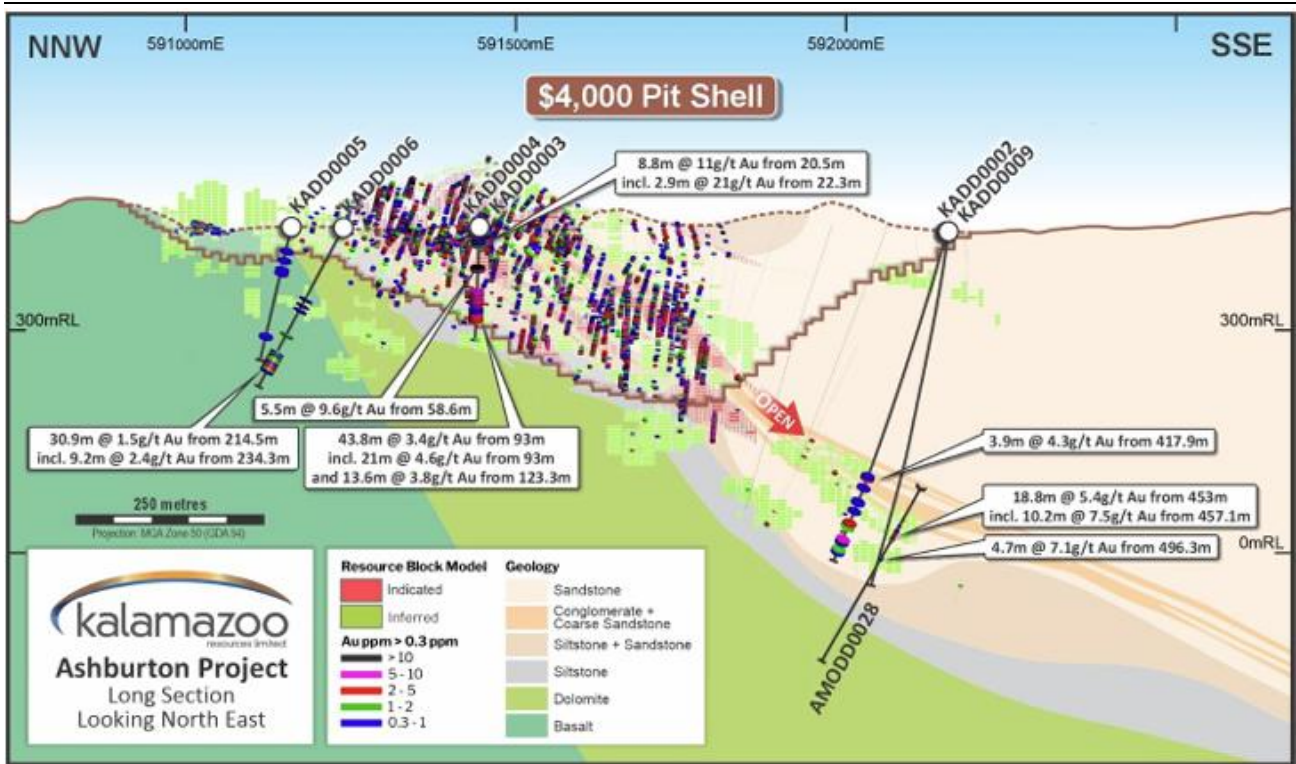
Source: KZR.

