

## QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2017

*Strong drilling results from both Mt York and Roe Hills confirm outstanding potential for new gold discoveries on two fronts; highly experienced mining executive Terry Topping appointed as Executive Chairman*

### Mt York Gold-Lithium Project (Pilbara, WA)

- Maiden drilling program at Mt York returns mineralised intercepts of up to 12.6g/t well outside the existing Resource area, demonstrating that the gold system is significantly larger than previously thought.
- Significant widths of gold mineralisation intersected within the previously untested +400m “Hinge Zone” between the historical Main Hill (66,000oz at 1.26g/t Au) and Breccia Hill (57,000oz at 1.4g/t Au) open pits.
- Mineralisation occurs as a series of stacked lodes within a 100m thick BIF (banded iron formation) unit previously considered to be barren.
- The stacked lodes are open both up- and down-dip, and importantly remain untested near-surface within the immediate footwall to the historical open pits – providing an outstanding target for follow-up resource drilling.

### Roe Hills Gold Project (Eastern Gold Fields, WA)

- Assay results from Phase 1 reconnaissance RC and diamond drilling program confirm significant gold mineralisation at all three key prospect areas tested, with mineralised intercepts of up to 14.6g/t.
- Significant results include:
  - 14m @ 2.39g/t gold from 79m (Terra Prospect);
  - 21m @ 1.06g/t gold from 94m (Lady of the Lake Prospect);
  - 54m @ 0.52g/t gold from 4m (Lady of the Lake Prospect);
  - 16m @ 0.87g/t gold from 106m (Talc Lake Prospect).
- Drilling indicates potential for Roe Hills to host significant gold mineralisation along a largely untested prospective strike length of more than 40km.
- Extensive zone of near-surface cobalt mineralisation identified from historical drill data, with high-grade results of up to 1.16% cobalt.
- Aggressive regional evaluation is now underway with geochemical soil surveys in progress. Drilling planned to re-commence in May 2017 for gold and cobalt.

### Corporate

- Highly-experienced Australian mining and exploration executive Mr Terry Topping appointed as Executive Chairman, further strengthening the Company’s Board.
- R&D rebate lodged for EOFY 2016 anticipated to be received Q2 2017

## Summary

The March 2017 Quarter was a very positive period for Kairos Minerals (ASX: KAI – “Kairos” or “the Company”), delivering a string of highly encouraging exploration results from both of the Company’s two key WA gold projects, the Mt York Gold-Lithium Project in the Pilbara and the Roe Hills Gold-Nickel-Cobalt Project in the Eastern Goldfields (both 100 per cent owned) (Figure 1).

At Mt York, the Company’s maiden drilling program returned a series of wide, high grade gold intercepts from well outside the existing resource envelope, indicating that the gold system is significantly larger than initially thought.

The results – from wide-spaced reconnaissance diamond drilling to test for BIF-hosted gold mineralisation along strike below and down-plunge of the Main Hill and Breccia Hill gold deposits – confirmed the presence of multiple stacked lodes of gold mineralisation up to 200m below the known resources.

This opens up a significant exploration opportunity for Kairos Minerals in the current strong gold price environment.

At Roe Hills, which is located near Breaker Resources’ (ASX: BRB) emerging Lake Roe gold discovery, assay results confirmed the presence of significant gold mineralisation at each of the three key prospects tested. The maiden drilling program has confirmed that Roe Hills is an outstanding gold exploration opportunity with potential to host significant mineralisation along a largely untested prospective strike length totalling more than 40km.

A review of historical exploration data from the Roe Hills Project during the reporting period also delivered very positive results, confirming the presence of an extensive zone of near surface cobalt mineralisation, with high-grade results of up to 1.16% cobalt.

Cobalt is a vital component for the manufacture of many types of batteries, including lithium-ion batteries, and has been one of the strongest performing commodities of the year on the back of surging demand and a significant and growing supply shortfall.

The potential to advance a high quality cobalt discovery at Roe Hills would therefore represent a very exciting opportunity for Kairos in the current market environment, and the Company intends to undertake additional fieldwork on this project as a priority, in parallel with its core gold exploration activities.

Kairos’ very strong growth potential was reinforced during the Quarter with the appointment of highly experienced Australian mining and exploration executive Mr Terry Topping as Executive Chairman. Mr Topping brings a wealth of knowledge and experience in the gold and base metals industries, which will be invaluable as Kairos moves towards feasibility and development of the emerging Roe Hills and Mt York Gold Projects.

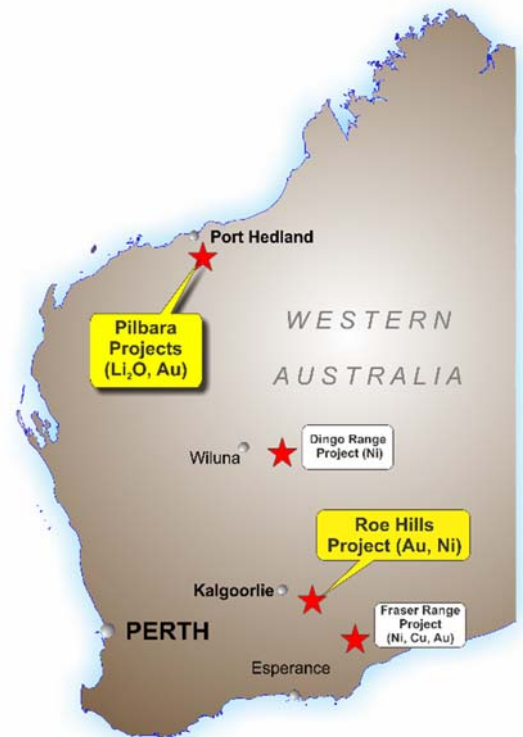


Figure 1: Project Locations

## Mt York Gold-Lithium Project, Pilbara Region (100%)

During the Quarter, Kairos reported positive results from its maiden diamond drilling program at the Mt York Gold-Lithium Project in WA (see Figure 2), which have demonstrated that the gold system is significantly larger than previously thought.

The drilling program comprised wide-spaced reconnaissance diamond drilling to test for BIF-hosted gold mineralisation along strike below and down-plunge of the Main Hill and Breccia Hill gold deposits, with the results confirming the presence of multiple stacked lodes of gold mineralisation up to 200m below the known resources.

The discovery of multiple stacked lodes at Mt York highlights the potential to expand the JORC 2012 compliant Indicated and Inferred Mineral Resource for the Mt. York Project (currently totalling 5.692Mt @ 1.42 g/t gold for 258,000 ounces of contained gold)<sup>1</sup>. The near-surface oxide zones of the deposits were partially mined historically by Lynas Gold NL in the mid-1990s as a series of shallow open pits to a maximum depth of only about 30m in conjunction with mining of the Iron Stirrup gold deposit, located further to the north.

