KAIROS MINERALS LIMITED

ABN 84 006 189 331

ANNUAL REPORT 2019

Contents

Chairman's Report

Dear Shareholders,

The past year has been characterised by a strong upward trend in the gold price, with the metal recently surging through an all-time record high of over A$2,280 per ounce in Australian Dollar terms. Given growing geopolitical uncertainties and concerns over slowing global growth, gold's fundamentals have never looked better.

As a result, we have also begun to see a "trickle-down" of investor interest from strongly performing mid-tier producers to a new generation of up-and-coming juniors and explorers.

Against this backdrop, Kairos is an excellent position – with two extensive and high-quality gold exploration projects in Tier-1 mining jurisdictions, including a 643.000oz JORC compliant Mineral Resource at our previously-mined Mt York Project within our flagship Pilbara Gold Project.

Our strategic focus during the year remained on the Pilbara Project, where we progressed a systematic and diligent exploration program across our regionally extensive 1,158km^2 tenement portfolio.

At the Croydon Project, the establishment of access tracks has enabled Kairos to transition its exploration program from helicopter-supported reconnaissance exploration to more detailed, ground-based programs. Despite being located only 2.5 hours south of Port Hedland, this area has limited road access, meaning the entire region remains largely unexplored.

Regional stream sediment sampling conducted at Croydon has confirmed widespread distribution of gold across the Project area, with over 46% of the panned samples collected to date returning visible gold – demonstrating the merits of applying old-fashioned, low-cost prospecting techniques in previously unexplored areas.

Follow-up work has since led to the discovery of seven discrete gold nugget 'patches' over at least 22km of strike, with more than 50 ounces of gold recovered to date.

Recent mapping and sampling has outlined a hydrothermal gold-in-soil anomaly measuring more than 8km in length. This high-tenor soil anomaly is hosted within sediments of the highly-prospective Hardey Formation, with work now focused on completing heritage surveys to secure access for trenching and drilling.

This eagerly-awaited drilling program at Croydon will be supported by a $150,000 drilling grant awarded under the Western Australian Government's Exploration Incentive Scheme (EIS).

In addition to these field programs, extensional drilling is also planned for the Mount York Gold Project, ~100km south-east of Port Hedland, aimed at rapidly expanding the current 643,000oz Mineral Resource. Mount York represents an outstanding development opportunity, located in an established mining district with access to established infrastructure.

Building on the strong foundations we now have in place following our first full season of exploration in the Mount York and Croydon project areas, FY2020 is set to be an important and exciting period for Kairos Minerals. This position is thanks to our small, hardworking team of staff and contractors, and I would like to sincerely thank them for their efforts over the year. I would also like to thank you, our shareholders, for your ongoing support.

Terry Topping
Executive Chairman

Pilbara Gold Project (Pilbara, WA: KAI 100%)

- **The Company's Pilbara Gold Project hosts the following JORC 2012 Mineral Resources and is located in a prime position in an established mining province, immediately adjacent to the producing Pilgangoora lithium mines of Pilbara Minerals and Altura Mining:**
    - **Indicated Resource of 6.8Mt at 1.30 g/t for 285,000 ounces**
    - **Inferred Resource of 7.6Mt at 1.47 g/t for 358,000 ounces**
    - **Total Resources of 14.4Mt at 1.39 g/t for 643,000 ounces**
- **The Mt York deposit remains open both along strike and at depth, providing outstanding opportunities to further increase the Resource and target higher-grade mineralization at depth.**

Croydon Project (Pilbara, WA: KAI 100%)

- **Visible gold discovered within the previously identified 22km strike length of the prospective contact between the basal Mt Roe Basalt and the Archaean basement.**
- **Exceptional results received from stream sediment sampling which identified widespread and significant gold anomalism including assays up to 12.3g/t Au and 7g/t Au.**
- **Field exploration has located a new nugget patch yielding 416 gold nuggets totalling 1,036g / 33.1 ounces of gold.**
- **This follows up from the 447 gold nuggets for 30.3oz of gold at the Croydon Project during 2018 season.**
- **Soil sampling, detailed mapping, metal detecting and rock chip sampling ongoing.**
- **The nuggets display both flattened "watermelon seed" shapes with pitted texture and rounded edges and some are rounded with irregular shape with conglomerate and sandstone outcrops approximately 400m south and along strike from the nugget patch within this catchment. These sediments rest on basement and are overlain by the Mt Roe Basalt.**
- **The Company has submitted a Program of Work (POW) for follow-up exploration programs including trenching and RC/Diamond drilling.**
- **Government EIS grant awarded for Croydon of $150,000 for RC and Diamond drilling**

Roe Hills Project (Eastern Goldfields, WA; KAI: 100%)

- **Multiple high-priority "drill-ready" targets identified following a major reinterpretation of the geology, geophysics and geochemistry of the entire Roe Hills belt.**

Corporate

- Strategic 8.61% interest acquired in listed resource company New Age Exploration (ASX: NAE).
- Cash reserves at 30 June 2019 of $1.5 million.

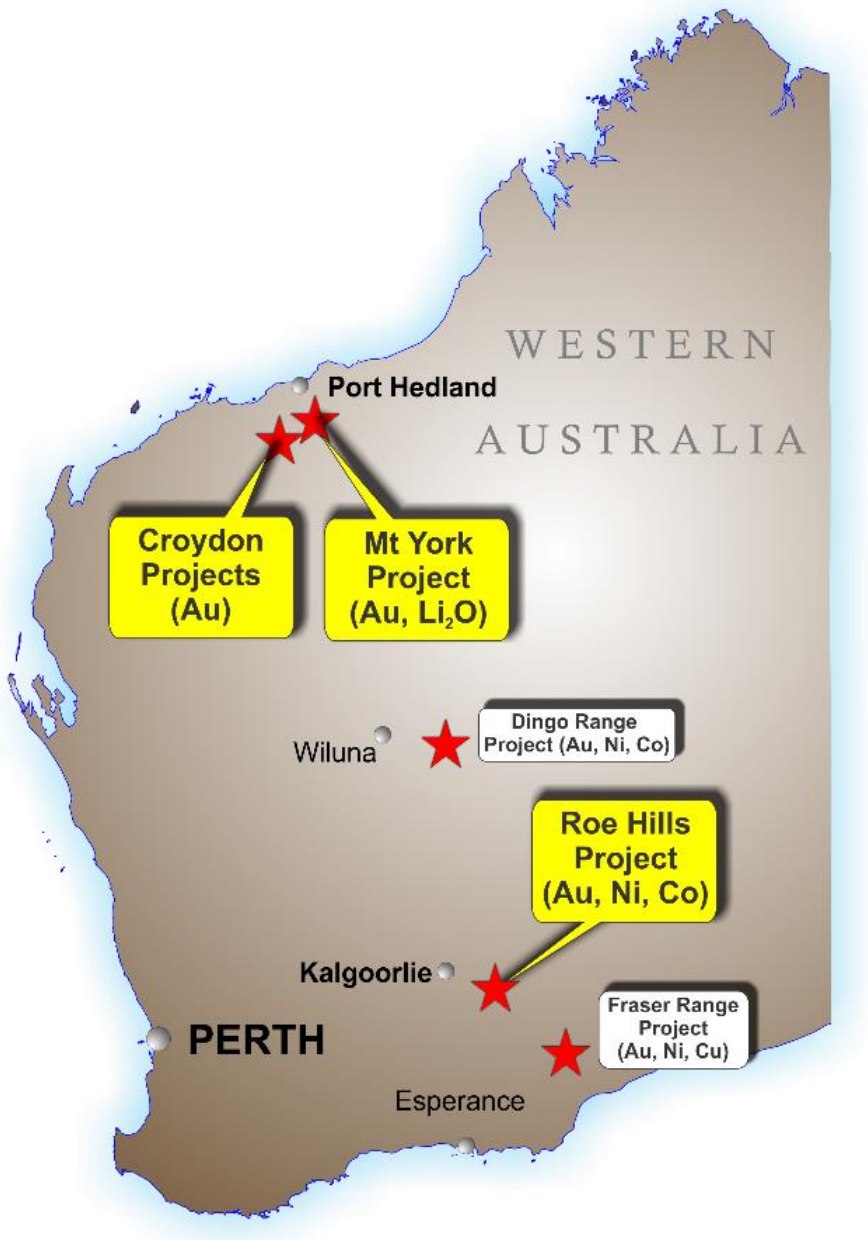

Figure 1: Project Locations.