Figure 2: Cross Section looking West with KADD0006 intercept



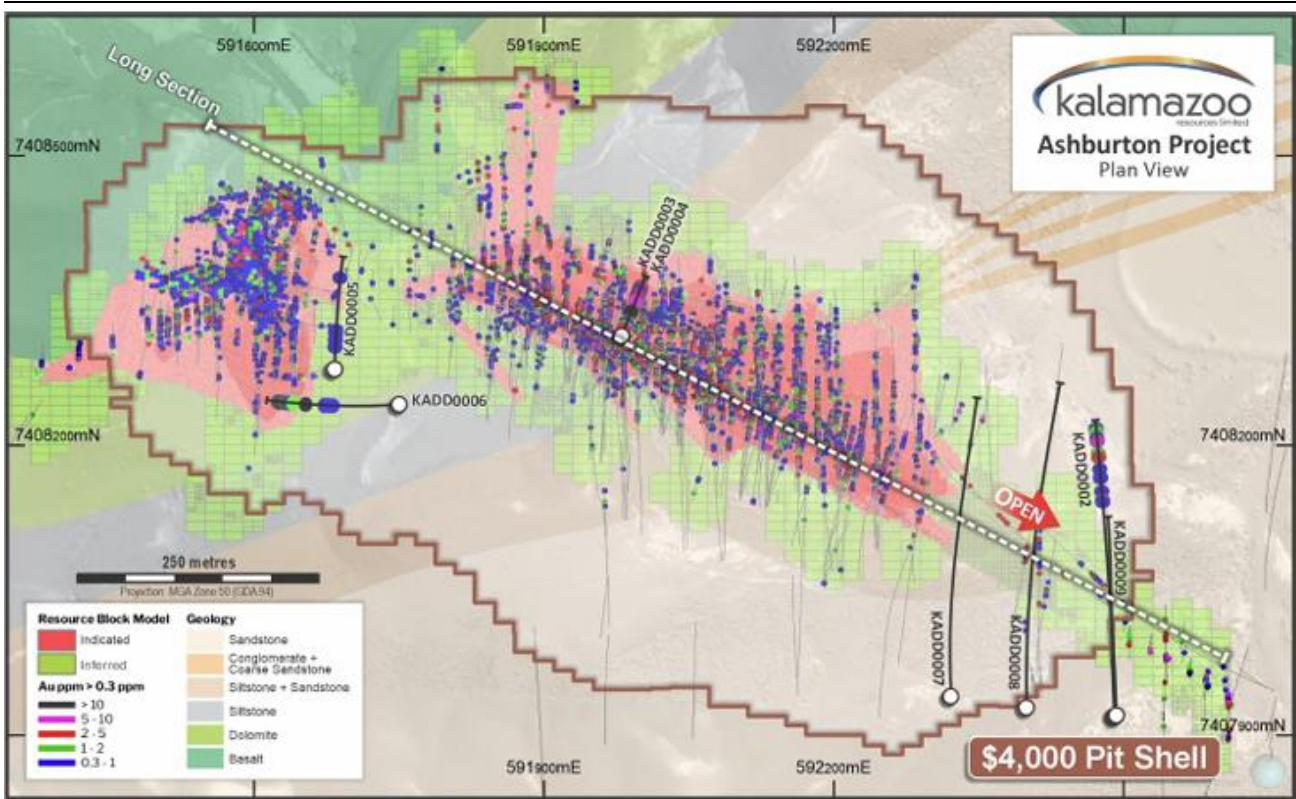
Source: KZR.

Figure 3: Long Section looking NNE with KADD0009 extensional hole trace (assays awaited)



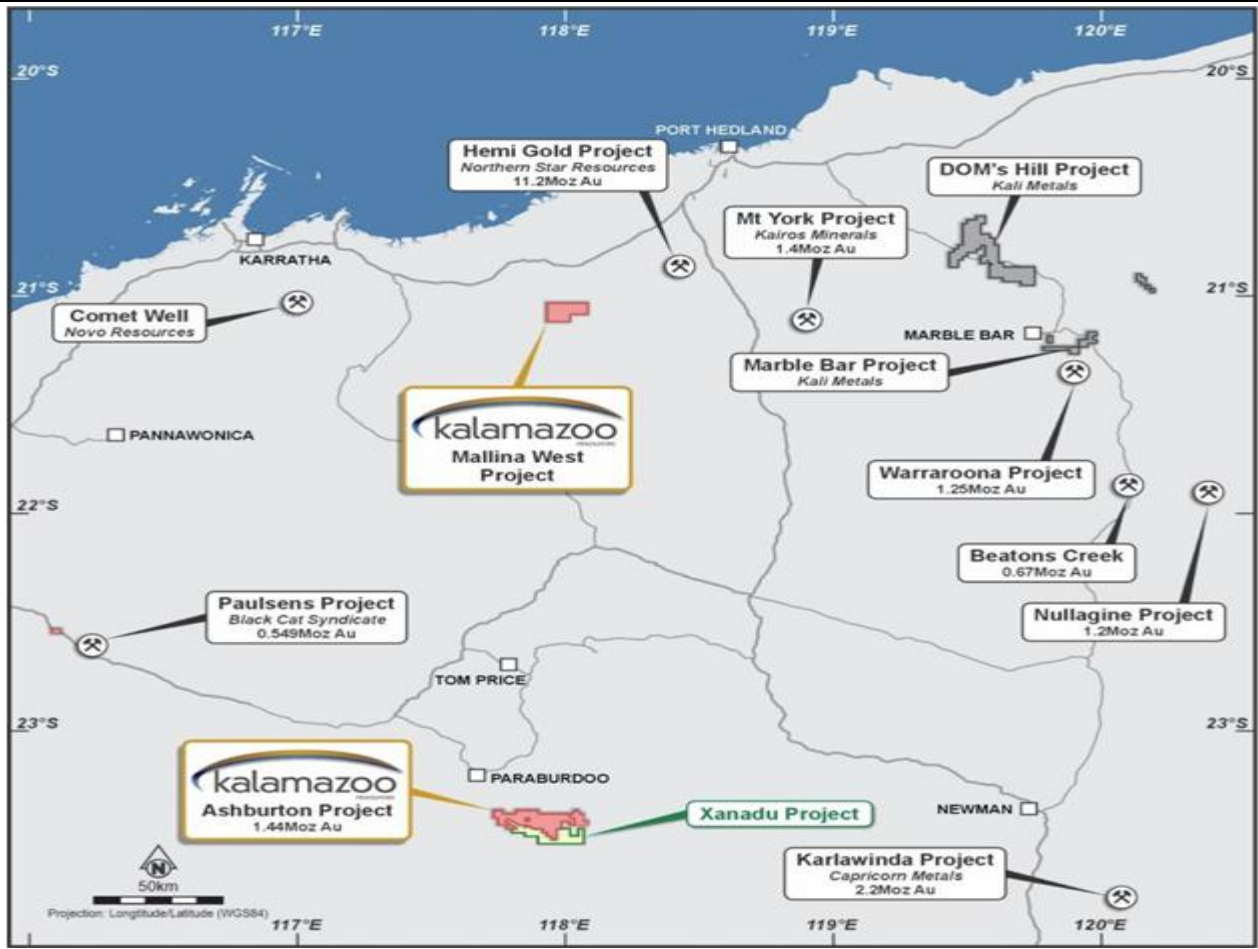
Source: KZR.