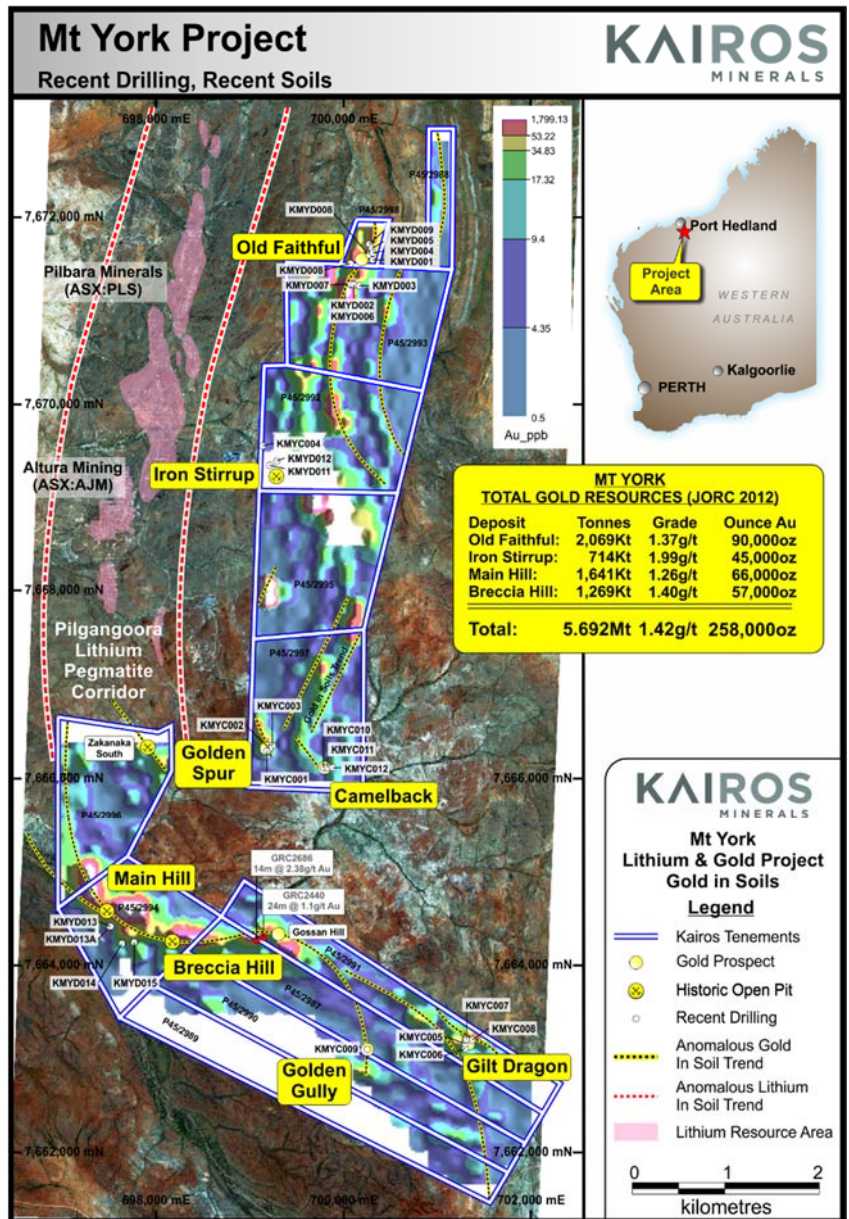


Figure 2: Mt York Gold-Lithium Project, Prospect locations and recent drilling "Hinge Zone" Drilling Results

Mining operations ceased as the result of a protracted period of record low world commodity prices. This opens up a significant exploration opportunity for Kairos Minerals in the current strong gold price environment.

The Main Hill deposit (current resource: 1.641Mt @ 1.26 g/t gold for 66,000 ounces) and Breccia Hill deposit (current resource: 1.269Mt @ 1.40 g/t gold for 57,000 ounces) define a zone of BIF-hosted gold mineralization which can be traced over a surface strike length of at least 1.5km and extends from surface to a maximum drilled depth of 250m. The deposits remain open along strike to the north and south and at depth. A central "hinge zone" defined by a marked flexure in the mineralised horizon separates the two deposits. This "gap" remained untested and unmined due to a weakened surface expression and a perception by previous operators that the position was barren.

The Hinge Zone represents a data shadow of some 400m in strike (previously reported as 200m, refer KAI ASX Announcement 19 Dec 2015) which Kairos' technical team identified as a key structural target with the potential to rapidly expand the current resource, significantly improve future pit expansion/optimization opportunities and to host conceptual underground opportunities.

Late in the 2016 field season, Kairos completed three diamond drill-holes for a total of 762.5m in order to provide an initial test of the Hinge Zone target at depths of between 100m and 200m below surface. The results are set out below:

**Table 1: Significant Assays**

Main Hill & Breccia Hill Exploration Drilling Results											
Collar Location and Orientation							Intersection Summary				
Hole	MGA_E	MGA_N	RL	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Length	@	Grade
KMYD013A	697524	7664446	175.8	-57	38.6	240.85	91.47	98.63	7.16m	@	1.67g/t Au
						<i>Including</i>	92.57	96.7	4.13m	@	2.22g/t Au
							125.68	138.98	13.3m	@	2.05g/t Au
							171.3	182.9	11.16m	@	1.44g/t Au
						<i>Including</i>	171.3	179.71	8.41m	@	1.78g/t Au
						<i>and</i>	172.81	173.08	0.27m	@	12.6g/t Au
KMYD014	697649	7664267	179.7	-62	45	322.7	220.48	221.88	1.4m	@	3.11g/t Au
						<i>Including</i>	220.48	220.88	0.4m	@	8.51g/t Au
							236.78	242.29	5.51m	@	2.36g/t Au
							277.08	281	3.92m	@	1.25g/t Au
						<i>Including</i>	277.08	277.7	0.62m	@	5.28g/t Au
KMYD015	697784	7664287	178.3	-61	43.2	198.88	103	104.72	1.4m	@	0.91g/t Au
						<i>Including</i>	103	103.31	0.31m	@	2.1g/t Au
							120.29	120.52	0.23m	@	2.33g/t Au
							138	138.86	0.86m	@	1.02g/t Au

The holes confirmed the presence of both a thickening of the host BIF sequence (>100m thickness) and the presence of a stacked series of gold mineralised lodes well beyond the limits of the known deposits, confirming that the mineralised BIF sequence is significantly larger than was previously recognised. Importantly, the up-dip position of the footwall lodes remains untested immediately adjacent to (north of) the existing open pits and represents a high priority near-surface target for drill testing later in the upcoming field season.

The results of this drilling support Kairos' view that the Main Hill and Breccia Hill deposits are part of a much larger, more extensive mineralised system than was previously recognised and that the two are connected. In addition two historical drill holes (GRC2440, GRC2686) located approximately 1km east of the Breccia Hill pit have significant gold intersections highlighting the exploration potential within close proximity to the existing resources (refer to Figure 3):

- GRC2440: 24m @ 1.1g/t Au
- GRC2686: 14m @ 2.38g/t Au

*Refer to ASX announcement dated 19th December 2016 "Further Strong Results from Mt York"*

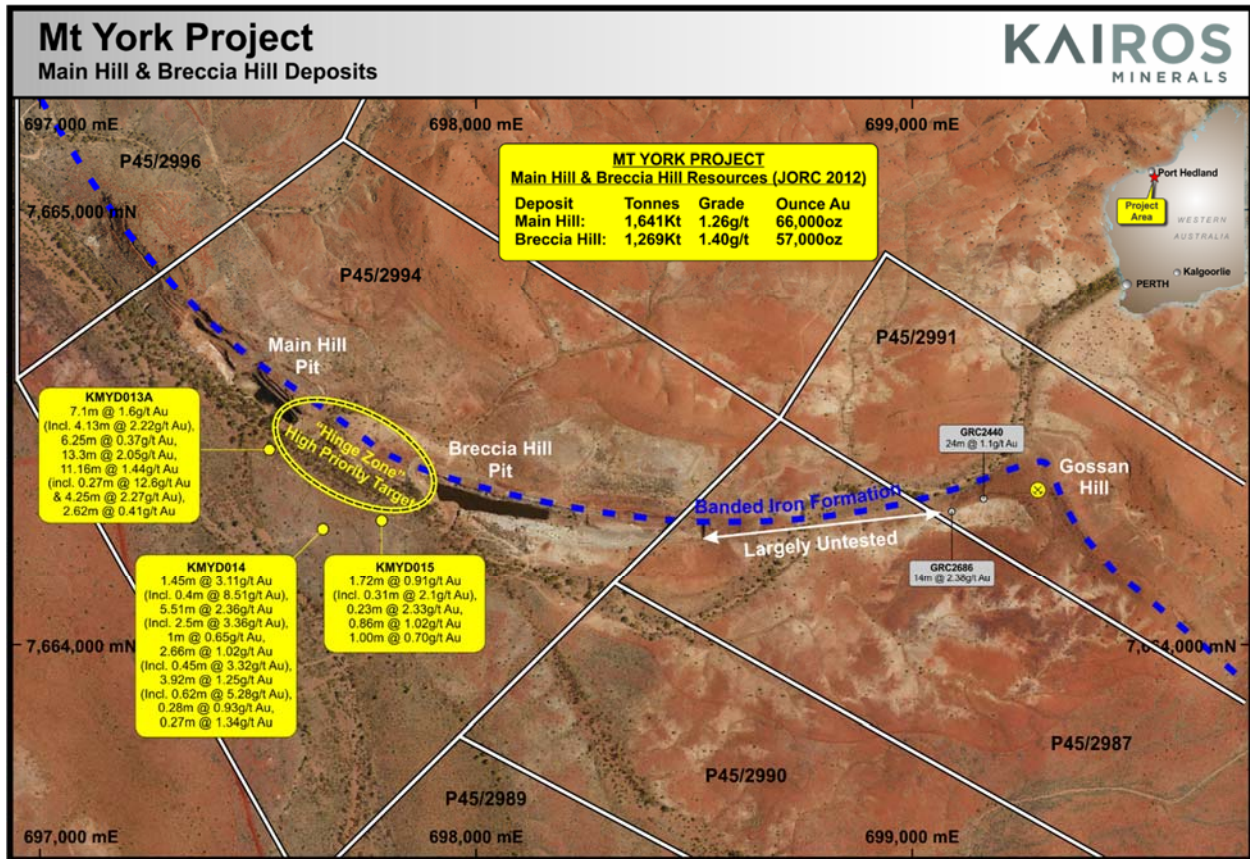


Figure 3: Main Hill – Breccia Hill – Gossan Hill Prospects: recent drilling.