PILBARA GOLD PROJECT, PILBARA REGION (KAIROS: 100%)

*Kairos' Pilbara Gold Project in Western Australia comprises both a regionally extensive 1,158km² exploration portfolio targeting conglomerate-hosted gold and a substantial gold Mineral Resource at the previously mined Mt York Project (previously the Lynas find gold mine), ~100km south-east of Port Hedland. At Mt York, the Company has defined total Indicated and Inferred Resources of **14.4Mt at 1.39g/t for 643,000oz** (comprising Indicated Resources of 6.8Mt at 1.3g/t for 285,000oz and Inferred Resources of 7.6Mt at 1.47g/t for 358,000oz).*

Major exploration programs are also underway targeting highly prospective stratigraphic horizons within the Hardey Formation at Croydon, located within the central part of the Pilbara Gold Project ~100km to the west of Mt York.

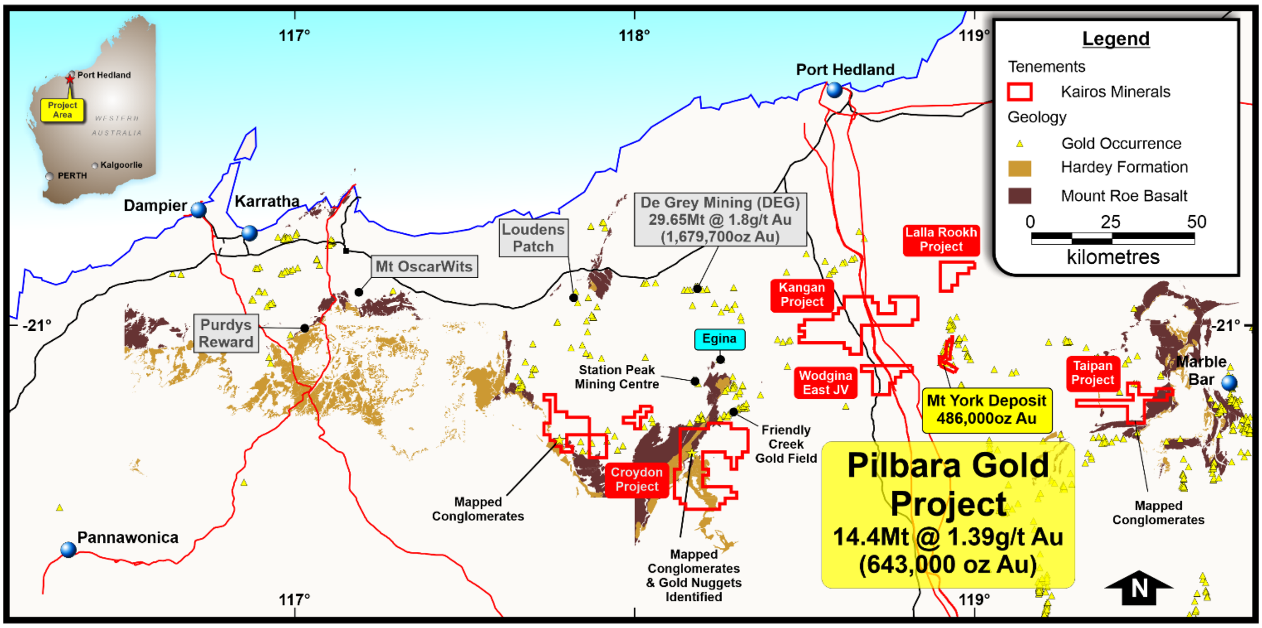

Figure 2: Pilbara Gold Project – Key Tenements.

Mount York Mineral Resource

The Company has a 100% ownership of the Mount York, Iron Stirrup and Old Faithful mineral deposits in the Pilbara of Western Australia.

The Mineral Resource estimate, which was based the results of successful in-fill and extensional drilling programs completed in 2017 and 2018, more than doubled the contained gold at Mt York from the previously reported *258,000* ounces to **643,000** ounces.

The updated Resource for these centrally located deposits, including Mt York, Iron Stirrup and Old Faithful, increased the global Mineral Resource estimate at the Pilbara Gold Project to **14.4 million tonnes at 1.39g/t gold for 643,000 ounces of contained gold.**

The updated Indicated and Inferred Mineral Resource estimate for the Mt York gold deposit (see Figure 3) is 11.3 million tonnes grading 1.34g/t gold for 486,000 ounces of contained gold.

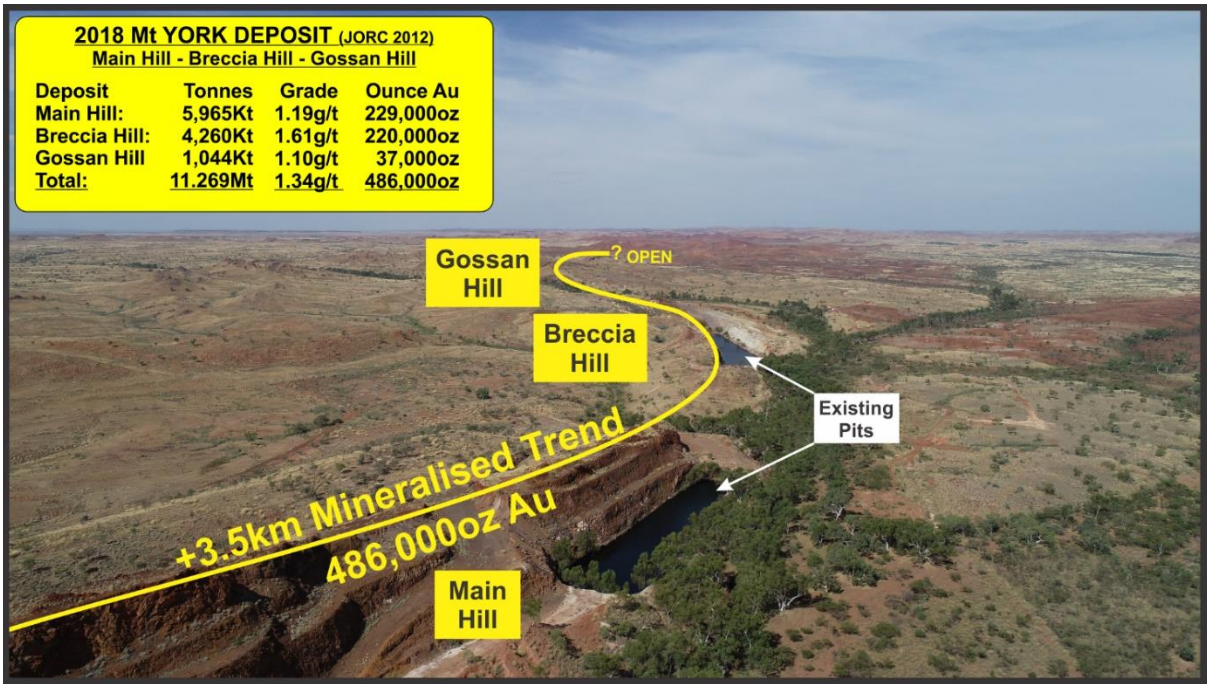

Figure 3: Mt York Gold Deposit, Showing Interpreted +3.5km Mineralised Strike.

The Mineral Resource is constrained within a Whittle shell with basic economic assumptions that ensure the resource has a realistic chance of being mined. Resources extend to a maximum vertical depth of 150m, with the deposit remaining open both down-dip/plunge and along strike.

The significant increase in the Mineral Resource at Mt York (comprising Main Hill, Breccia Hill and Gossan Hill) stemmed largely from a reinterpretation of the deposit geology based on results from the highly successful extensional drilling program completed in 2017/18.