Figure 4: Mt Olympus Plan View with hole traces and Scoping Study A\$4,000/oz pit shell



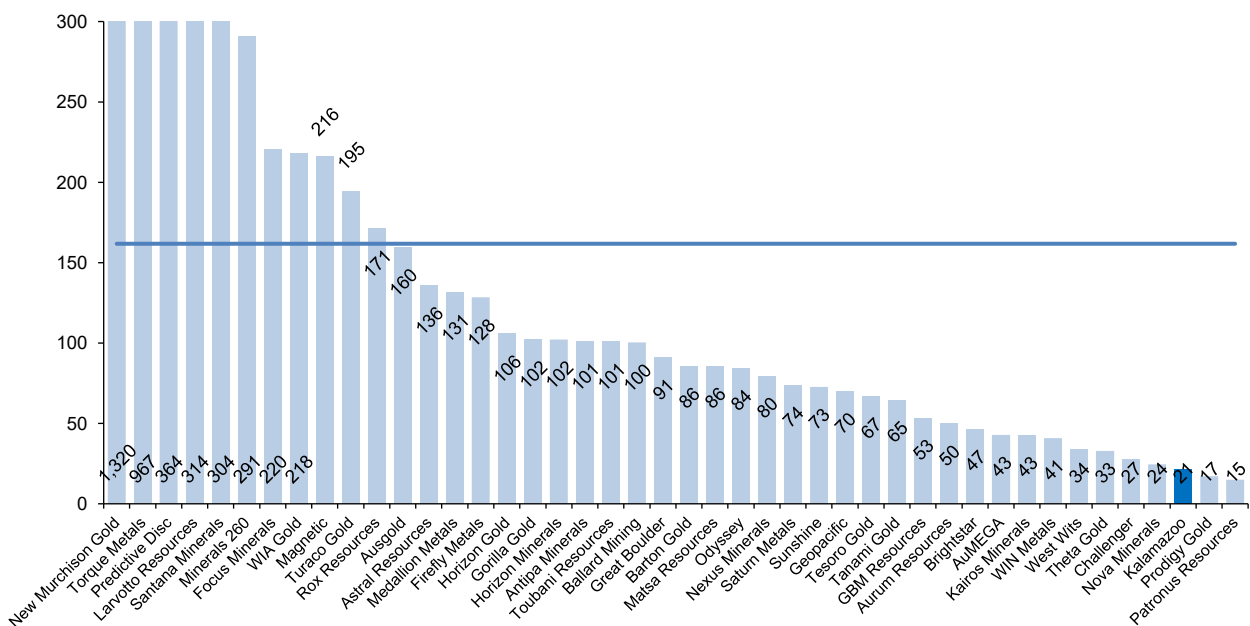
Source: KZR.

Figure 5: Ashburton (Mt Olympus) location map



Source: IRESS, Companies, compiled by Petra Capital.

Figure 6: EV/Resource oz (A\$/oz) ASX gold developers



Source: IRESS, Companies, compiled by Petra Capital.

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