Figure 3 shows the location of the completed drill-holes in relation to the Main Hill and Breccia Hill open pits. Figure 4 shows the pierce points of the drill-hole intercepts in vertical longitudinal projection in relation to the historical pits and the limits of Kairos' recent JORC 2012 compliant resource boundary.

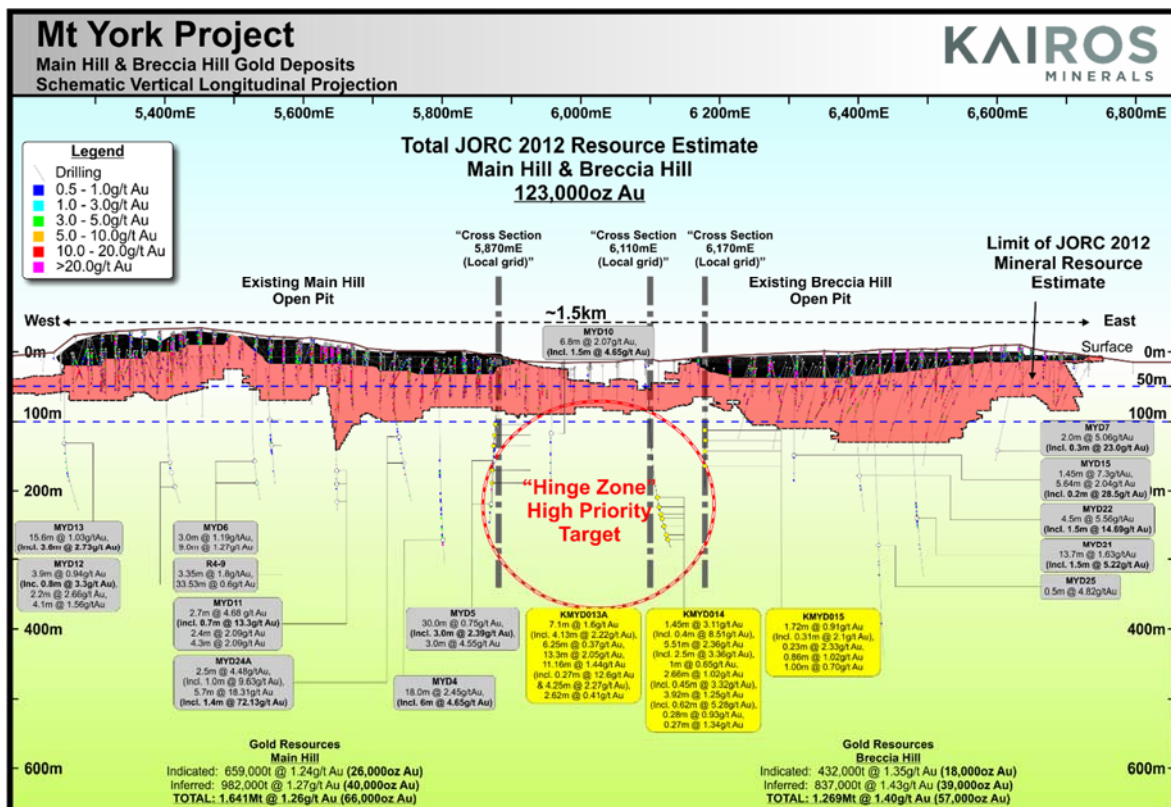


Figure 4: Main Hill – Breccia Hill vertical longitudinal projection

**Roe Hills Gold-Nickel-Cobalt Project, Eastern Goldfields (100%)**

The Roe Hills Project is located 120km east of Kalgoorlie within the Kurnalpi Terrane of the Eastern Goldfields, eastern Yilgarn Craton (EYC) in a rapidly emerging gold province which is currently enjoying a significant level of exploration activity and investor interest.

The Company's tenure encompasses a dominant land-holding in the area comprising a total of 324km<sup>2</sup> and securing a 40km continuous strike length of the interpreted southern extensions of the highly prospective Leonora-Laverton greenstone belts, host to numerous significant historical and current gold mines in WA.

Drilling conducted during the March Quarter at the Roe Hills intersected significant gold mineralisation across all three key prospects tested, confirming the outstanding gold exploration potential of this emerging project, significant intercepts include:

**TERRA**

- RHRC002: 14m @ 2.39 g/t gold from 79m, including
  - 8m @ 3.48 g/t gold from 80m; and
  - 1m @ 14.61 g/t gold from 85m
- RHDD033: 13.44m @ 1.27 g/t gold from 192.6m, including:
  - 3.45m @ 2.23 g/t gold from 195.4m; and
  - 1.62 g/t gold from 203.2m
- RHDD036: 8.21m @ 1.72 g/t gold from 180.79m, including:
  - 1.00m @ 11.32 g/t gold from 188m

**LADY OF THE LAKE**

- RHRC009: 21m @ 1.06 g/t gold from 94m, including:
  - 7m @ 2.70 g/t gold from 106m; and
  - 1m @ 10.98 g/t gold from 107m
- RHRC011: 54m @ 0.52 g/t gold from 4m, including:
  - 14m @ 0.88 g/t gold from 11m; and
  - 2m @ 1.05 g/t gold from 36m; and
  - 4m @ 1.70 g/t gold from 48m; and
  - 1m @ 2.63 g/t gold from 57m
- RHRC014: 14m @ 0.59 g/t gold from 51m, including:
  - 2m @ 2.65 g/t gold from 52m; and
  - 1m @ 1.01 g/t gold from 64m
- RHDD037: 3.78m @ 4.08 g/t gold from 125.39m, including:
  - 1.24m @ 10.09 g/t gold from 125.39m

**TALCLAKE**

- RHRC017: 16m @ 0.87 g/t gold from 106m, including
  - 4m @ 2.3 g/t gold from 106m; and
  - 1m @ 7.17 g/t gold from 108m
- RHRC018: 9m @ 1.15 g/t gold from 81m including
  - 4m @ 2.21 g/t gold from 81m and
  - 1m @ 5.40 g/t gold from 82m

The maiden gold drilling program comprised 19 reconnaissance Reverse Circulation (RC) holes for 3,422m and four diamond holes for 695m with a combined Project total of 4,117m.

The drilling was designed to provide a preliminary test of several gold occurrences identified during a review of historical work and several new priority targets outlined by Kairos in recent months (see ASX Announcements, 27 September 2016; 8 December 2016; 27 February 2017 and 02 March 2017).

