
KAIROS MINERALS LIMITED
ACN 006 189 331

NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at the Central Park Theatrette, 152-158 St Georges Terrace, Perth, Western Australia on Wednesday, 15 November 2017 at 1.00pm (WST).

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9226 1141

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

Kairos Minerals Limited
ACN 006 189 331

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Kairos Minerals Limited (**Company**) will be held at the Central Park Theatrette, 152-158 St Georges Terrace, Perth, Western Australia on Wednesday, 15 November 2017 at 1.00pm (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 13 November 2017 at 4.00pm (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2017, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or

- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 - RE-ELECTION OF MR NEIL HUTCHISON AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with article 22.1 of the Constitution and for all other purposes, Mr Neil Hutchison, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

3. RESOLUTION 3 - ELECTION OF MR TERENCE TOPPING AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 14.4 and for all other purposes, Mr Terance Topping, Director, who was appointed as a Director on 15 March 2017, retires and being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. RESOLUTION 4 - ELECTION OF MR BRUNO SENEQUE AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 14.4 and for all other purposes, Mr Bruno Seneque, Director, who was appointed as a casual vacancy on 4 August 2017, retires and being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF 6,601,852 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 6,601,852 Shares to DDH Drilling on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by DDH Drilling and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF 1,388,972 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,388,972 Shares to Newexco on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Newexco and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF 2,019,000 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 2,019,000 Shares to Haines Surveys on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Haines Surveys and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF 1,704,463 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,704,463 Shares to Milford Resources on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Milford Resources and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 - RATIFICATION OF PRIOR ISSUE OF 2,000,000 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 2,000,000 Shares to Geometrics on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Geometrics and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF 2,619,047 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 2,619,047 Shares to S3 Consortium on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by S3 Consortium and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE OF 1,653,551 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,653,551 Shares to Milford Resources on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Milford Resources and any of its associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 12 - RATIFICATION OF PRIOR ISSUE OF 5,940,000 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 5,940,000 Shares to CPS Capital and Patersons Securities on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by CPS Capital and Patersons Securities and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote

13. RESOLUTION 13 - RATIFICATION OF PLACEMENT

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of:

(a) 42,648,840 Shares under Listing Rule 7.1; and

(b) 47,351,160 Shares under Listing Rule 7.1A,

*at an issue price of \$0.019 per Share (**Placement**) on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Placement and any associate of those persons.

The Company will not disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

14. RESOLUTION 14 - APPROVAL OF ISSUE OF PLACEMENT OPTIONS

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 90,000,000 Options exercisable at \$0.026 per Option (**Placement Options**) on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the issue and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

15. RESOLUTION 15 - ISSUE OF PERFORMANCE RIGHTS TO TERRY TOPPING UNDER THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of:

- (a) 2,000,000 Series G Performance Rights;
- (b) 2,000,000 Series H Performance Rights;
- (c) 2,000,000 Series I Performance Rights; and
- (d) 2,000,000 Series J Performance Rights,

to Mr Terry Topping (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any Director (except one who is ineligible to participate in the Performance Rights Plan) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

16. RESOLUTION 16 - ISSUE OF PERFORMANCE RIGHTS TO BRUNO SENEQUE UNDER THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of:

- (a) 1,000,000 Series G Performance Rights;
- (b) 1,000,000 Series H Performance Rights;

(c) 1,000,000 Series I Performance Rights; and

(d) 1,000,000 Series J Performance Rights,

to Mr Bruno Seneque (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any Director (except one who is ineligible to participate in the Performance Rights Plan) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

17. RESOLUTION 17 - ISSUE OF PERFORMANCE RIGHTS TO NEIL HUTCHISON UNDER THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of:

(a) 1,000,000 Series G Performance Rights;

(b) 1,000,000 Series H Performance Rights;

(c) 1,000,000 Series I Performance Rights; and

(d) 1,000,000 Series J Performance Rights,

to Mr Neil Hutchison (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any Director (except one who is ineligible to participate in the Performance Rights Plan) and any of their associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

18. RESOLUTION 18 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 11 October 2017

By order of the Board

A handwritten signature in black ink, appearing to read 'Adrien Wing', with a horizontal line underneath.

Mr Adrien Wing
Company Secretary

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Central Park Theatre, 152-158 St Georges Terrace, Perth, Western Australia on Wednesday, 15 November 2017 at 1.00pm (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

| | |
|------------|---|
| Section 2 | Action to be taken by Shareholders |
| Section 3 | Annual Report |
| Section 4 | Resolution 1 - Remuneration Report |
| Section 5 | Resolution 2 - Re-Election of Mr Neil Hutchison as Director |
| Section 6 | Resolution 3 - Election of Mr Terance Topping as Director |
| Section 7 | Resolution 4 - Election of Mr Bruno Seneque as Director |
| Section 8 | Resolution 5 - Ratification of prior issue of 6,601,852 Shares |
| Section 9 | Resolution 6 - Ratification of prior issue of 1,388,972 Shares |
| Section 10 | Resolution 7 - Ratification of prior issue of 2,019,000 Shares |
| Section 11 | Resolution 8 - Ratification of prior issue of 1,704,463 Shares |
| Section 12 | Resolution 9 - Ratification of prior issue of 2,000,000 Shares |
| Section 13 | Resolution 10 - Ratification of prior issue of 2,619,047 Shares |
| Section 14 | Resolution 11 - Ratification of prior issue of 1,653,551 Shares |
| Section 15 | Resolution 12 - Ratification of prior issue of 5,940,000 Shares |
| Section 16 | Resolution 13 - Ratification of Placement |
| Section 17 | Resolution 14 - Approval of issue of Placement Options |
| Section 18 | Resolutions 15 to 17 (Inclusive) - Issue of Performance Rights to Directors under the Performance Rights Plan |

| | |
|-------------|--|
| Section 19 | Resolution 18 - Approval of 10% Placement Facility |
| Schedule 1: | Definitions |
| Schedule 2: | Terms and Conditions of Placement Options |
| Schedule 3: | Terms and Conditions of Performance Rights |
| Schedule 4 | Listing Rule 7.3A.6 Disclosure |