JORC Mineral Resource

The Mineral Resource estimate is set out below:

Pilbara Gold Project Resources – Reported at a 0.5g/t Au Cut

Deposit	Indicated			Inferred			Total		
	Tonnes (kt	Au (g/t	Ounces (ko	Tonnes (kt	Au (g/t)	Ounces (koz)	Tonnes (kt)	Au (g/t)	Ounces (koz
Mt York [1,2]	5,296	1.23	210	5,973	1.44	276	11,269	1.34	486
Iron Stirrup (1)	612	1.84	36	465	2.07	31	1,077	1.94	67
Old Faithful [3]	934	1.33	39	1,135	1.40	51	2,069	1.37	90
Total	**6,842**	**1.30**	**285**	**7,573**	**1.47**	**358**	**14,415**	**1.39**	**643**

Note: Numbers may not total due to rounding
(1) Resources are constrained within a whittle shell that assumed basic economic parameters
(2) Mt York comprises of the Breccia Hill, Main Hill and Gossan Hill deposits
(3) Resource was previously released to the ASX 1 August 2016 - https://www.asx.com.au/asxpdf/20160801/pdf/43905xlydtq9qq.pdf

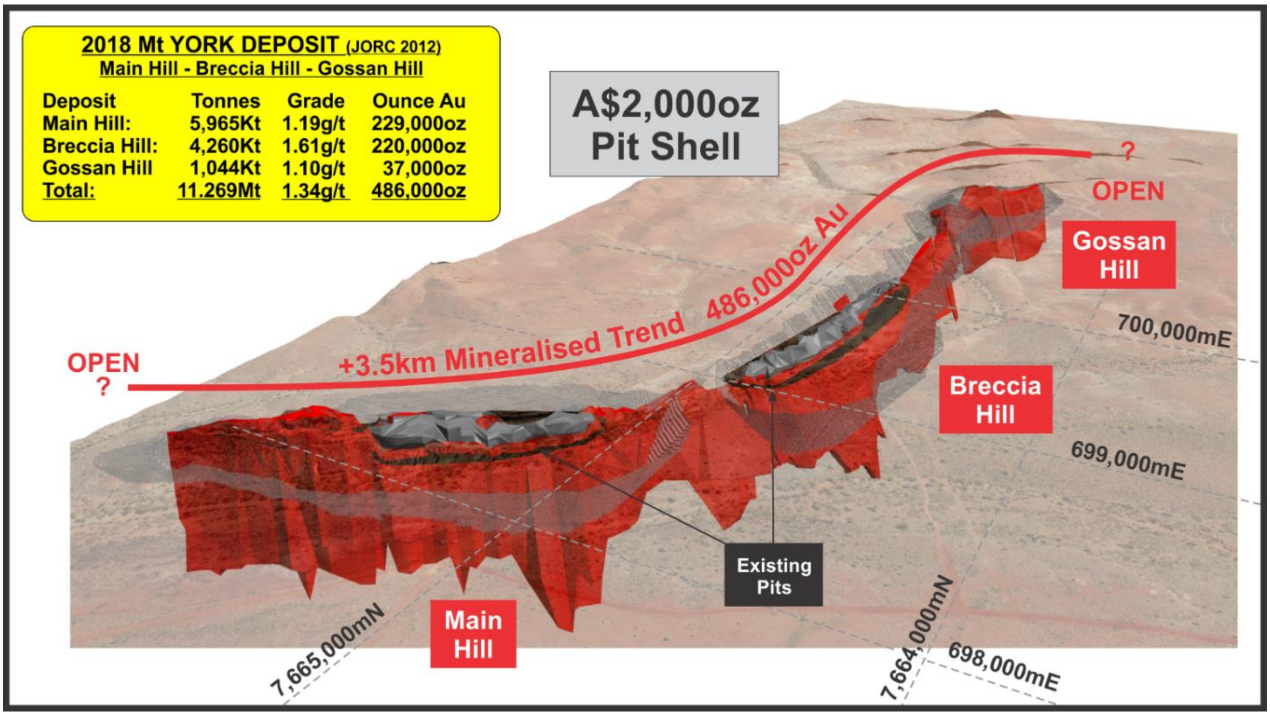

Figure 4: Mt York Deposit – Main Hill – Breccia Hill – Gossan Hill.

Additional background information on the Mt York gold deposit, the project history, the local geology and mineralisation, drilling and sampling techniques and the resource estimation methodology was provided in the Company's ASX announcement of 23 May 2018.

PILBARA CONGLOMERATE GOLD PROJECT, PILBARA REGION (KAIROS: 100%)

In the Pilbara, Kairos holds 1,158 square kilometres of tenure which is highly prospective for conglomerate-hosted gold discoveries. The Company's portfolio includes ~100 strike kilometres of prospective lower Fortescue Group rocks including both the Hardey Formation and the basal sequence of the Mount Roe Basalt. Major exploration programs are underway targeting these highly prospective stratigraphic horizons, which have been associated with a number of recent high-profile gold discoveries in the Pilbara.

Stream Sampling Results

Highly encouraging assay results from 253 stream sediment samples (17 WCT0001-45 and 18WCST00001-235) were collected over E47/3522 and E47/3523. Refer to ASX announcements from 20 November 2018, 17 January 2018 and 29 January 2019.

These results, which include a peak gold value of 12,379ppb Au (**12.3g/t Au**), confirm the widespread distribution of gold anomalism across the Project and build on the significant nugget discoveries announced towards the end of last year.

The results confirm the widespread distribution of gold across the Project, with over 46% of the samples taken returning a positive result for gold (visible gold in the panned samples). There has been a significant improvement through the sampling campaigns, which returned positive results for 35% of panned samples then 50% and the most recent at 75% of the samples taken.

Follow up exploration has now produced seven gold nugget patches.