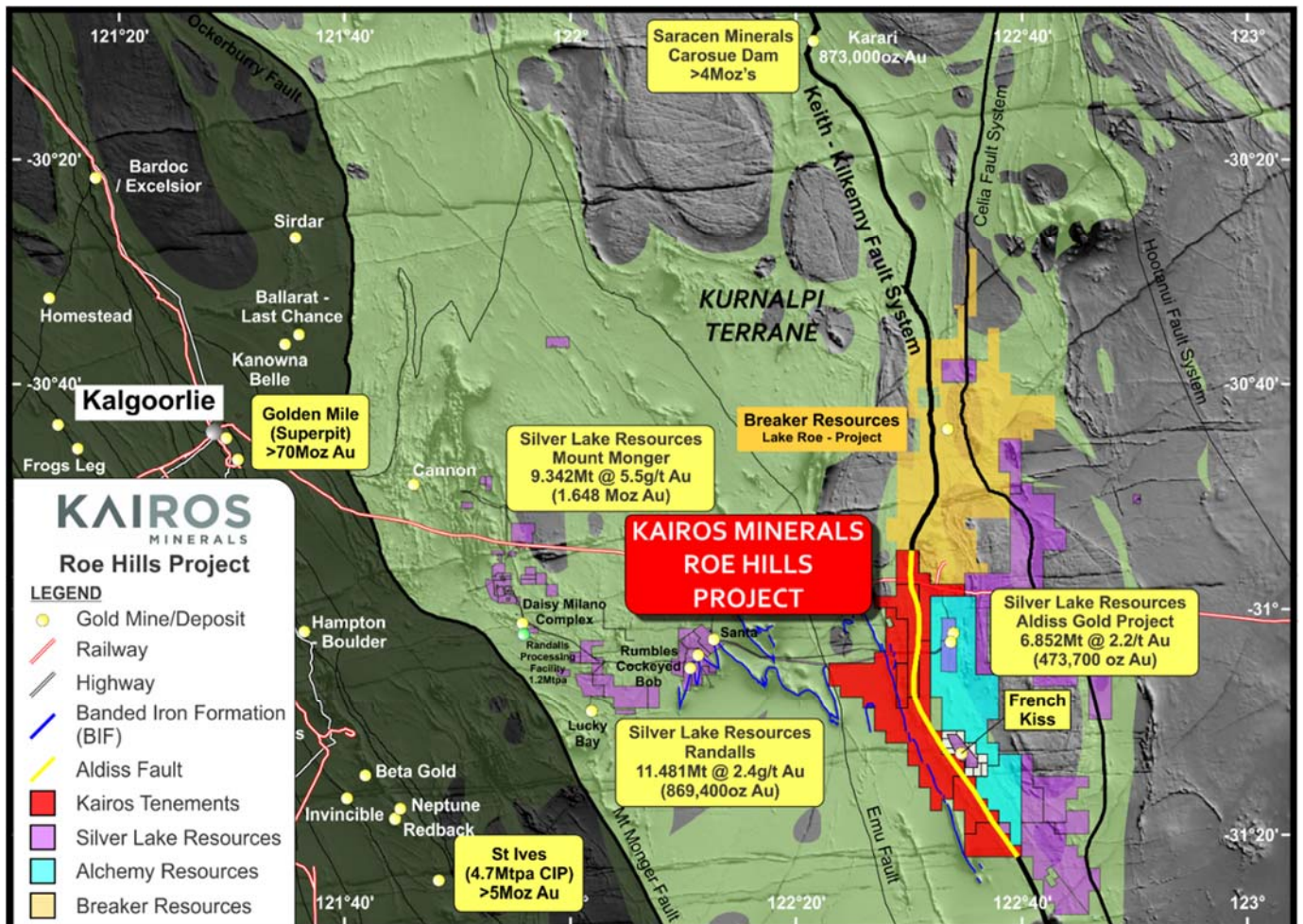


Figure 5: Roe Hills Project Location

The program focused on the +2km long Terra Trend, the Ginger Kiss Trend, and the Lady of The Lake Prospect situated immediately west of Silver Lake Resources' (ASX: SLR) Aldiss Gold Project. Drilling was also carried out at Talc Lake located towards the southern end of the Project tenure. In addition, a single hole was completed at the Eucalypt Prospect.

All of these prospects are in close proximity to the Keith-Kilkenny Lineament, locally referred to as the Aldiss Fault, a regionally extensive deep crust/mantle tapping structure well recognised as controlling the distribution of many of WA's major gold deposits.

Breaker Resources' emerging gold discoveries at Lake Roe and Silver Lake Resources' Aldiss Gold Project deposits, are all interpreted to be associated with this structure. Importantly, beyond the areas of Kairos' recent highly successful gold drilling at Roe Hills, the Aldiss Fault corridor remains unexplored over a strike length of some 40km (refer Figure 6).

Wide-spaced reconnaissance drilling at the Terra Trend, the Lady of the Lake Prospect and at Talc Lake in particular has identified thick gold zones well beyond historical drill intercepts (Figure 6 and 7). The outstanding results achieved have identified numerous high priority targets for immediate follow-up drilling.

Achieving early success from wide-spaced, reconnaissance drilling – and follow up of historical drill results targeting the highly prospective but largely untested stratigraphy at Roe Hills – has confirmed Kairos' view that the Roe Hills Project represents an outstanding greenfields gold exploration opportunity.

Given its proximity to Breaker Resources (ASX: BRB) emerging Lake Roe gold discovery some 10km to the north of Kairos' project boundary, and its favourable geological location along the regionally important Aldiss Fault, Kairos intends to pursue ongoing exploration of this exciting project as a priority.

A program of intensive regional evaluation is currently underway utilising detailed aeromagnetics, recently acquired detailed gravity data and surface geochemical sampling ahead of significantly expanded drilling programs (aircore, RC and diamond) which are now planned to commence in May 2017 pending rig availability as most programs are behind schedule due to unseasonal heavy rainfall over much of the eastern goldfields.

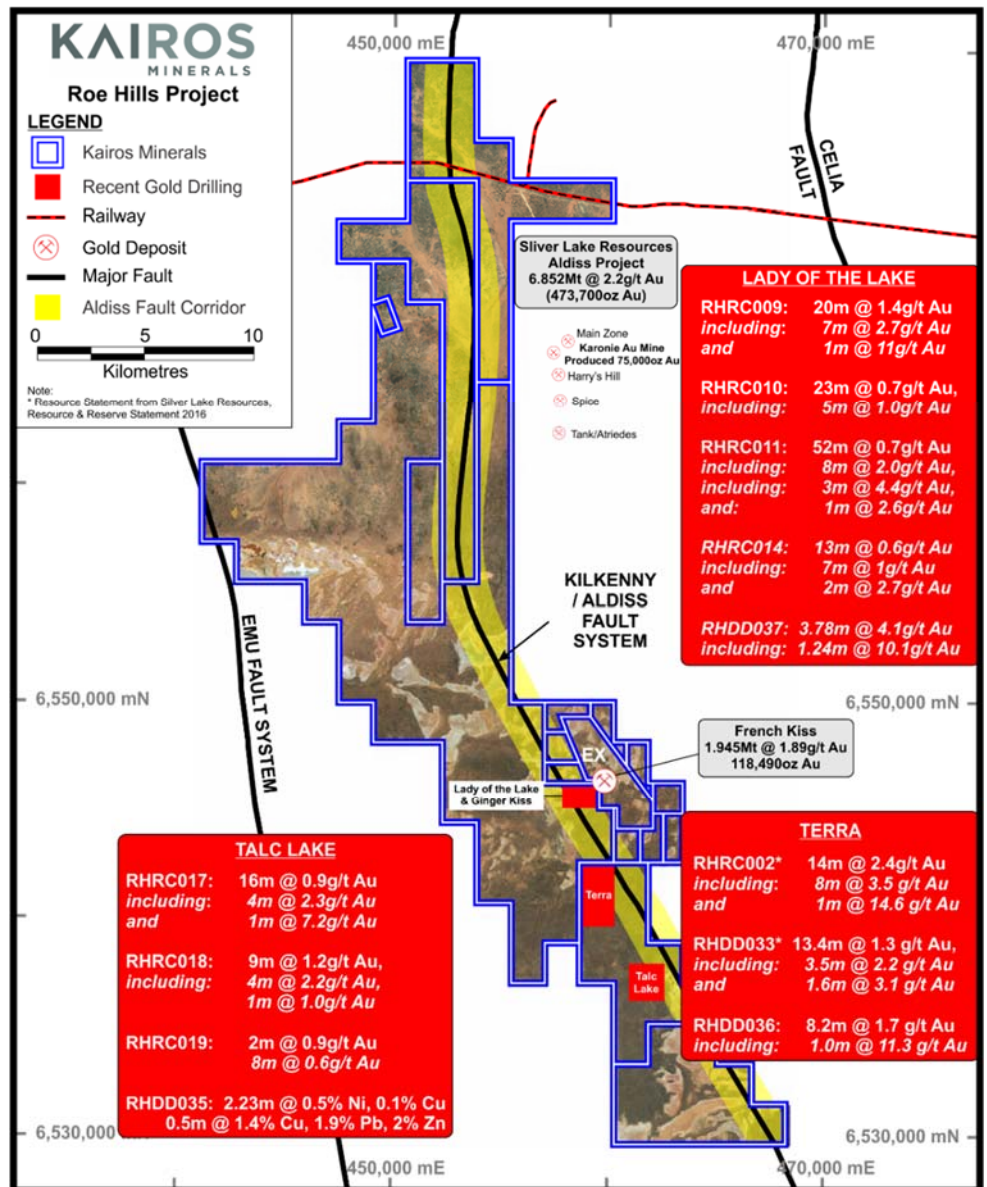


Figure 6: Roe Hills - Recent Drilling Areas



**Terra Trend**

The Terra Trend is a “blind” gold occurrence, showing no surface expression. The prospective basement sequences occur beneath transported cover of variable thickness (< ~50m). Sparse historical drilling indicates gold anomalism over a strike length of at least 2km which remains open in all directions.