A Proxy Form is located at the end of this Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 1.00pm (WST) on Monday, 13 November 2017, being at least 48 hours before the Meeting

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

A vote on Resolutions 15, 16 and 17 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons on those Resolutions if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.kairosminerals.com.au
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4. RESOLUTION 1 - REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2016 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2018 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. RESOLUTION 2 - RE-ELECTION OF MR NEIL HUTCHISON AS DIRECTOR

Article 22.1 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third to retire at each annual general meeting.

Article 22.4 of the Constitution states that a Director who retires under article 22.1 is eligible for re-election.

Resolution 2 provides that Mr Neil Hutchison retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Mr Neil Hutchison are in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr Neil Hutchison) supports the re-election of Mr Neil Hutchison and recommends that Shareholders vote in favour of Resolution 2.

6. RESOLUTION 3 - ELECTION OF MR TERANCE TOPPING AS DIRECTOR

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 20.5 of the Constitution allows the Directors to appoint a person to fill a casual vacancy or as an addition to the Board at any time. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Terance Topping was appointed on 15 March 2017 as a casual vacancy to the Board. Resolution 3 provides that he retires from office and seeks election as a Director.

Details of Mr Terance Topping's background and experience are set out in the Annual Report.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

The Board (excluding Mr Terance Topping) supports the re-election of Mr Terance Topping and recommends that shareholders vote in favour of Resolution 3.

7. RESOLUTION 4 - ELECTION OF MR BRUNO SENEQUE AS DIRECTOR

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 20.5 of the Constitution allows the Directors to appoint a person to fill a casual vacancy or as an addition to the Board at any time. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Bruno Seneque was appointed on 4 August 2017 as a casual vacancy to the Board. Resolution 4 provides that he retires from office and seeks election as a Director.

Details of Mr Bruno Seneque's background and experience are set out in the Annual Report.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

The Board (excluding Mr Bruno Seneque) supports the re-election of Mr Bruno Seneque and recommends that shareholders vote in favour of Resolution 4.

8. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF 6,601,852 SHARES

8.1 General

Resolution 5 seeks to ratify the prior issue of 6,601,852 Shares to DDH Drilling (and its associates) on 22 May 2017. The Company issued the Shares to DDH Drilling using its placement capacity under Listing Rule 7.1. The Shares were issued as part of the fee

arrangement between the Company and DDH Drilling in relation to consulting and geological services provided to the Company.

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 5 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

8.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 6,601,852 Shares were issued to DDH Drilling on 22 May 2017.
- (b) The Shares were issued in consideration for services provided by DDH Drilling. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 5.

8.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5.

9. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE OF 1,388,972 SHARES

9.1 General

Resolution 6 seeks to ratify the prior issue of 1,388,972 Shares to Newexco (and its associates) of which 660,635 Shares were issued on 22 May 2017 and an additional 728,337 Shares were issued on 28 August 2017. The Company issued the Shares to Newexco using its placement capacity under Listing Rule 7.1. The Shares were issued as part of the fee arrangement between the Company and Newexco in relation to consulting and geological services provided to the Company.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 6 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 6 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 6.

9.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 660,635 Shares were issued on 22 May 2017 and 728,337 Shares were issued on 28 August 2017 to Newexco.
- (b) The Shares were issued in consideration for services provided by Newexco. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 6.

9.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6.

10. RESOLUTION 7 - RATIFICATION OF PRIOR ISSUE OF 2,019,000 SHARES

10.1 General

Resolution 7 seeks to ratify the prior issue of 2,019,000 Shares to Haines Surveys (and its associates) on 28 November 2016. The Company issued the Shares to Haines Surveys using its placement capacity under Listing Rule 7.1. The Shares were issued as part of the fee arrangement between the Company and Haines Surveys in relation to consulting and geological services provided to the Company.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 7 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 7 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 7.

10.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 2,019,000 Shares were issued to Haines Surveys on 22 May 2017.

- (b) The Shares were issued in consideration for services provided by Haines Surveys. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 7.

10.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7.

11. RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF 1,704,463 SHARES

11.1 General

Resolution 8 seeks to ratify the prior issue of 1,704,463 Shares to Milford Resources (and its associates) on 28 August 2017. The Shares were issued as consideration for tenements acquired from Milford Resources.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 8 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 8 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 8.

11.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 1,704,463 Shares were issued to Milford Resources on 28 August 2017.
- (b) The Shares were issued in consideration for tenements acquired from Milford Resources. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 8.

11.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 8.

12. RESOLUTION 9 - RATIFICATION OF PRIOR ISSUE OF 2,000,000 SHARES

12.1 General

Resolution 9 seeks to ratify the prior issue of 2,000,000 Shares to Geometrics (and its associates) on 28 August 2017. The Shares were issued as consideration for tenements acquired from Milford Resources as consideration for tenements acquired from Geometrics relating to the Wodgina lithium tenement acquisition.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 9 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 9 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 9.

