

ASX/MEDIA ANNOUNCEMENT

25 MAY 2016

NOTIFICATION OF EXPIRY OF OPTIONS

Kairos Minerals Ltd (ASX:KAI) advises that the attached letter has been sent to holders of Kairos listed options (ASX:KAIO) exercisable at \$0.10 on or before 30 June 2016, as notification of the expiry of their options on 30 June 2016.

Quotation of the Options ends at the close of trading on 24 June 2016, being four business days prior to 30 June 2016

For further information, please contact:

Investors:

Mr Joshua Wellisch
Managing Director
Kairos Minerals Limited

Media:

Nicholas Read/Paul Armstrong
Read Corporate
Ph: 08 9388 1474

25 May 2016

Dear Option Holder,

**OPTIONS TO ACQUIRE KAIROS MINERALS LTD SHARES AT \$0.10 PER SHARE EXPIRE ON
30 JUNE 2016**

We are writing to you as a registered holder of options (ASX:KAIO) in Kairos Minerals Ltd (**Company**) (exercisable at \$0.10 on or before 30 June 2016) (**Options**) to remind you that the Options will expire at 5.00pm (AEST) on 30 June 2016.

Your Option holding may be exercised in **whole or in part** by payment of \$0.10 for each Option by no later than 30 June 2016. Option holders will be issued with one (1) fully paid ordinary share in the Company for each Option exercised. If payment is not received by 5.00pm (AEST) on 30 June 2016 for any Options, those Options will lapse and all rights under those Options will cease at that time.

The courses of action available to you as a holder of these soon to expire Options are:

- a) Exercise the Options on or before 5.00pm (AEST) on 30 June 2016.
- b) Sell your Options. Quotation of the Options will cease at the close of trading on 24 June 2016, being four business days prior to 30 June 2016.
- c) Do nothing (i.e. allow your Options to expire). If you do not exercise or sell your Options they will expire on 30 June 2016 and your right to subscribe for ordinary shares in the Company at \$0.10 per share will lapse.

There is no obligation on Option holders to exercise their Options. However, under paragraph 6.1 of Appendix 6A of the Australian Securities Exchange (**ASX**) Listing Rules, the Company is required to advise Option holders of the information contained in this notice.

The market sale price of ordinary shares in the Company on ASX was \$0.079 on 24 May 2016, being the last trading day in Melbourne prior to the date of this notice.

During the three (3) months preceding the date of this notice:

- the highest market sale price of the Company's ordinary shares on ASX was \$0.115 on 9 May 2016; and
- the lowest market sale price of the Company's ordinary shares on ASX was \$0.04 on 6 April 2016.

No underwriting agreement exists in relation to the Options.

If you wish to exercise your Options you must complete your personalised "Notice of Exercise of Options" form accompanying this letter and forward it together with payment of \$0.10 per Option in accordance with the instructions on the form. The number of Options that you hold as at the date of this notice is set out on your personalised "Notice of Exercise of Options" form. Your completed form and payment (in clear funds) must be received no later than 5.00pm (AEST) on **30 June 2016**.

If you have not received a personalised "Notice of Exercise of Options" form, or if you have any queries on how to complete the form, please contact the Company's share registry, Security Transfer Registrars Pty Ltd on +61 8 9315 2333 between 9.00am and 6.00pm (AEST) Monday to Friday.

If you have any queries or questions in relation to the details of the Options or the Company in general, you should contact the Company Secretary of Kairos Minerals Ltd.

Yours sincerely,



Adrien Wing
Company Secretary

NOTICE OF EXERCISE OF OPTIONS

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:
LEVEL 2
43 VENTNOR AVENUE
WEST PERTH WA 6005
AUSTRALIA

KAIROS MINERALS LIMITED

ABN: 84 006 189 331

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd

All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

«Company_code»«Sequence_number»«Address_unknown»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

ASX Code:
Holder Number:
Number of Options:
Amount Payable:
Number of Ordinary shares to be issued on full exercise of options:

NOTICE OF EXERCISE OF OPTIONS EXPIRING 30 JUNE 2016 @ \$0.10 EACH

I/We the above named being the registered holder of Options hereby exercise such Options to subscribe for:

| NUMBER OF NEW ORDINARY FULLY PAID SHARES | AMOUNT ENCLOSED @ \$0.10 PER SHARE |
|--|--|
| <input type="text"/> . <input type="text"/> . <input type="text"/> | \$ <input type="text"/> . <input type="text"/> . <input type="text"/> . <input type="text"/> |



I/We hereby authorise you to place my/our name(s) on the register of members in respect of the number of New Shares allotted to me/us, and I/we agree to accept such Shares subject to the Rules of the Constitution of the Company.

My/Our contact details in case of enquiries are:

NAME TELEPHONE NUMBER ()

EMAIL ADDRESS

@

| PAYMENT INFORMATION | PAYMENT INFORMATION |
|---|--|
|  <p>CHEQUE / MONEY ORDER</p> <p>All cheques (expressed in Australian currency) are to be made payable to KAIROS MINERALS LIMITED and crossed "Not Negotiable".</p> <p>Do not forward cash as receipts will not be issued.</p> <p>Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.</p> <p>Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.</p> |  <p>Billor code: 159483 Ref: EFT_REFERENCE_NUMBER</p> <p>BPAY® this payment via internet or phone banking. Your BPAY® reference number is unique to this offer and is not to be used for any other offer.</p> <p>Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the expiry date. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the expiry date. It is the Applicant's responsibility to ensure funds are received by the expiry date.</p> |

* You do not need to return this form if you have made payment via BPAY.

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|--|--|--|
| Individual or Securityholder 1 <input type="text"/> | Securityholder 2 <input type="text"/> | Securityholder 3 <input type="text"/> |
| Sole Director & Company Secretary + KAINOEOOXV1 | Director/Company Secretary 5 | Director KAIO |

REGISTRY DATE STAMP

E & O.E.