Kairos’ drill testing at Terra was carried out along three main sections spaced >500m apart toward the northern end of the anomalous trend. The program comprised three RC holes, (RHRC002, RHRC004 & RHRC015), two diamond cored holes (RHDD033 & RHDD036) and one RC pre-collar (RHDD034).

The location of the drill sections and new intercepts relative to significant historical drill intercepts are shown on Figure 7. Full assay results are outlined in the Company’s ASX Announcement dated 6 April 2017.

Each of the holes completed at Terra has successfully intersected gold mineralisation over significant widths. Holes RHRC002, RHDD033 and RHDD036 are all interpreted to have intersected the ‘Main Zone’ while several holes are now interpreted to have been terminated within the hanging wall sequence prior to reaching the ‘Main Zone’. These will be extended via deeper RC or diamond coring when drilling resumes.

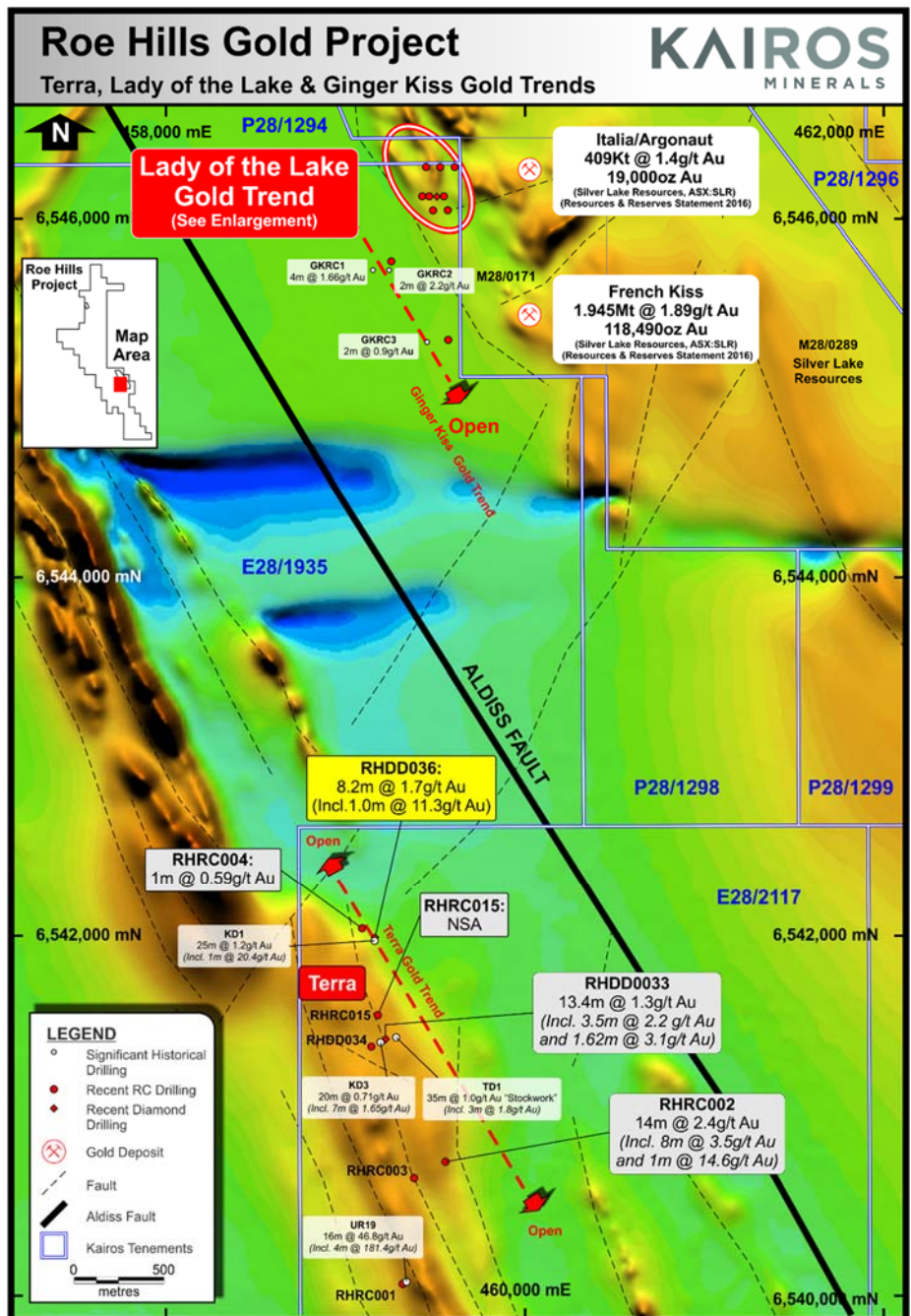


Figure 7: Terra, Ginger Kiss & Lady of the Lake Gold Trends

**Lady of the Lake – New Shallow Gold Discovery**

The Lady of the Lake prospect is located immediately adjacent to the west of the Aldiss Gold Project (6.852Mt @ 2.2/t Au for 473,700oz Au, see ASX: SLR 2016 Resources & Reserve statement). This

represents an area of previously untested structural complexity, opening up a significant new exploration zone within the Roe Hills Project area.

The primary target is an interpreted south-plunging antiformal structure identified by Kairos' technical team utilising reprocessed detailed aeromagnetics in conjunction with the recently acquired detailed gravity survey data. It is considered to represent a structural repetition/extension of the sequence, which hosts the nearby Italia/Argonaut, and French Kiss Gold Deposits (refer Figure 7).

The area is covered by a thin veneer of transported lake sediments which mask the main prospective basement lithologies. Sparse wide-spaced historical holes failed to penetrate the transported cover sequence and/or the prospective horizons and Kairos' drilling represents the first effective exploration in the area.

Eight RC holes and one Diamond cored hole (RHRC007-014 & RHDD0037) were completed along three sections over an approximate +300m strike length as a preliminary test to determine the gold-bearing nature of the underlying lithologies (refer figure 8).

All holes have reported gold mineralisation over significant widths and from shallow depths within intensely sheared and altered, sulphidic, quartz-carbonate veined dolerite and basalt host lithologies intruded by felsic porphyry dykes (Refer Figures 8).

Full assay results are provided in the Company's ASX Announcement dated 6 April 2017.

Preliminary indications are that the mineralised zone is at least 80 to 160m wide and occurs as a series of sub-vertical and/or shallow east dipping shears (possibly axial planar) extending from near-surface to a maximum drilled depth of about 130m.

Prior to the completion of the program, the Company committed to undertaking a single strategic diamond cored hole (RHDD0037) to enable detailed evaluation of the structural controls on the gold-bearing sequence. The hole traversed a highly altered, intensely sheared package of dolerite and basalt host lithologies intruded by felsic porphyry dykes, containing abundant brecciated, sulphidic quartz-carbonate veins.