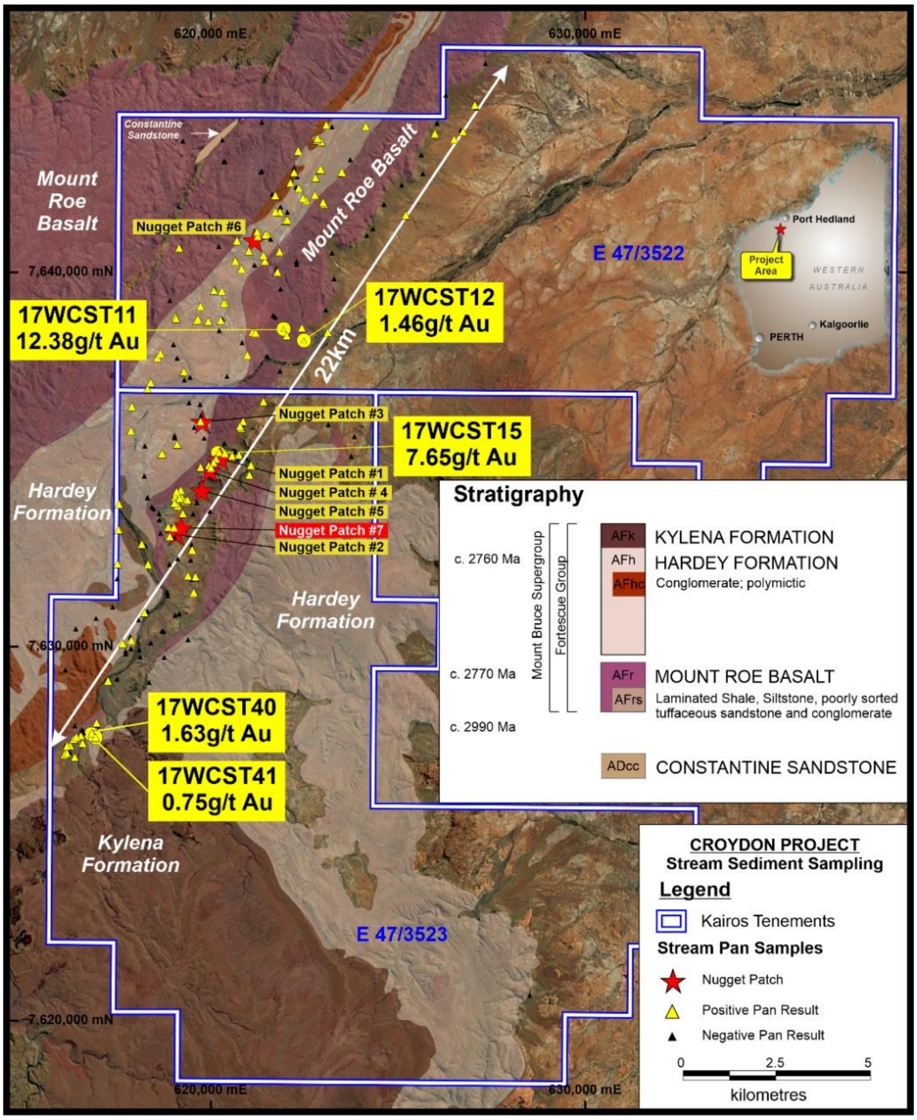

Figure 5: Croydon Project

Exploration during 2018 was largely focused on regional sampling programs utilizing helicopter-borne exploration programs focused on the unconformity contact between the basal Fortescue Group Mount Roe Basalt, Lower Hardey Formation and older Archean basement along a 22km long corridor within Kairos' 100%-owned tenements E47/3522 & E47/3523 at the Croydon Project.

After a delayed start to the 2019 field season due to heavy rains associated with Tropical Cyclone Veronica the Company has had early exploration success with the discovery of a new Purdy's Reward style gold in conglomerate target.

This work following up on the exciting new discoveries made during the 2018 field season, has added significantly to the emerging exploration opportunity at Croydon.

Recent mapping and metal detecting by Kairos geologists has defined an outcropping conglomerate unit approximately 700m long and 200m wide in the central part of the Croydon Project area. Three stream samples collected downstream from this conglomerate outcrop returned anomalous gold results, with sample 18WCST0123 returning a best result of 838ppb gold. It is estimated that this conglomerate unit is up to 5m thick.

There is a granulometric variation of the clasts and matrix of the conglomerate. Coarse sandstone with rare angular clasts was also mapped at some parts of the unit. Polymictic conglomerate with sub-angular to sub-rounded clasts of mafic rock and quartzite, up to 20cm in diameter, is the dominant lithology of this unit.

To date, a total of 416 nuggets have been recovered for 1,036g (33.1 oz) the base of the conglomerate outcrop near the contact with the granitic rocks of the Archean basement. In addition, the metal detector is also indicating that there is gold in five different locations in-situ.

A more detailed mapping program, including detailed drone photography, has been completed to outline the conglomerate unit.

The new discovery represents a significant advance in Kairos' conglomerate exploration program in the Pilbara. It is the first time the Company has encountered intact gold nuggets hosted directly in a conglomerate unit and is considered to be directly analogous to the Purdy's Reward discovery near Karratha which first sparked interest in conglomerate-hosted gold in the Pilbara.

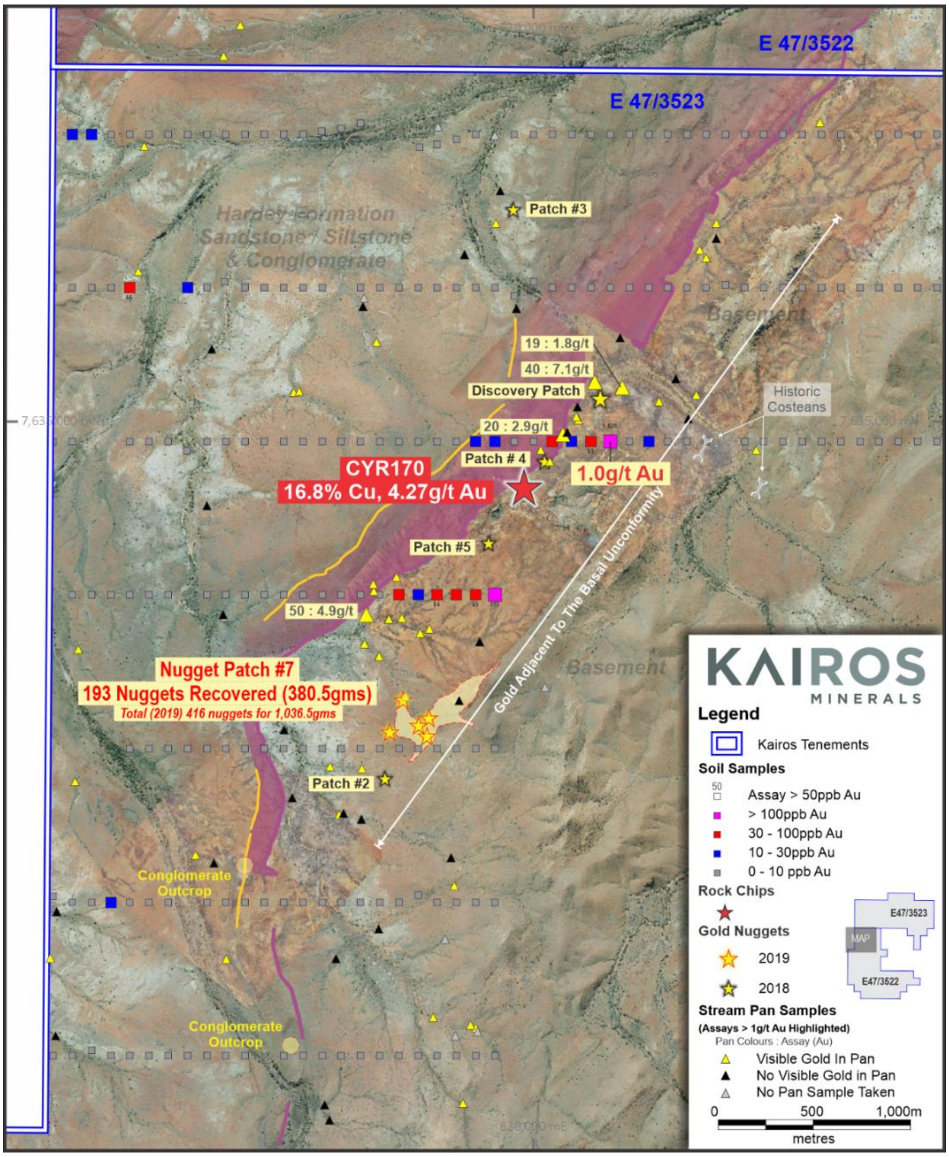

Figure 6: Nugget patch location.

New Soil Anomaly Discovery

During the 2019 ground-based soil sampling, metal detecting and mapping programs, the Company's exploration team has identified an extensive area of anomalous gold-in-soil related to sandstone and conglomerate units within the Hardey Formation.

Mapping conducted by Kairos geologists has described sandstone and conglomerate units intermittently outcropping over 4.1km in the north-western part of the Croydon Project area.

Soil sampling conducted on 200m, 400m and 800m line spacing by 50m sample intervals has defined a 150m to 200m wide gold anomaly above 30 ppb gold extending over a strike length of 4.1km (Figure 2). A high-grade core extending over a strike length of 1.1km, greater than 100ppb gold, has been identified in the central part of the anomaly.