12.2 Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the issue as follows:

- (a) 2,000,000 Shares were issued to Geometrics on 28 August 2017.
- (b) The Shares were issued in consideration for tenements acquired from Milford Resources. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 9.

12.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 9.

13. RESOLUTION 10 - RATIFICATION OF PRIOR ISSUE OF 2,619,047 SHARES

13.1 General

Resolution 10 seeks to ratify the prior issue of 2,619,047 Shares to S3 Consortium (and its associates) on 28 August 2017. The Shares were issued as consideration for investor relations services provided by S3 Consortium.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 10 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 10 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 10.

13.2 Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the issue as follows:

- (a) 2,619,047 Shares were issued to S3 Consortium on 28 August 2017.
- (b) The Shares were issued in consideration for investor relations services provided by S3 Consortium.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 10.

13.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 10.

14. RESOLUTION 11 - RATIFICATION OF PRIOR ISSUE OF 1,653,551 SHARES

14.1 General

Resolution 11 seeks to ratify the prior issue of 1,653,551 Shares to Milford Resources (and its associates) on 2 October 2017. The Shares were issued as consideration for tenements acquired from Milford Resources.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 11 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 11 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 11.

14.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 1,653,551 Shares were issued to Milford Resources on 2 October 2017.
- (b) The Shares were issued in consideration for tenements acquired from Milford Resources at a deemed issue price of \$0.0302 per Share. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 11.

14.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 11.

15. RESOLUTION 12 - RATIFICATION OF PRIOR ISSUE OF 5,940,000 SHARES

15.1 General

Resolution 12 seeks to ratify the prior issue of 5,940,000 Shares to CPS Capital and Patersons Securities (and its associates) on 2 October 2017. The Shares were issued to satisfy fees payable to CPS Capital and Patersons Securities in relation to the Placement.

A summary of Listing Rules 7.1 and 7.4 is provided in Section 8.1.

The effect of passing Resolution 12 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 12 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 12.

15.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the prior issue as follows:

- (a) 5,940,000 Shares were issued to CPS Capital and Patersons Securities on 2 October 2017.
- (b) The Shares were issued to satisfy fees payable to CPS Capital and Patersons Securities in relation to the Placement at a deemed issue price of \$0.019 per Share. Accordingly, no funds were raised from the issue.
- (c) The Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) A voting exclusion statement is included in the Notice for Resolution 12.

15.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 12.

16. RESOLUTION 13 - RATIFICATION OF PLACEMENT

16.1 General

On 15 September 2017, the Company announced that it had secured firm commitments from sophisticated and professional investors, clients of CPS Capital and Patersons Securities, for a private placement of Shares to raise a total of \$1.71 million (before costs) (**Placement**). On 22 September 2017, the Company issued 90,000,000 Shares each at an issue price of \$0.019 per Share (**Placement Shares**) using its existing placement capacity under Listing Rules 7.1 and 7.1A.

The number of Placement Shares that were issued pursuant to the Company's capacity under Listing Rule 7.1 was 42,648,840 and the number of Placement Shares that were issued pursuant to the Company's capacity under Listing Rule 7.1A was 43,351,160.

Resolution 13 seeks to ratify the prior issue of the Placement Shares.

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that, in addition to its 15% placement capacity under Listing Rule 7.1, the Company is entitled to issue securities up to 10% of the issued share capital through placements over a 12-month period after the Company's Annual General Meeting, without needing prior shareholder approval.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1 or Listing Rule 7.1A.

The effect of passing Resolution 13 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 and the 10% placement capacity set out in Listing Rule 7.1A, without obtaining prior Shareholder approval.

Resolution 13 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 13.

16.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the issue as follows:

- (a) On 22 September 2017, the Company issued the Placement Shares to professional and sophisticated investors, clients of CPS Capital and Patersons Securities, who are not related parties or associates of related parties of the Company on the following basis:
 - (i) 42,648,840 Placement Shares were issued pursuant to Listing Rule 7.1; and
 - (ii) 43,351,160 Placement Shares were issued pursuant to Listing Rule 7.1A.
- (b) The Placement Shares were issued for \$0.019 per Share to raise \$1.71 million before costs.
- (c) The Placement Shares were issued as fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) The Company intends to use the funds raised from the Placement to progress exploration activities at the Company's 100% owned Roe Hills project, fast-track

the recently commenced evaluation of the conglomerate-hosted gold potential across the Company's extensive Pilbara gold-lithium tenement package and for general working capital purposes.

- (e) A voting exclusion statement is included in the Notice for Resolution 13.

16.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 13.

17. RESOLUTION 14 - APPROVAL OF ISSUE OF PLACEMENT OPTIONS

17.1 General

On 22 September 2017, the Company completed the Placement and issued the Placement Shares to sophisticated and professional investor clients of CPS Capital and Patersons Securities. In connection with the Placement, those sophisticated and professional investors were also offered, subject to Shareholder approval, one (1) free attaching Option for every Share subscribed for and issued. Accordingly, Resolution 14 seeks Shareholder approval for the issue of up to 90,000,000 Options (**Placement Options**) to those sophisticated and professional investors that participated in the Placement. None of the participants under the Placement were related parties or an associated of a related party of the Company.

The Board believes that Resolution 14 is in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.

A summary of Listing Rule 7.1 is provided in Section 8.1.