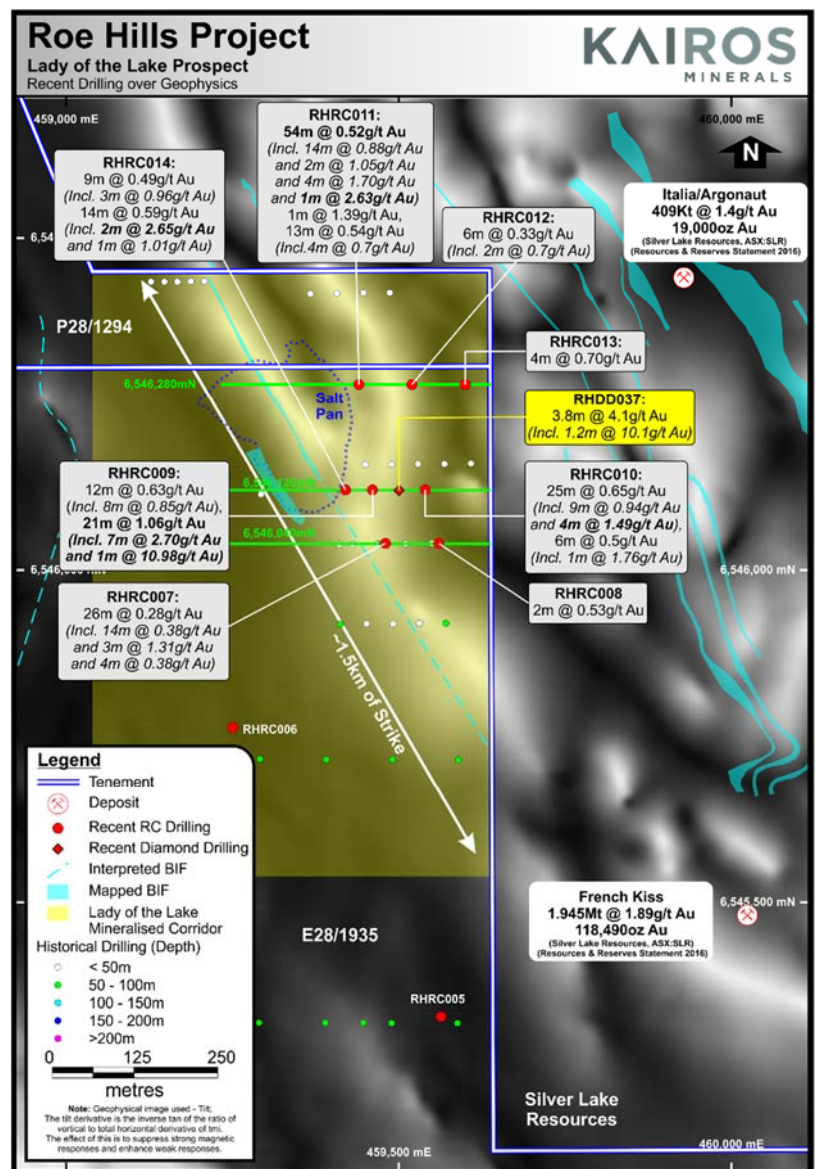


Figure 8: Lady of the Lake Prospect with recent drilling

This initial phase of drilling focused on the eastern limb of the interpreted antiform only. The western limb currently remains untested and represents an additional +400m of prospective strike.

The gold-bearing corridor remains open to both the north and south over a strike length of at least 1.5km and at depth (refer Figure 8).

## Talc Lake

Four RC holes and one RC/Diamond cored drill-hole (RHRC016-019; RHDD0035) were completed at Talc Lake to test for dip and strike extensions to an area of near surface gold anomalism identified in several historical WMC holes which were targeting ultramafic hosted nickel sulphide mineralisation.

The area is structurally complex, situated adjacent to a major NE-SW trending regional fault corridor with numerous second order splays. The prospective basement sequences are potentially repeated via folding and/or faulting.

Drilling was carried out along three main sections spaced 80m apart with holes RHRC0017, RHRC0018 and RHRC0019 each returning broad, well mineralised intercepts. Assay results are provided in the Company's ASX Announcement dated 6 April 2017.

Preliminary indications are that the drilling has successfully defined a broad zone of gold mineralisation up to 40m thick (at >0.3 g/t gold), 150m wide and at least 160m in strike length, open in all directions. Gold mineralisation appears to occupy a broad dilational structure hosted within a sequence of altered basalts/dolerites/gabbros beneath a gently folded package of ultramafics. The zone plunges at a shallow angle to the south and dips at a low-moderate angle towards the west refer Figure 9).

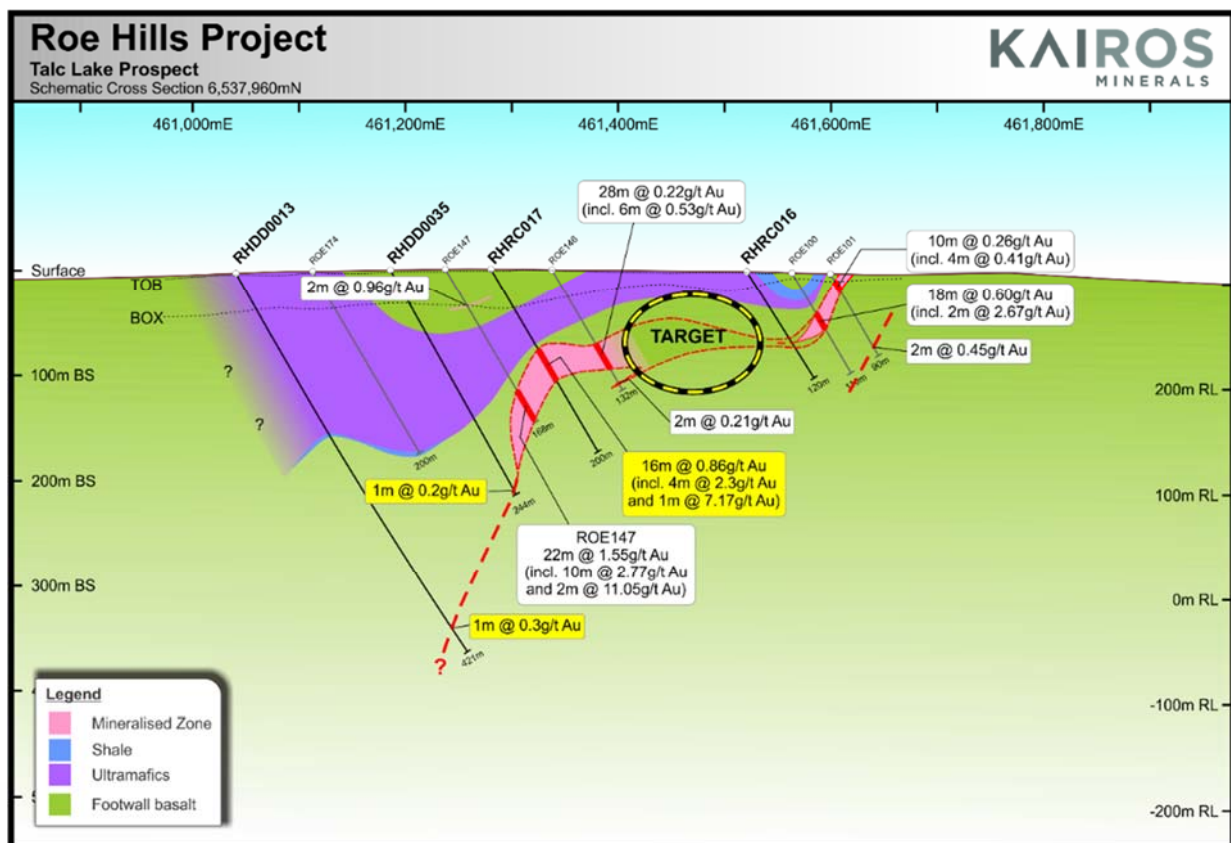


Figure 9: Talc Lake Schematic Cross Section 6,537,960mN

### ***Ginger Kiss Trend***

Ginger Kiss is situated ~2km north-east of Terra and comprises a sub-parallel auriferous trend similarly obscured beneath a veneer of transported lake sediments. Sparse historical drilling indicates gold anomalism extending over a strike length of at least 500m, open in all directions.

Two RC holes (RHRC005 & RHRC006) were completed to test for shallow east-dipping depth extensions to the historical intersections recorded in holes GKRC1/2 and GKRC3.

A narrow zone of gold mineralisation was intersected in hole RHRC005 below hole GKRC3, while RHRC006 failed to intersect any significant mineralisation. More drilling is required to confirm the orientation of the main gold-bearing horizons in this area as neither hole has adequately tested sub-vertical or west dipping trends - refer Figure 8. Details of all assay results are provided in the Company's ASX Announcement dated 6 April 2017.

### ***Eucalypt***

The Eucalypt Prospect is located ~1km west of Terra and is defined primarily by historical hole UR19, which reported a wide interval of high grade gold mineralisation close to the interface between transported sediments and weathered basement lithologies. (It should be noted that the original intercept may have been affected by smearing associated with high groundwater flows in the area).

A single RC hole (RHRC001) was drilled to test for a vertical depth extension to the mineralised intercept in hole UR19. RHRC001 failed to report significant gold mineralisation, however, associated geochemical pathfinder anomalism suggests that the hole may have penetrated the halo of a mineralised system interpreted to be striking NE-SW and sub-parallel to the direction of drilling.

Additional drilling is required to test this interpretation.

Significant historical results include:

- UR19: 16m @ 46.8g/t Au from 38m, including
  - 4m @ 181.4g/t Au from 38m
- UR17: 3m @ 0.26 g/t gold from 50m.

### ***Cobalt Potential***

A review of historical drill data from the Roe Hills Project has highlighted the potential for significant cobalt mineralisation at the Roe 1 prospect as well as identifying significant cobalt intercepts from numerous prospects throughout the broader project area.