Seven samples from the anomaly returned elevated gold results above 200ppb gold (0.2 g/t gold) up to a peak of **648ppb gold (0.64 g/t gold)** including:

CSY0123F	**418 ppb gold**
CSY0224F	**341 ppb gold**
CSY0705	**216 ppb gold**
CSY0769	**648 ppb gold**
CSY0806	**586 ppb gold**
CSY0807	**424 ppb gold**
CSY0825	**336 ppb gold**

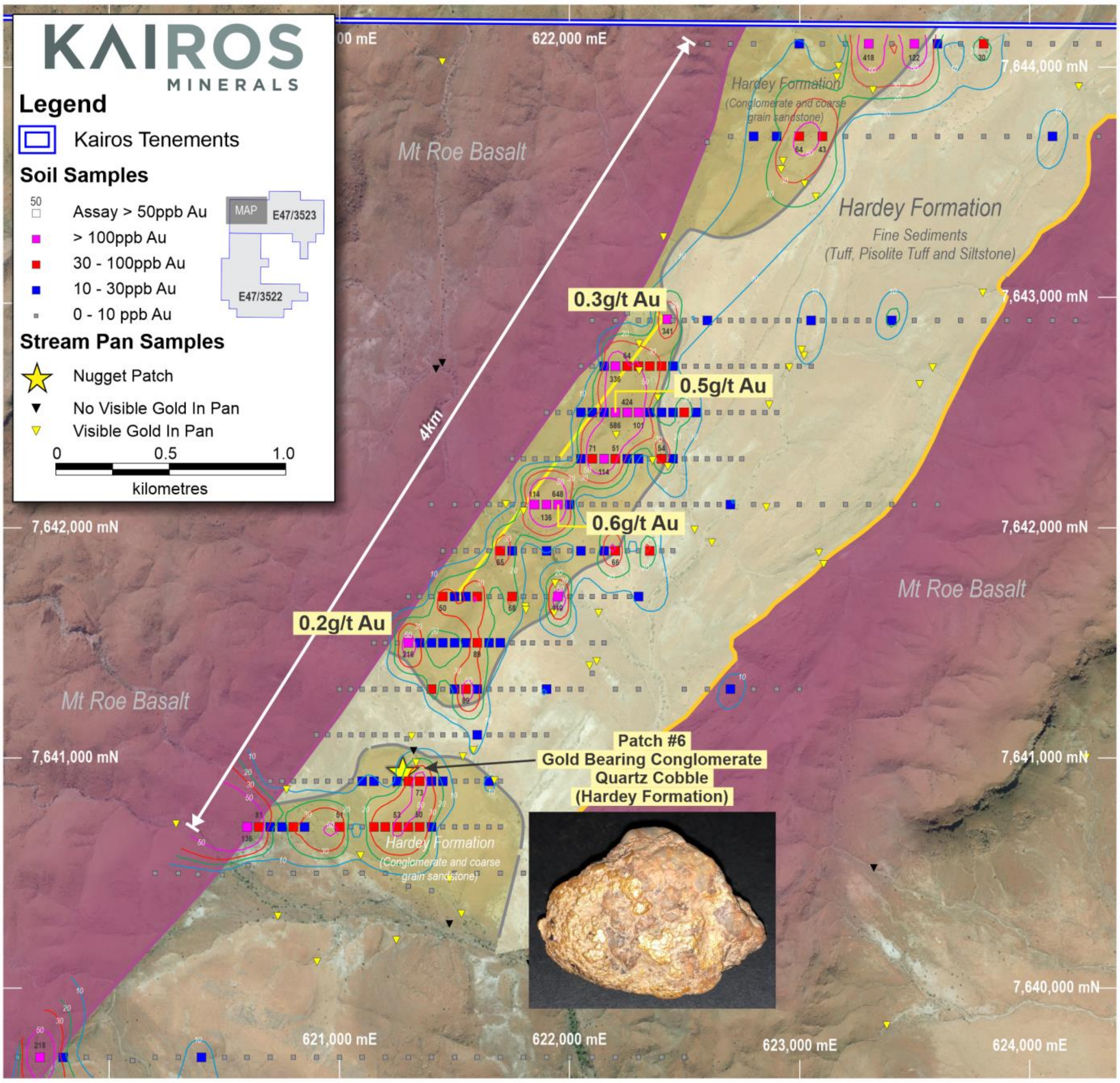

Figure 7: Croydon Project – Soil Sampling on E47/3522.

KANGAN PROJECT
Marine Terrace Gravel targets

The Kangan Project consists on one Exploration Licence and one Exploration Licence Application and is located 70km South of Port Hedland with access from the Great Northern Highway.

The Project is prospective for gold in marine terrace gravels similar to the Egina goldfield some 20km to the West and also for Lithium bearing pegmatites.

Field exploration is ongoing for both these mineralisation targets.

Novo Resources Corp (TSX:V NVO) through 2018 conducted exploration at the Egina Project located some 20km to the North of the Croydon Project. Kairos has completed a review of previous mapping that has highlighted the potential for similar gold in marine terrace gravels thought to be sourced from the eroded conglomerate gold mineralisation.

The Company is also reviewing its other extensive land holdings in the Pilbara for similar target horizons.

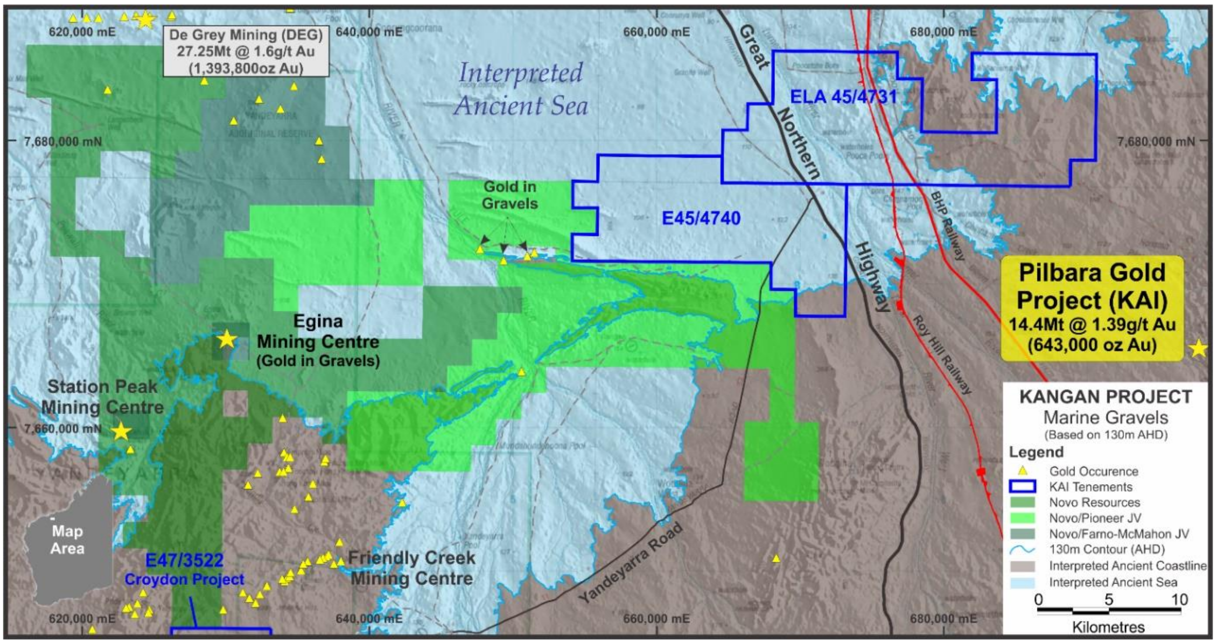

Figure 8: Kangan Project, Prospective Marine Gravels.

<u>ROE HILLS GOLD PROJECT, EASTERN GOLDFIELDS REGION (KAIROS: 100%)</u>

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 363km^2 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.