The effect of passing Resolution 14 will be to allow the Company to issue the Placement Options the subject of this Resolution 14 during the period of 3 months after the Meeting (or such longer period of time as ASX may in its discretion allow), without using the Company's 15% annual placement capacity.

Resolution 14 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 14.

17.2 Specific information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, information is provided in relation to the Placement Options as follows:

- (a) The maximum number of Options to be issued is 90,000,000.
- (b) The Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver of modification of the Listing Rules).
- (c) The Placement Options will be issued to sophisticated and professional investors, clients of CPS Capital and Patersons Securities, that participated in the Placement for nil consideration.

- (d) The full terms and conditions of the Placement Options are detailed in Schedule 2.
- (e) As the Placement Options are being issued for nil cash consideration, no funds will be raised from the issue. Funds raised from the exercise of the Placement Options will be used to progress exploration activities at the Company's Roe Hills project, fast track the recently commenced evaluation of the conglomerate-hosted gold potential across the Company's extensive Pilbara gold-lithium tenement package and for general working capital purposes.
- (f) Subject to Section 17.2(b), the allotment and issue of the Placement Options will occur as soon as practicable after the Meeting.
- (g) A voting exclusion statement is included in the Notice for Resolution 14.

17.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 14.

18. RESOLUTIONS 15 TO 17 (INCLUSIVE) - ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS UNDER THE PERFORMANCE RIGHTS PLAN

18.1 General

Resolutions 15 to 17 (inclusive) seek Shareholder approval in accordance with Listing Rules 10.14 and 10.19, and section 200E of the Corporations Act for the grant of Performance Rights to the Directors, being Messrs Topping, Seneque and Hutchison (or their nominees) under the Performance Rights Plan.

The Performance Rights Plan was approved by Shareholders in July 2015. The Board considers that the grant of Performance Rights is a cost effective and efficient reward for the Company to make to appropriately incentivise the parties' continued performance, and is consistent with the strategic goals and targets of the Company.

Refer to Schedule 3 for a summary of the terms and conditions of the Performance Rights.

The Performance Rights to be issued pursuant to Resolutions 15 to 17 (inclusive) will be subject to the following performance conditions, milestone date and expiry date as follows:

| | Series G | Series H | Series I | Series J |
|-----------------------|--|--|--|---|
| Performance Condition | The Company achieving a market capitalisation of \$60,000,000 or more. | The Company achieving a market capitalisation of \$70,000,000 or more. | The Company achieving a market capitalisation of \$80,000,000 or more. | The Company raising at least \$5,000,000 in additional funds. |
| Milestone Date | Within 3 years of the date of issue. | Within 3 years of the date of issue. | Within 3 years of the date of issue. | Within 3 years of the date of issue. |

| | Series G | Series H | Series I | Series J |
|-------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Expiry Date | 3 years from the date of issue. | 3 years from the date of issue. | 3 years from the date of issue. | 3 years from the date of issue. |

If the performance condition of a Performance Right is satisfied prior to the relevant milestone date, the Performance Right will vest. If the performance condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date, then the Performance Right will lapse.

In accordance with the terms of the Performance Rights, the Directors will continue to hold the Performance Rights even if the Directors cease to be a director or employee of the Company.

The Company intends to issue the following number of Performance Rights to the Directors:

| | Series G | Series H | Series I | Series J |
|----------------|------------------|------------------|------------------|------------------|
| Terry Topping | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Bruno Seneque | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Neil Hutchison | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Total | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |

It should be noted that the Company intends to issue up to an additional:

- (a) 6,000,000 Series G;
- (b) 6,000,000 Series H;
- (c) 6,000,000 Series I; and
- (d) 6,000,000 Series J,

Performance Rights to eligible participants under the Performance Rights Plan who are not Directors or an associate of the Directors. Approval in accordance with Listing Rule 7.1 will not be sought in respect of this proposed issue as the issue falls within Listing Rule 7.2, exception 9.

Resolutions 15 to 17 (inclusive) are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 15 to 17 (inclusive).

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 15 to 17 (inclusive), by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolutions are connected directly or indirectly with the remuneration of members of the Key Management Personnel.

18.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Each of Messrs Topping, Seneque and Hutchison are Directors and are therefore related parties of the Company. The issue of the Performance Rights to Messrs Topping, Seneque and Hutchison constitutes giving a financial benefit for the purposes of 208 of the Corporations Act.

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Performance Rights under Resolutions 15 to 17 (inclusive) as the exception in section 211 of the Corporations Act applies. The Performance Rights are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

18.3 Listing Rule 10.14

In accordance with Listing Rule 10.14, the Company must not permit a Director and any of their associates to acquire securities under an employee incentive scheme unless it obtains Shareholder approval.

The Directors are of the view that none of the exceptions detailed in Listing Rule 10.15B apply in the current circumstances. Accordingly, Shareholder approval is sought for the allotment and issue of Performance Rights to Messrs Topping, Seneque and Hutchison (or their nominees).

Pursuant to Listing Rule 7.2, exception 14, the effect of passing Resolutions 15 to 17 (inclusive) will be to allow the Company to issue an aggregate total of 16,000,000 Performance Rights to Messrs Topping, Seneque and Hutchison (or their nominees) without using up the Company's 15% placement capacity under Listing Rule 7.1.