The review was conducted in preparation for the Company's upcoming drilling program at Roe Hills targeting nickel-copper mineralisation, which is to be underpinned by a co-funding grant of \$150,000 under the Western Australian Government's Exploration Incentive Scheme (EIS).

The identification of potentially significant cobalt mineralisation at Roe Hills adds a further dimension to the ongoing exploration of this emerging project area, which is also highly prospective for nickel-copper sulphide mineralisation.

A preliminary evaluation of the cobalt potential at Roe Hills was undertaken by Kairos' technical team based on a review of historical drilling and geochemical data from the Roe Hills Project.

The review has identified potentially significant cobalt mineralisation within an extended geochemically anomalous footprint at the ROE 1 prospect (see Figures 10-12).

A number of historical high-grade cobalt intercepts have been identified at ROE 1, including:

ROE172:

- 14m @ 0.39% Co from 20m.**
  - Including 2m @ 1.16% Co from 20m

Cobalt mineralisation at ROE 1 (>0.05% Co) extends over a strike length of at least 330m, a width of at least 150m and a thickness in excess of 8m (see Figures 4 and 5). Importantly, this zone occurs within a broader area of cobalt anomalism which can be traced over a strike length of at least 7.5km's and which remains open in all directions.

The Roe Hills Project has not previously been evaluated as a potential host for cobalt mineralisation and as a consequence historical cobalt data is limited or incomplete.

However, the available data indicates that significant cobalt enrichment is present throughout the Project tenure, and is not restricted only to the ROE 1 Prospect.

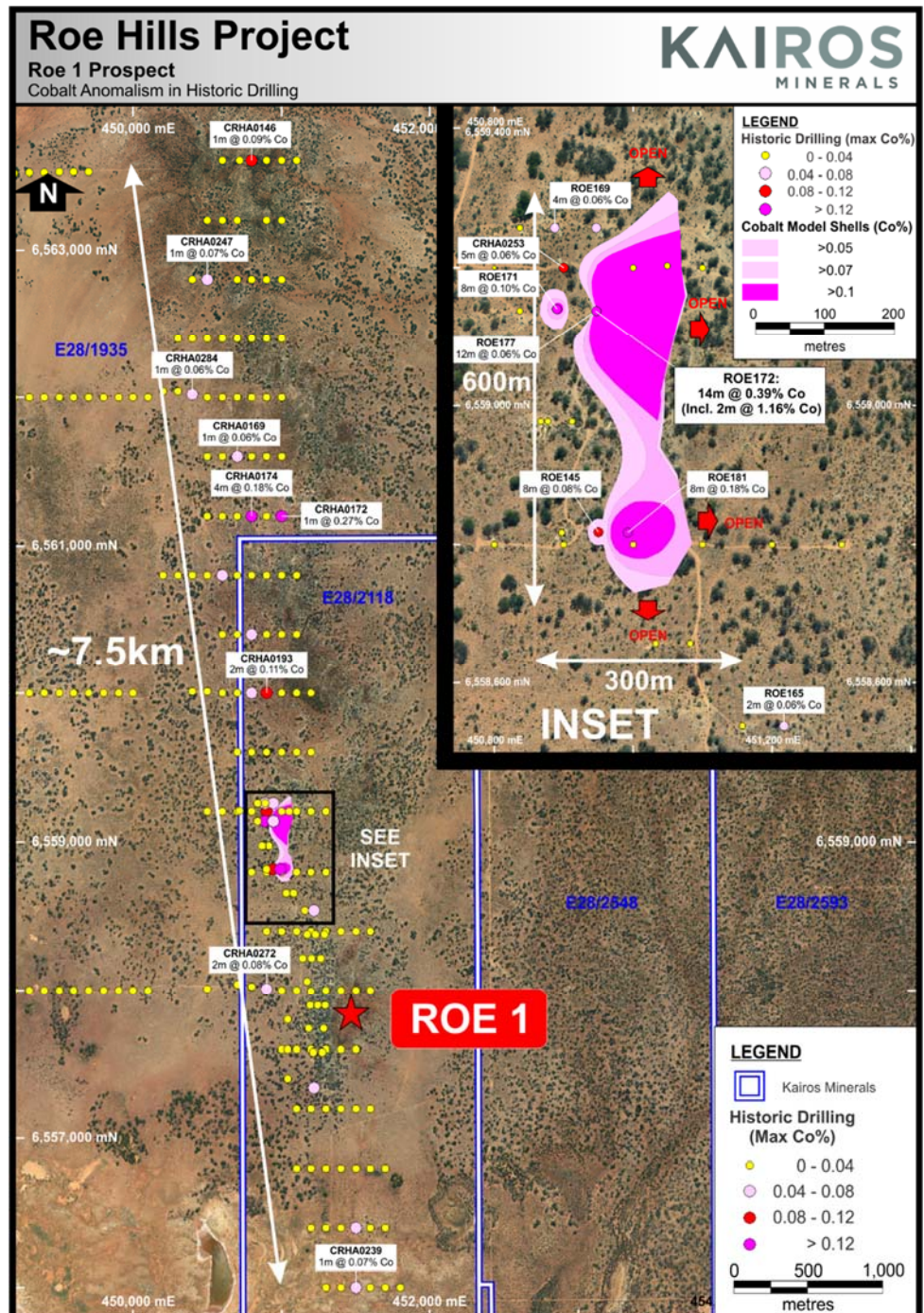


Figure 10: Opportunities for the identification of additional cobalt mineralisation within the ROE 1 prospect