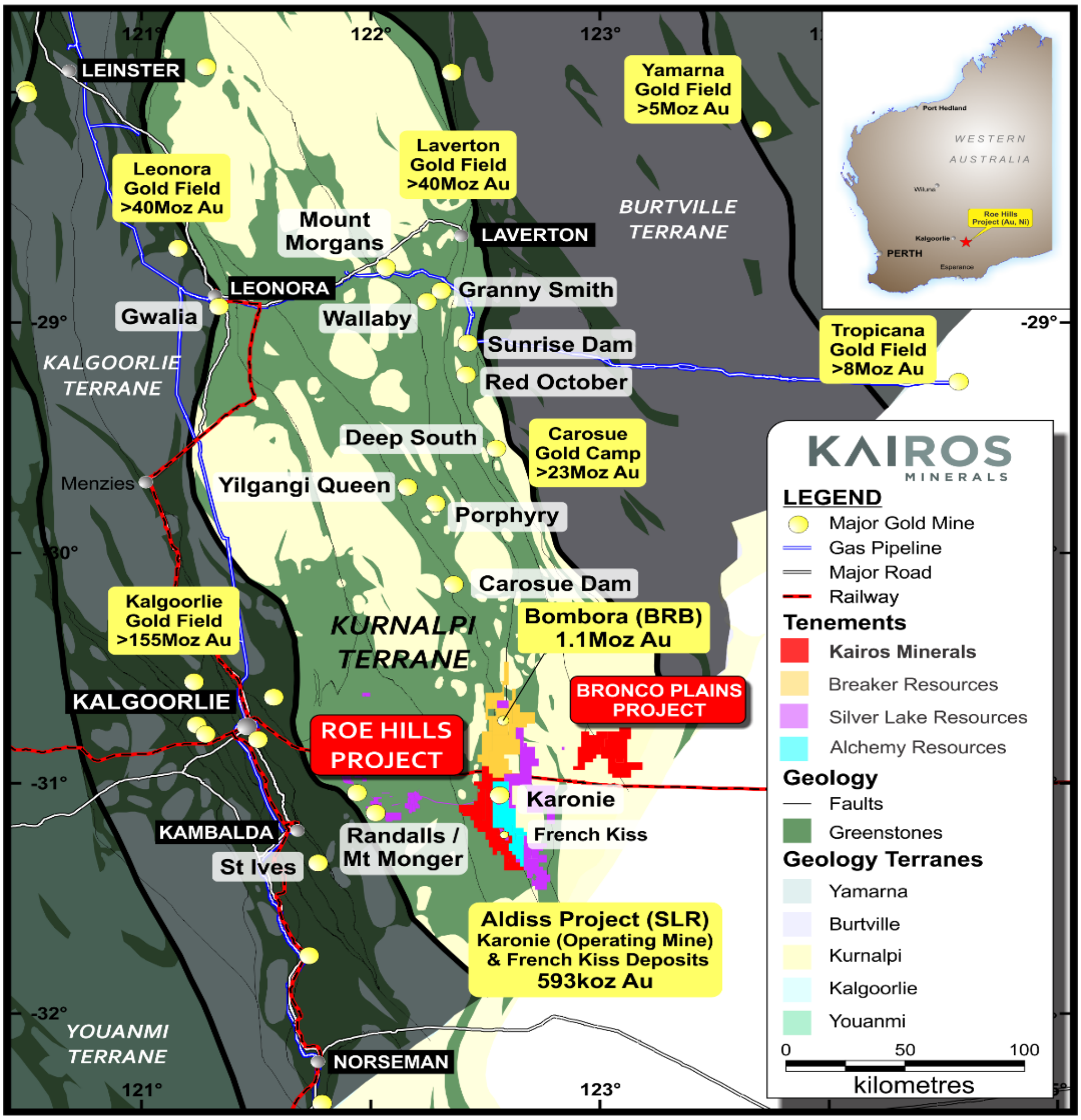

Figure 9. Roe Hills Project regional geological setting and major gold deposits.

Kairos has so far completed four gold-focused exploration drilling campaigns at the Roe Hills Project. Located approximately 120km east of Kalgoorlie, Roe Hills is situated along strike to the south of Breaker Resources' (ASX: BRB) Lake Roe gold discovery (24.6Mt @ 1.4g/t Au for 1,084,000oz) and immediately adjacent to Silver Lake Resources' (ASX: SLR) Aldiss Gold Project (7.5Mt @ 2.1g/t Au for 494,000oz).

Silver Lake Resources has recently completed haul road access connecting the Aldiss Project to the Mt Monger processing operations and open pit mining has commenced at Karonie/Harrys Hill.

During the reporting period, Kairos received final assays from the most recent 5,115m Reverse Circulation (RC) drilling program at Roe Hills. The program was designed to test for dip and strike extensions to several zones of gold mineralisation identified during the highly successful 2017 campaigns (refer ASX Announcements 19/12/2017 & 30/1/2018) along with preliminary drill testing of a series of more recently identified structural and litho-geochemical targets.

A total of seven holes were completed at Terra for 1,265m (RHRC068 – 070; RHRC072 – 75); and one hole was extended (RHRC015) for 70m, for a combined total of 1,335m). The drilling was focussed on three main sections.

With Kairos' success at its Pilbara Gold Project, the Company will actively seek partnership opportunities for the Roe Hills project in the coming financial year. The Company currently has no plans for significant expenditure on the Roe Hills Project.

BRONCO PLAINS (KAIROS: 100%)

The Bronco Plains project is 100% owned and located 145km east of Kalgoorlie in the North East Coolgardie Mineral Field of Western Australia, comprises three exploration licences totalling 389km2. Bronco Plains project straddles the major structural liniments within the Kurnalpi Terrane of the Eastern Goldfields Superterrane and lies 200 to 250 km south-southeast along strike of the multi-million ounces gold deposits of Wallaby, Sunrise Dam and Red October.

Originally part of AngloGold's East Tropicana portfolio, Bronco Plains is located within a favourable structural setting located towards the eastern margin of the Southern Kurnalpi Terrane and remains underexplored.

CORPORATE

Capital Raisings

The Company issued 14,873,055 ordinary shares as a result of options exercised, payment to consultants and exploration milestone achieved.

Annual General Meeting

The Company's Annual General Meeting was held in Perth on 21 November 2018, with all resolutions supported by shareholders on a show of hands.

Strategic Investment

The company has made a strategic 8.61% investment in listed resource company New Age Exploration (ASX: NAE).

Cash Reserves

The company was in a strong cash position of $1.5 million at the end of the year.

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 Terence Topping, who is a Director of Kairos Minerals Ltd and who is also a Member of AusIMM. Mr Topping 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 Competent Persons 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 Topping 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.

Directors' Report

The Board of Directors of Kairos Minerals Limited and its subsidiaries ('the Consolidated Entity') present their report for the year ended 30 June 2019.

Directors

The names of the Directors in office at any time during, or since the end of the year are:

Mr Terence Topping	**Executive Chairman**
First appointed to the Board	15 March 2017
Experience	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 board contact network through the global resources 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.
Qualifications	AIMM, AIG
Interests held[1]	3,484,164 ordinary shares 6,000,000 Performance Rights as approved by shareholders on 15 November 2017.
Directorships held in other listed entities	Accelerate Resources Limited

Mr Bruno Seneque	**Non-Executive Director**
First appointed to the Board	4 August 2017
Experience	Mr Seneque has 24 years' experience as a qualified accountant. He has accumulated extensive experience in the mining industry in various roles including executive general management (Managing Director, Finance Director), CFO, company secretarial, corporate and mine site accounting. He was previously Managing Director of Fox Resources Ltd, which operated the Radio Hill nickel-copper mine in Karratha, producing nickel and copper concentrates. He was also Financial Controller/Company Secretary for Haddington Resources Ltd (now Altura Mining Ltd) which produced tantalum concentrates from the Bald Hill tantalum mine which is now being developed by Tawana Resources NL for lithium production.
Qualification	Certified Practising Accountant
Interests held[1]	1,206,218 ordinary shares 3,000,000 Performance Rights as approved by shareholders on 15 November 2017.
Directorships held in other listed entities	Tyranna Resources Ltd

Mr Neil Hutchison	Non-Executive Director
First appointed to the Board	15 April 2014
Experience	Mr Hutchison is a geologist with over 25 years' experience in conducting regional exploration, target generation, resource drill out, project reviews and evaluations, as well as managing the nickel exploration group at the highly successful Cosmo Nickel Project.
Interests held[1]	4,893,333 ordinary shares. 3,000,000 Performance Rights as approved by shareholders on 15 November 2017.
Directorships held in other listed entities	Nil

[1] The relevant interests of each Director in shares and options as at the date of this report

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Mr Adrien Wing, a CPA qualified accountant, works with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary and has held the position of Company Secretary from 2 October 2013.