18.4 Specific information required by Listing Rule 10.15

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The maximum number of Performance Rights that will be granted to the Directors (and/or their nominee) is as follows:

| Director | Performance Rights proposed to be issued | Total Shares issued if all Performance Rights convert |
|-----------------|---|--|
| Terry Topping | 8,000,000 | 8,000,000 |
| Bruno Seneque | 4,000,000 | 4,000,000 |
| Neil Hutchison | 4,000,000 | 4,000,000 |

- (b) The Performance Rights will be granted for nil cash consideration. The exercise price of the Performance Rights will be for nil cash consideration. Accordingly, no funds will be raised by the grant of the Performance Rights.
- (c) Since adoption of the Performance Rights Plan on 28 July 2015, Mr Hutchison has received 12,500,000 Performance Rights for nil cash consideration. No other persons referred to in Listing Rule 10.14 have received Performance Rights under the Performance Rights Plan.
- (d) Pursuant to the rules of the Performance Rights Plan, of the persons referred to in Listing Rule 10.14, Messrs Topping, Seneque and Hutchison are entitled to participate in the Performance Rights Plan.
- (e) A voting exclusion statement is included in the Notice for Resolutions 15 to 17 (inclusive).
- (f) No loan will be made to Messrs Topping, Seneque and Hutchison in relation to the acquisition of Performance Rights or Shares under the Performance Rights Plan.
- (g) The Performance Rights will be issued no later than 12 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).

18.5 Director Recommendation

None of the Directors consider it appropriate to make a recommendation to Shareholders about the Resolutions 15 to 17 (inclusive) as each has an interest in the Resolutions.

19. RESOLUTION 18 - APPROVAL OF 10% PLACEMENT FACILITY

19.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 19.2(c)).

The Directors believe that Resolution 18 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 18 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 18.

19.2 Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue two quoted classes of Equity Securities, Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 603,778,964 Shares and, assuming that Resolutions 5 to 13 (inclusive) are passed, will have capacity to issue:

- (i) 90,556,844 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 18, 60,377,896 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 19.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i), the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX,

(the **10% Placement Period**).

19.3 Listing Rule 7.1A

The effect of Resolution 18 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

19.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i), the date on which the Equity Securities are issued.
- (b) If Resolution 18 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) The table also shows:
 - (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
 - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

| Variable 'A' in Listing Rule 7.1A.2 | | Dilution | | |
|---|---------------------|--|------------------------|---|
| | | \$0.029 50% decrease in Issue Price | \$0.057 Issue Price | \$0.114 100% increase in Issue Price |
| Current Variable A 599,036,155 Shares | 10% Voting Dilution | 59,903,616 Shares | 59,903,616 Shares | 59,903,616 Shares |
| | Funds raised | \$1,707,253 | \$3,414,506 | \$6,829,012 |
| 50% increase in current Variable A 898,554,233 Shares | 10% Voting Dilution | 89,955,423 Shares | 89,955,423 Shares | 89,955,423 Shares |
| | Funds raised | \$2,560,880 | \$5,121,759 | \$10,243,518 |
| 100% increase in current Variable A 1,198,072,310 Shares | 10% Voting Dilution | 119,807,231 Shares | 119,807,231 Shares | 119,807,231 Shares |
| | Funds raised | \$3,414,506 | \$6,829,012 | \$13,658,024 |

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes

Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is \$0.057, being the closing price of the Shares on ASX on 10 October 2017.
- (viii) The table assumes that Resolutions 5 to 13 (inclusive) of this Notice are approved by Shareholders.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period.
- (f) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the subscribers under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (j) In the 12 months preceding the date of the Meeting the Company issued a total of 214,676,931 Equity Securities which represents approximately 35.08% of the total number of Equity Securities on issue at 10 October 2017. Further detail as required under Listing Rule 7.3A.6 in respect of these Share issues is set out in Schedule 4.
- (k) A voting exclusion statement is included in the Notice for Resolution 18.
- (l) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

19.5 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 18.

SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 19.1.

10% Placement Period has the meaning given in Section 19.2(f)

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2016.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Kairos Minerals Limited (ACN 006 189 331).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

DDH Drilling means DDH 1 Drilling Pty Ltd (ACN 154 493 008).

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

Geometrics means Geometrics Australia Pty Ltd (ACN 006 625 001).

Haines Surveys means Haines Surveys Pty Ltd (ACN 008 209 872).

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listed Option means an Option listed on ASX.

Listing Rules means the listing rules of ASX.

Managerial or Executive Office has the meaning given in section 200AA(1) of the Corporations Act.

Managing Director means the managing director of the Company.

Meeting has the meaning in the introductory paragraph of the Notice.

Milford Resources means Pty Ltd (ACN 126 650 413).

Newexco means Newexco Services Pty Ltd (ACN 088 316 901).

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Option means an option to acquire a Share.

Performance Right means a Performance Right having the terms and conditions in Schedule 3.

Performance Rights Plan means the Kairos Minerals Limited Performance Rights Plan.

Placement has the meaning given in Section 16.1.

Placement Options has the meaning given in Section 17.1.

Placement Shares has the meaning given in Section 16.1.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in the Notice.

S3 Consortium means S3 Consortium Pty Ltd (ACN 135 239 968).

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

WST means Australian Western Standard Time, being the time in Perth, Western Australia.

SCHEDULE 2: TERMS AND CONDITIONS OF PLACEMENT OPTIONS

1 Exercise Price

Each Placement Option shall have an exercise price of A\$0.026 (**Exercise Price**).

2 Expiry Date

Each Placement Option will expire on 31 December 2019 (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

3 Exercise Period

The Placement Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

4 Exercise of Placement Options

The Placement Options may only be exercised during the Exercise Period.