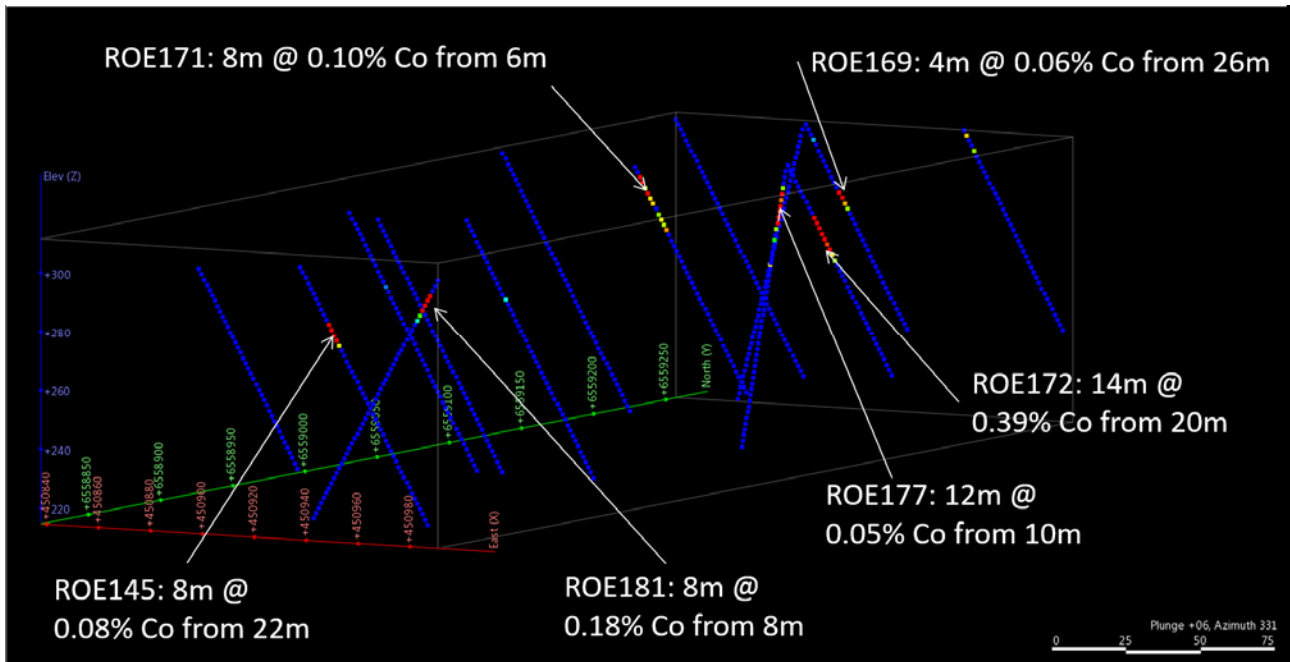


Figure 11: Roe 1 historical cobalt intercepts

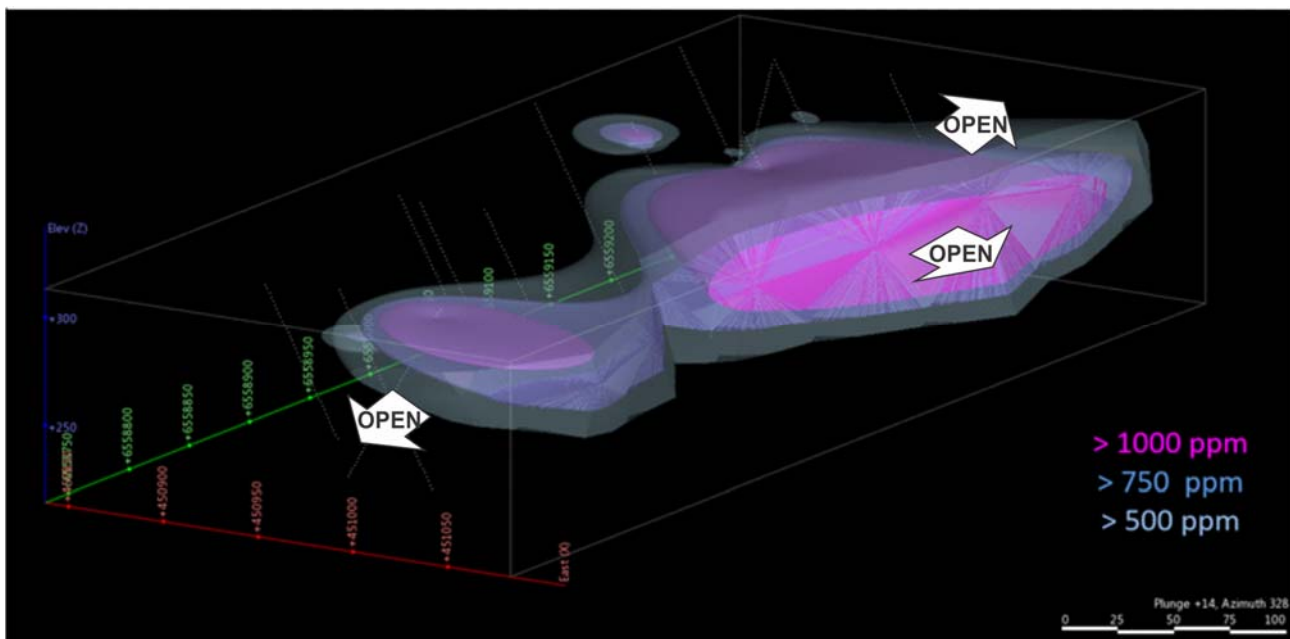


Figure 12: Roe 1 cobalt mineralisation (>0.05% Co) interpreted to extend over a 330m strike length, 150m width and >8m thickness (open to the north, south and east)

Significant indications of cobalt mineralisation were also identified within the broader Roe Hills region, however drill holes appear to have only been partially sampled and the opportunity remains for the widths of the mineralised intercepts to be extended with additional sampling and/or drilling. For example:

- Hole CRHA0172: Only the last two metres were sampled, however an intercept grading 0.27% Co was returned from 19-20m; and
- Hole CRH0174: Incomplete samples assayed, with results including 4m @ 0.18% Co from 34m.

Based on the positive results delivered by the data review, Kairos now intends to re-log historical drill holes and undertake additional sampling for cobalt mineralisation across the Roe Hills Project area, as well as conducting further test work at the ROE 1 prospect area with the aim of better defining and understanding the identified zone of cobalt mineralisation.

## **Corporate**

### **Director Appointment & Resignation**

Kairos has appointed highly experienced Australian mining and exploration executive Mr Terry Topping as Executive Chairman.

Mr Topping has more than 25 years' experience in minerals exploration and development worldwide and has played a key role in the incubation, listing and development of numerous ASX-listed resource companies over the past two decades.

His previous management roles have included Executive Director of ASX-listed nickel, copper and gold explorer Rumble Resources (ASX: RTR); Managing Director of ASX-listed uranium explorer Cauldron Energy (ASX: CXU); and Executive Director of ASX-listed gold explorer Taipan Resources (later Intrepid Mines), which discovered the high-grade Paulsen's Gold Deposit, now being mined by Northern Star Resources (ASX: NST).

Mr Topping has a broad contact network throughout the global resource sector as well as extensive capital markets experience, where he has been involved in numerous IPO's, corporate transactions, capital raisings and project acquisitions and divestments.

Non-Executive Chairman, Mr Ian Finch, resigned from the Board during the reporting period. The Company appreciates Mr Finch's contribution during his tenure as director and wishes him the best for his future endeavours.

**ENDS**

### **For further information, please contact:**

#### **Investors:**

Mr Joshua Wellisch  
Managing Director  
Kairos Minerals Limited

#### **Media:**

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#### **COMPETENT PERSON STATEMENT:**

*Competent Person: The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr Steve Vallance, who is the Technical Manager for Kairos Minerals Ltd and who is a Member of The Australian Institute of Geoscientists. The information was also reviewed by Mr Neil Hutchison, who is a Non Exec Director of Kairos Minerals Ltd and is also a Member of The Australian Institute of Geoscientists. Both Mr Vallance and Mr Hutchison have sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' (the JORC Code 2012). Mr Vallance and Mr Hutchison have consented to the inclusion in the report of the matters based on their information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.*

**References**

<b>Reference Documents</b>		
<b>Date</b>	<b>Title</b>	<b>Reference</b>
24/1/2017	Drilling of Key Gold Targets Recommences at Roe Hills	1
10/02/2017	Multiple Stacked Lodes Intersected- Mt York	2
27/02/2017	Thick Gold Mineralisation in Maiden Program – Roe Hills	3
02/03/2017	Extensive New Zone of Shallow Gold Discovered – Roe Hills	4
14/03/2017	Significant Cobalt Identified – Roe Hills	5
06/04/2017	Further Significant Gold Intersected –Roe Hills	6
31/01/2017	Pilbara Minerals Quaterly Report – December 2016	7
31/01/2017	Altura Mining Minerals Quaterly Report – December 2016	8
14/10/16	Silver Lake Resources Annual Report 2016	9



## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Kairos Minerals Limited (ASX:KAI)

### ABN

84 006 189 331

### Quarter ended ("current quarter")

31<sup>st</sup> March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,674)	(3,377)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(362)	(1,307)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	9	9
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,026)</b>	<b>(4,672)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(9)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(3)</b>	<b>(9)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	4,748
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(426)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>4,322</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,016	1,346
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,026)	(4,672)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(9)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	4,322
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>987</b>	<b>987</b>

+ See chapter 19 for defined terms

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	987	3,016
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>987</b>	<b>3,016</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	90
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	600
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	300
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>900</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

**Refer to Annexure A.**

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: .....

**Managing Director**Date: **28 April 2017**Print name: **Joshua Wellisch****Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

**Annexure A – Tenement Schedule**

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
<b>Roe Hills</b>	WA	100%			100%
E28/1935					
E28/2117					
E28/2118					
E28/2495					
E28/2548					
E28/2585					
P28/1292					
P28/1293					
P28/1294					
P28/1295					
P28/1296					
P28/1297					
P28/1298					
P28/1299					
P28/1300					
E28/2593					
E28/2594					
<b>Fraser Range Project</b>					
E69/3411	WA	100%			100%
E69/3308					
<b>Dingo Range</b>					
E53/1731	WA	100%			100%
E53/1732					
E53/1733					
P53/1624					
E53/1814					
E53/1927					
E53/1928					
<b>Pilbara Lithium-Gold Project (Mt York Project)</b>					
P45/2987	WA	100%			100%
P45/2989					
P45/2996					
P45/2998					
P45/2988					
P45/2992					
P45/2993					
P45/2994					

+ See chapter 19 for defined terms

## Mining exploration entity and oil and gas exploration entity quarterly report

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
P45/2990	WA	100%			100%
P45/2991					
P45/2997					
P45/2995					
L45/0422					
<b>Wodjina Project</b>					
E45/4715	WA	100%		JV Altura	100%
E45/4780				JV Altura	
E45/4740					
E45/4731					
<b>Southern Pride Project</b>					
E47/3522	WA	100%			100%
E47/3523					
<b>Croyden Project</b>					
E47/3519	WA	100%			100%
E47/3520					
E47/3521					
<b>Lalla Rookh Project</b>					
E45/4741	WA	100%			100%
<b>Tiapan Project</b>					
E45/4806	WA	100%			100%
<b>Bronco Plains Project</b>					
E28/2646	WA	100%			100%
E28/2647					
E28/2648					
<b>Mooloo Project</b>					
E08/2857	WA	100%			100%