Principal Activity

The principal activity of the Consolidated Entity during the financial year was resource exploration. There have been no significant changes in the nature of those principal activities during the financial year.

Dividends

The Directors did not pay any dividends during the financial year. The Directors do not recommend the payment of a dividend in respect of the 2019 financial year.

Earnings per Share

Basic loss per share: 1.28 cents (2018: 0.80 cents)

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

Events Since the End of the Financial Year

No other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Consolidated Entity, the result of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Likely Developments and Expected Results of Operations

The likely developments in the Consolidated Entity's operations, to the extent that such matters can be commented upon, are covered in the Review of Operations contained elsewhere in this Annual Report. In the opinion of the Directors, disclosure of information regarding the expected results of those operations in financial years after the current financial year is not predictable at this stage. Accordingly, no further information has been included in this Report.

Review and Results of Operations

The Consolidated Entity's net loss after income tax for the financial year was $10,884,035 (2018: $5,694,632). The Review of Operations provides further details regarding the progress made by the Consolidated Entity since the prior financial year, which has contributed to its results for the year.

Environmental Regulations

The Consolidated Entity holds participating interests in a number of exploration licences. The various authorities granting such licences require the holder to comply with directions given to it under the terms of the grant of the licence.

The Board is not aware of any breaches of the Consolidated Entity's licence conditions.

Meetings of Directors

During the financial year, 7 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Mr Terence Topping	7	7
Mr Bruno Seneque	6	7
Mr Neil Hutchison	7	7

Indemnification and Insurance of Directors and other Officers

The company has not indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Options over Unissued Shares

At the date of this report, the unissued ordinary shares of Kairos Minerals Limited under option are as follows:

ASX Code	Number under option	Date of Expiry	Exercise Price
Unlisted	20,060,499	31 December 2019	$0.026
Unlisted	132,818,181	31 December 2020	$0.10

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Kairos Minerals Limited.

Shares Issued as a Result of the Exercise of Options

During the year ended 30 June 2019, 5,336,862 options were exercised at a cost of 2.6 cents per option (2018: 76,602,639 at 2.6 cents per option).

Proceedings on Behalf of the Consolidated Entity

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Consolidated Entity, or to intervene in any proceedings to which the Consolidated Entity is a party, for the purpose of taking responsibility on behalf of the Consolidated Entity for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Consolidated Entity with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-Audit Services

No fees for non-audit services were paid or payable to the external auditor of the Parent Entity during the year ended 30 June 2019 (2018: nil).

Auditor's Independence Declaration

The lead Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001*, for the year ended 30 June 2019 has been received and can be found in the section titled 'Auditor's Independence Declaration' within this Annual Report.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Consolidated Entity support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at www.kairosminerals.com.au.

Remuneration Report (Audited)

The information provided under Sections A to E includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures.

The information in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

This report details the nature and amount of remuneration for each Director and Key Management Personnel of the Consolidated Entity.

The Directors and Key Management Personnel of the Consolidated Entity during the year were:

Mr Terence Topping	Executive Chairman	(Appointed 15th March 2017)
Mr Neil Hutchison	Non-Executive Director	(Appointed 15th April 2014)
Mr Bruno Seneque	Non-Executive Director	(Appointed 4th August 2017)
Mr Adrien Wing	Company Secretary	(Appointed 2nd October 2013)

Section A: Principles used to determine the nature and amount of Remuneration

Remuneration Governance

The remuneration of all Executive and Non-Executive Directors, Officers and Employees of the Consolidated Entity is determined by the Board as a whole. No remuneration consultants were engaged during the year.

The Consolidated Entity is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive and consistent with "Best Practice" including the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executives' position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance based bonuses and prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

Voting at the Company's 21 November 2018 Annual General Meeting ("AGM")

The Company received 92.8% of "for" votes in relation to its remuneration report for the year ended 30 June 2018.

Remuneration Policy versus Consolidated Entity Financial Performance

Over the past 5 years the Consolidated Entity has continued to acquire and maintain many participating interests in mining projects and companies that Directors believe have the potential to provide ongoing benefits to Shareholders.

A number of projects are not at a stage where production or positive cash flows have been established, which may affect the Consolidated Entity's current performance and shareholder wealth.

The Consolidated Entity's earnings in the past 5 years have remained negative which is due to the nature of the Consolidated Entity as an early stage exploration Company. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by the Consolidated Entity.

The earnings of the consolidated entity for the five years to 30 June 2019:

Loss financial year ended 2019	($10,884,035)
Loss financial year ended 2018	($5,694,632)
Loss financial year ended 2017	($3,162,721)
Loss financial year ended 2016	($2,037,730)
Loss financial year ended 2015	($1,447,470)

Factors that are considered to affect total shareholder return are summarised below (on a post consolidation basis):

	2019	**2018**	**2017**	**2016**	**2015**
Share price at financial year end ($A)	0.015	0.034	0.015	0.05	0.08
Basic earnings per share (cents per share)	(1.28)	(0.80)	(0.82)	(1.2)	(1.1)

Directors have been compensated for work undertaken and the responsibilities assumed in being Directors of this Consolidated Entity based on industry practice, as opposed to the Consolidated Entity's performance which is difficult to ascertain given the nature of the activities undertaken, as described above.

Performance Based Remuneration

The purpose of performance based remuneration is to reward individual performance in line with the Consolidated Entity's objectives. Consequently, performance based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the Consolidated Entity. Details on Performance Rights granted to Key Management Personnel is disclosed in Section B below.

Section B: Details of Remuneration

Details of Remuneration for the year ended 30 June 2019

The remuneration for Key Management Personnel of the Consolidated Entity during the year was as follows:

FY 2018/19	Short-term employee benefits			Post-employment benefits	Share-based payments		Performance
	Cash salary and fees $	Other $	Non-monetary benefits $	Superannuation Contribution $	Equity-settled $	Total $	Related Remuneration %
Terence Topping	290,000	-	-	27,550	-	317,550	-
Bruno Seneque	40,000	-	-	3,800	-	43,800	-
Neil Hutchison	40,000	-	-	3,800	-	43,800	-
Adrien Wing	90,000	-	-	-	-	90,000	-
	460,000	**-**	**-**	**35,150**	**-**	**495,150**	

The Board approved a salary package for Mr Topping of $290,000 p.a. (exclusive of superannuation at 9.5%) effective from 1 July 2018. The contract can be terminated by either party subject to a 6 months notice period.

Amber Corporate Pty Ltd is an entity associated with Mr Seneque, included in the fees paid to Amber Corporate Pty Ltd are professional fees of $28,500 for consulting services, including services provided by Mr Seneque. All charges were on commercial terms.

Details of Remuneration for the year ended 30 June 2018

The remuneration for Key Management Personnel of the Consolidated Entity during the year was as follows:

FY 2017/18	Short-term employee benefits			Post-employment benefits	Share-based payments		Performance
	Cash salary and fees $	Other $	Non-monetary benefits $	Superannuation Contribution $	Equity-settled $	Total $	Related Remuneration %
Terence Topping[1]	234,663	-	-	20,900	620,600	876,163	70.8
Joshua Wellisch[2]	240,900	-	-	-	-	240,900	-
Bruno Seneque[1] [3]	36,667	-	-	3,483	310,300	350,450	88.5
Neil Hutchison[1]	40,000	-	-	3,167	310,300	353,467	87.8
Adrien Wing[1]	91,300	-	-	-	465,450	556,750	83.6
	643,530	**-**	**-**	**27,550**	**1,706,650**	**2,377,730**	

[1] Details of the equity issued to Directors and Company Secretary can be found in "Section C: Share Based Compensation". Performance Rights of $1,706,650 issued to the Directors and Company Secretary approved by shareholders on 15 November 2017 detailed under 'Performance Income' below.