5 No Official Quotation of Placement Options

The Company will not apply for official quotation of the Placement Options.

6 Entitlement

Each Placement Option entitles the holder to subscribe for one Share upon exercise of each Placement Option.

7 Notice of Exercise

The Placement Options may be exercised by giving written notice to the Company at any time during the Exercise Period. The notice (**Exercise Notice**) must:

- (a) specify the number of Placement Options being exercised and the number of Shares to be issued;
- (b) specify whether the Shares are to be issued to the holder of the Placement Options or a nominee; and
- (c) be accompanied by payment of the Exercise Price for each Placement Option being exercised.

Any Exercise Notice in respect of a Placement Option received by the Company will be deemed to be notice of the exercise of that Placement Option as at the date of the receipt.

8 Shares Issued on Exercise

Shares issued on exercise of the Placement Options rank equally with the then issued Shares currently on issue.

9 Official Quotation of Shares on Exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Placement Options.

10 Timing of Issue of Shares

Within 3 Business Days after the receipt of an Exercise Notice, given in accordance with these terms and conditions and payment of the Exercise Price for each Placement Option being exercised, the Company will allot and issue the Shares pursuant to the exercise of the Placement Options.

11 Participation in New Issues

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options.

However, the Company will ensure that, for the purposes of determining entitlements to any such issue, the record date will be at least 5 Business Days after the issue is announced. This will give the holders of Placement Options the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

12 Adjustment for Bonus Issue of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Placement Option holder would have received if the Placement Option holder had exercised the Placement Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

13 Adjustment for Rights Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (except a bonus issue) the Exercise Price of a Placement Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Placement Option.

E = the number of underlying Shares into which one Placement Option is exercisable.

P = average market price (as defined in the ASX Listing Rules) per Share weighted by reference to volume of the underlying Shares during the 5

trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

14 Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Placement Option holders will, be varied to the extent necessary to comply with the Listing Rules which apply to the reorganisation at the time of the reorganisation.

15 Placement Options Transferable

The Placement Options are transferable, provided that the transfer of Placement Options complies with section 707(3) of the Corporations Act.

16 Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Placement Options with the appropriate remittance should be lodged at the Company's share registry.

SCHEDULE 3: TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1 Definitions

In these terms and conditions, unless the context requires otherwise:

Expiry Date means the date that is 3 years from the date of issue.

Performance Right means a Series G Performance Right, Series H Performance Right, Series I Performance Right and/or a Series J Performance Right, as the context requires.

Performance Rightholder means the holder of a Performance Right.

Series G Performance Right means a class G Performance Right issued pursuant to Resolutions 15 to 17 (inclusive) under the Performance Rights Plan, and subject to the Series G Milestone and these terms.

Series G Milestone means the Company achieving a market capitalisation of \$60,000,000 or more within 3 years after the date the Series G Performance Rights are issued.

Series H Performance Right means a class H Performance Right issued pursuant to Resolutions 15 to 17 (inclusive) under the Performance Rights Plan, and subject to the Series H Milestone and these terms.

Series H Milestone means the Company achieving a market capitalisation of \$70,000,000 or more within 3 years after the date the Series H Performance Rights are issued.

Series I Performance Right means a class I Performance Right issued pursuant to Resolutions 15 to 17 (inclusive) under the Performance Rights Plan, and subject to the Series I Milestone and these terms.

Series I Milestone means the Company achieving a market capitalisation of \$80,000,000 or more within 3 years after the date the Series I Performance Rights are issued.

Series J Performance Right means a class J Performance Right issued pursuant to Resolutions 15 to 17 (inclusive) under the Performance Rights Plan, and subject to the Series J Milestone and these terms.

Series J Milestone means the Company raising at least \$5,000,000 within 3 years after the date the Series J Performance Rights are issued.

2 Dividend

Performance Rightholders are not entitled to a dividend.

3 Conversion

(a) Conversion

The Performance Rights will convert to Shares in accordance with this clause 3.

(b) Conversion of Series G Performance Right:

Subject to clause 3(f)(i), each Series G Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Series H Milestone.

(c) Conversion of Series H Performance Right:

Subject to clause 3(f)(ii), each Series H Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Series I Milestone.

(d) Conversion of Series I Performance Right:

Subject to clause 3(f)(iii), each Series I Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Series F Milestone.

(e) Conversion of Series J Performance Right:

Subject to clause 3(f)(iv), each Series J Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Series F Milestone.

(f) Conversion after expiry date

(i) If the Series G Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Series G Performance Rights into 1 Share. For the avoidance of doubt, the Series H Performance Rights, Series I Performance Rights or Series J Performance Rights are independent and will not convert in such circumstances.

(ii) If the Series H Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Series H Performance Rights into 1 Share. For the avoidance of doubt, the Series G Performance Rights, Series I Performance Rights or Series J Performance Rights are independent and will not convert in such circumstances.

(iii) If the Series I Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Series I Performance Rights into 1 Share. For the avoidance of doubt, the Series G Performance Rights, Series H Performance Rights or Series J Performance Rights are independent and will not convert in such circumstances.

(iv) If the Series J Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Series J Performance Rights into 1 Share. For the avoidance of doubt, the Series G Performance Rights, Series H Performance Rights or Series I Performance Rights are independent and will not convert in such circumstances.

(g) Takeover Provisions

- (i) If the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Right that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1). Following a deferment under this clause 3(f)(i), the Company shall at all times be required to convert that number of Performance Rights that would not result in a contravention of section 606(1).
- (ii) The Performance Rightholders shall give notification to the Company in writing if they consider that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1), failing which the Company shall assume that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) will not result in any person being in contravention of section 606(1).
- (iii) The Company may (but is not obliged to), by written notice, request the Performance Rightholders to give notification to the Company in writing within seven (7) days if they consider that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1). If the Performance Rightholders do not give notification to the Company within seven (7) days that they consider the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1), then the Company shall assume that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(f) will not result in any person being in contravention of section 606(1).

(h) After Conversion

The Shares issued on conversion of any Performance Right will, as from 5:00pm on the date of allotment, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares upon the date of conversion. Shares issued on conversion of the Performance Right must be free from all encumbrances, securities and third party interests. The Company must ensure that Shares issued on conversion of the Performance Rights are freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.

4 No Lapse on Termination

A Performance Right, whether unvested or vested, will not lapse or become automatically cancelled if the holder's employment within the Company or its subsidiaries is terminated. However, Performance Rights, whether unvested or vested, will lapse and be cancelled if the holder:

- (a) has been dismissed or removed from office for a reason which entitles the Company or a body corporate in the group to dismiss the holder without notice and without payment in lieu of notice;
- (b) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of the Company or a body corporate of the group (whether or not charged with an offence); or
- (c) has done an act which brings the Company or any body corporate in the Group into disrepute.

5 Issue of Shares for No Consideration

The Company shall allot and issue Shares immediately upon conversion of the Performance Rights for no consideration and shall record the allotment and issue in the manner required by the Corporations Act.

6 Reconstruction

In the event of any reconstruction, consolidation or division into (respectively) a lesser or greater number of securities of the Shares and the Performance Rights shall be reconstructed, consolidated or divided in the same proportion as the Shares are reconstructed, consolidated or divided and, in any event, in a manner which will not result in any additional benefits being conferred on the Performance Rights which are not conferred on the Shareholders.

7 Winding Up

If the Company is wound up prior to conversion of all of the Performance Rights into Shares then the Performance Rightholders will have:

- (a) no right to be paid cash for the Performance Rights; and
- (b) no right to participate in surplus assets or profits of the Company on winding up.

SCHEDULE 4: LISTING RULE 7.3A.6 DISCLOSURE

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|---------------|------------|---|--|-----------------------|---|---|--|
| 1. | 22 May 2017 | 47,619,048 | Fully paid ordinary shares ranking equally with the Company's existing shares | Placement to sophisticated and institutional investors | \$0.021 | Closing price: \$0.022 4.76% discount | Total consideration(A\$): | \$1,000,000 |
| | | | | | | | Amount of consideration spent (A\$): | \$1,000,000 |
| | | | | | | | What consideration was spent on: | Further development of the Company's Mt York and Roe Hill projects in Western Australia, along with working capital purposes. |
| | | | | | | | Intended use for remaining consideration: | N/A |
| 2. | 22 May 2017 | 12,005,296 | Fully paid ordinary shares ranking equally with the Company's existing shares | DDH 1 Drilling Pty Ltd (6,601,852 Shares) | No cash consideration | Deemed price: \$0.026 Closing price: \$0.022 18.18% premium | Total consideration(A\$): | No cash consideration. Shares issued representing \$310,662.22 in settlement of consulting and geological services to unrelated third parties. |
| | | | | Newexco Pty Ltd (660,635 Shares) | | | Amount of consideration spent (A\$): | N/A |
| | | | | Vision Tech Nominees (2,723,809 Shares) | | | What consideration was spent on: | N/A |
| | | | | Fergus & Co Pty Ltd (1,009,500 Shares) | | | Intended use for remaining consideration: | N/A |
| | | | | Karalia Pty Ltd (1,009,500 Shares) | | | | |

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|---------------|------------|---|--|-------------------|--|---|--|
| 3. | 8 June 2017 | 25,957,232 | Fully paid ordinary shares ranking equally with the Company's existing shares | To existing shareholders pursuant to a share purchase plan | \$0.021 | Closing price: \$0.019 10.53% premium | Total consideration(A\$): | \$545,101.87 |
| | | | | | | | Amount of consideration spent (A\$): | Nil |
| | | | | | | | What consideration was spent on: | Nil |
| | | | | | | | Intended use for remaining consideration: | Further development of the Company's Mt York and Roe Hills projects in Western Australia, along with working capital purposes. |
| 4. | 19 June 2017 | 10,833,289 | Fully paid ordinary shares ranking equally with the Company's existing shares | Patersons Securities Limited as underwriter of the share purchase plan which closed on 2 June 2017 | \$0.021 | Closing price: \$0.017 23.53% premium | Total consideration(A\$): | \$227,499.07 |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | Further development of the Company's Mt York and Roe Hills projects in Western Australia, along with working capital purposes. |

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|----------------|-----------|---|--|-----------------------|---|---|---|
| 5. | 28 August 2017 | 728,337 | Fully paid ordinary shares ranking equally with the Company's existing shares | Newexco Pty Ltd | No cash consideration | Deemed price: \$0.021 Closing price: \$0.016 31.25% premium | Total consideration(A\$): | No cash consideration. Shares issued representing \$1,295.08 in settlement of exploration and drilling services provided by an unrelated third party. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |
| 6. | 28 August 2017 | 1,704,463 | Fully paid ordinary shares ranking equally with the Company's existing shares | Milford Resources Pty Ltd | No cash consideration | Deemed price: \$0.0296 Closing price: \$0.016 85% premium | Total consideration(A\$): | No cash consideration. Shares issued representing \$45,000 in settlement of tenements acquired from an unrelated third party. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|----------------|-----------|---|--|-----------------------|---|---|---|
| 7. | 28 August 2017 | 2,000,000 | Fully paid ordinary shares ranking equally with the Company's existing shares | Geometrics Australia Pty Ltd | No cash consideration | Deemed price: \$0.05 Closing price: \$0.016 212.5% premium | Total consideration(A\$): | No cash consideration. Shares issued representing \$45,000 in consideration for tenements acquired from an unrelated third party. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |
| 8. | 28 August 2017 | 2,619,047 | Fully paid ordinary shares ranking equally with the Company's existing shares | S3 Consortium Pty Ltd | No cash consideration | Deemed price: \$0.021 Closing price: \$0.016 31.25% premium | Total consideration(A\$): | No cash consideration. Shares issued representing \$55,000 as consideration for investor relations services provided by an unrelated third party. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|-------------------|------------|---|---|-----------------------|--|---|--|
| 9. | 22 September 2017 | 90,000,000 | Fully paid ordinary shares ranking equally with the Company's existing shares | Sophisticated and professional investor clients of CPS Capital and Patersons Securities | \$0.019 per Share | Closing price: \$0.031 61.29% discount | Total consideration(A\$): | \$1.71 million |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | To progress exploration activities at the Company's 100% owned Roe Hills project, fast-track the recently commenced evaluation of the conglomerate-hosted gold potential across the Company's extensive Pilbara gold-lithium tenement package and for general working capital purposes |
| 10. | 2 October 2017 | 5,940,000 | Fully paid ordinary shares ranking equally with the Company's existing shares | CPS Capital and Patersons Securities | No cash consideration | Deemed price: \$0.019 Closing price: \$0.088 78.41% discount | Total consideration(A\$): | No cash consideration. Shares issued representing \$112,860 in costs for placement fees. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |

| No. | Date of Issue | Number | Class | Persons to whom the securities were issued | Issue price (A\$) | Discount/Premium to market price (per cent.) | Consideration | |
|-----|----------------|------------|---|---|-----------------------|---|---|--|
| 11. | 2 October 2017 | 1,653,551 | Fully paid ordinary shares ranking equally with the Company's existing shares | Milford Resources Pty Ltd | No cash consideration | Deemed price: \$0.0302 Closing price: \$0.088 65.68% discount | Total consideration(A\$): | No cash consideration. Shares issued representing \$50,000 in settlement of tenements acquired from an unrelated third party. |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |
| 12. | 2 October 2017 | 13,616,668 | Fully paid ordinary shares ranking equally with the Company's existing shares | Holders of Series B, C and D Performance Rights | No cash consideration | N/A | Total consideration(A\$): | No cash consideration. Shares issued on conversion of Series B, C and D Performance Rights pursuant to the Performance Rights Plan |
| | | | | | | | Amount of consideration spent (A\$): | N/A |
| | | | | | | | What consideration was spent on: | N/A |
| | | | | | | | Intended use for remaining consideration: | N/A |

KAIROS MINERALS LIMITED
ACN 006 189 331

PROXY FORM

The Company Secretary
 Kairos Minerals Limited

By delivery:
 Level 1, 14 Outram Street
 West Perth WA 6005

By post:
 Level 1, 14 Outram Street
 West Perth WA 6005

By facsimile:
 +61 3 9614 0550

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 - Appoint a Proxy to Vote on Your Behalf

The Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at 1.00pm (WST) on 15 November 2017, at the Central Park Theatre, 152-158 St Georges Terrace, Perth, Western Australia and at any adjournment or postponement of that Meeting.

Important – If the Chairman is your proxy or is appointed as your proxy by default

The Chairman intends to vote all available proxies in favour of the Resolutions. If the Chairman is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to a Resolution, you will be expressly authorising the Chairman to vote in accordance with the Chairman's voting intentions on that Resolution even if that Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel or a Closely Related Party of Key Management Personnel.

Step 2 - Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

| | | For | Against | Abstain |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Mr Neil Hutchison as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Election of Mr Terance Topping as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Election of Mr Bruno Seneque as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| | | | | |
|---------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 5 | Ratification of Prior Issue of 6,601,852 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Ratification of Prior Issue of 1,388,972 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Ratification of Prior Issue of 2,019,000 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8 | Ratification of Prior Issue of 1,704,463 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 9 | Ratification of Prior Issue of 2,000,000 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 10 | Ratification of Prior Issue of 2,619,047 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 11 | Ratification of Prior Issue of 1,653,551 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 12 | Ratification of Prior Issue of 5,940,000 Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 13 | Ratification of Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 14 | Approval of Issue of Placement Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 15 | Issue of Performance Rights to Terry Topping under the Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 16 | Issue of Performance Rights to Bruno Seneque under the Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 17 | Issue of Performance Rights to Neil Hutchison under the Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 18 | Approval of 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman intends to vote all available proxies in favour of each.

In exceptional circumstances, the Chairman may change his voting intent on any Resolution, in which case an ASX announcement will be made.

Authorised signature/s

This section *must* be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole
Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If

such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at the Perth office of the Company (43 Outram Street, West Perth WA 6005 or +61 3 9614 0550 if faxed or by email at amwing@nae.net.au) not less than 48 hours prior to the time of commencement of the Meeting (WST).

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