[2] Resigned 4 August 2017

[3] Appointed 4 August 2017

The Board approved a salary package for Mr Topping of $262,800 p.a. (inclusive of superannuation at 9.5%) effective from 1 September 2017. The contract can be terminated by either party subject to a 6 months' notice period.

Performance Income as a Proportion of Total Remuneration

All executives are eligible to receive incentives by the recommendation of the Board. The performance payments are based on a set monetary value, set number of shares, or options, or as a portion of base salary. There is no fixed proportion between incentive and non-incentive remuneration.

The number of performance rights issued by the Company to key management personnel, including their personal related parties is as set out below:

	Balance at start of the year	Received as compensation *		Conversion No. **	Value at date of Conversion	Balance at the end of the year/ resignation date
		No.	$		$	
2019						
Terence Topping	6,000,000	-	-	-	-	6,000,000
Neil Hutchison	3,000,000	-	-	-	-	3,000,000
Bruno Seneque	3,000,000	-	-	-	-	3,000,000
Adrien Wing	4,500,000	-	-	-	-	4,500,000
	16,500,000	**-**	**-**	**-**	**-**	**16,500,000**
2018						
Terence Topping	-	8,000,000	620,600	(2,000,000)	156,000	6,000,000
Joshua Wellisch	8,850,000	-	-	-	-	8,850,000
Neil Hutchison	1,766,667	4,000,000	310,300	(2,766,667)	234,467	3,000,000
Bruno Seneque	-	4,000,000	310,300	(1,000,000)	78,000	3,000,000
Adrien Wing	3,333,334	6,000,000	465,450	(4,833,334)	412,133	4,500,000
	13,950,001	**22,000,000**	**1,706,650**	**(10,600,001)**	**880,600**	**25,350,000**

* Performance Rights of $1,706,650 issued approved by shareholders on 15 November 2017. Refer below for disclosure of the assumptions used in valuing these performance rights.

**Converted Series B performance rights to shares based on a share price of $0.088 at the date of conversion on 2 October 2017.
Converted Series C performance rights to shares based on a share price of $0.088 at the date of conversion on 2 October 2017.
Converted Series D performance rights to shares based on a share price of $0.089 at the date of conversion on 17 November 2017.
Converted Series E performance rights to shares based on a share price of $0.089 at the date of conversion on 17 November 2017.
Converted Series J performance rights to shares based on a share price of $0.078 at the date of conversion on 22 November 2017.
Refer also to "Section C: Share Based Compensation" set out below.

The Monte-Carlo simulation model has been used when valuing the Company's performance share rights within this report. The nature of the performance rights are that, at any time during the market vesting period, subject to meeting the vesting conditions, an ordinary share in KAI will automatically vest to the holder of the performance right.

Input	Assumption
Number of Rights	Series G – 10,500,000 Series H – 10,500,000 Series I – 10,500,000 Series J – 10,500,000
Valuation Date	15 November 2017
Vesting Period (Years)	Series G – 3 years from date of issue Series H – 3 years from date of issue Series I – 3 years from date of issue Series J – 3 years from date of issue
Spot Price	$0.087
Exercise Price	$0.00
Company Volatility	100%
Vesting condition	Series G – market capitalisation of $60,000,000 or more Series H – market capitalisation of $70,000,000 or more Series I – market capitalisation of $80,000,000 or more Series J – the company raising capital of at least $5,000,000
Risk free rate	1.93%
Dividend yield	0%
Fair value per Right	Series G – $0.0767 Series H – $0.0741 Series I – $0.0725 Series J – $0.0870

Section C: Share Based Compensation

Details of Shares Held

The number of shares in the Company held by key management personnel, including their personal related parties is as set out below:

	Balance at start of the year/appoint -ment date	Performance Rights Converted **	Received as salary	Issue Price	Net change other *	Balance at the end of the year/ resignation date
2019						
Terence Topping	3,484,164	-	-	-	-	3,484,164
Bruno Seneque	1,206,218	-	-	-	-	1,206,218
Neil Hutchison	4,893,333	-	-	-	-	4,893,333
Adrien Wing	1,818,181	-	-	-	-	1,818,181
	11,401,896	**-**	**-**	**-**	**-**	**11,401,896**
2018						
Terence Topping	1,484,164	2,000,000	-	-	-	3,484,164
Joshua Wellisch[1]	4,864,286	-	-	-	-	4,864,286
Bruno Seneque[2]	206,218	1,000,000	-	-	-	1,206,218
Neil Hutchison	2,126,667	2,766,666	-	-	-	4,893,333
Adrien Wing	1,700,000	4,833,334	-	-	(4,715,153)	1,818,181
	10,381,335	**10,600,000**	**-**	**-**	**(4,715,153)**	**16,266,182**

* The net change other column above includes those shares acquired and sold by Directors as well as shares issued during the year to Directors' for their participation in any placements/rights issues.

** Converted Series B performance rights to shares based on a share price of $0.088 at the date of conversion on 2 October 2017.
Converted Series C performance rights to shares based on a share price of $0.088 at the date of conversion on 2 October 2017.
Converted Series D performance rights to shares based on a share price of $0.089 at the date of conversion on 17 November 2017.
Converted Series E performance rights to shares based on a share price of $0.089 at the date of conversion on 17 November 2017.
Converted Series J performance rights to shares based on a share price of $0.078 at the date of conversion on 22 November 2017.

[1] Resigned 4 August 2017
[2] Appointed 4 August 2017

Details of Options Held

The number of Options over ordinary shares in the Company held by key management personnel (KMP), including their personal related parties is as set out below:

	Balance at start of the year/appoint-ment date	Received as compensation	Options Exercised No.	Options Lapsed No.	Net change other *	Balance at the end of the year/ resignation date
2019						
Terence Topping	-	-	-	-	-	-
Bruno Seneque	-	-	-	-	-	-
Neil Hutchison	-	-	-	-	-	-
Adrien Wing	2,818,181	-	-	-	-	2,818,181
	2,818,181	**-**	**-**	**-**	**-**	**2,818,181**

* The net change other column above includes those options that have been acquired and disposed of by KMP as well as options issued during the year for KMP participation in any placements/rights issues.

Section D: Loans to Directors and Other Key Management Personnel

There were no loans made to Directors or other Key Management Personnel of the Company, including their personally related parties.

Section E: Other Transactions with Key Management Personnel

There were no transactions with Key Management Personnel not disclosed above or in Note 20.

End of Remuneration Report (Audited).

Signed in accordance with a resolution of the Board of Directors made pursuant to s298(2)(a) of the Corporations Act 2001.

Terence Topping
Chairman

Dated: 27th September 2019.

Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia

DECLARATION OF INDEPENDENCE BY RICHARD DEAN TO THE DIRECTORS OF KAIROS MINERALS LIMITED

As lead auditor of Kairos Minerals Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kairos Minerals Limited and the entities it controlled during the period.

Richard Dean
Partner

BDO East Coast Partnership

Melbourne, 27 September 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
REVENUE			
Interest revenue from external parties	2	16,393	7,921
Other	2	8,213	1,800
TOTAL REVENUE		**24,606**	**9,721**
EXPENSES			
Tax and audit fees		(63,533)	(80,122)
Depreciation	13	(19,115)	(11,329)
Directors' fees	3	(243,985)	(1,820,980)
Travel and marketing		(228,192)	(340,099)
Professional fees	3	(295,477)	(2,669,809)
Rent		(139,429)	(65,000)
Administration and other expenses		(386,820)	(513,743)
Doubtful debts	9	-	(196,917)
Exploration costs written off	14	(9,532,090)	(6,354)
TOTAL EXPENSES		**(10,908,641)**	**(5,704,353)**
Loss before income tax		**(10,884,035)**	**(5,694,632)**
Income tax expense	4	-	-
Loss for the year after income tax		**(10,884,035)**	**(5,694,632)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Changes in fair values of investments at fair value through other comprehensive income, net of tax		(211,857)	(22,162)
Total comprehensive loss for the year		**(11,095,892)**	**(5,716,794)**
Loss attributable to:			
Owners of Kairos Minerals Ltd		(10,884,035)	(5,694,632)
Non-controlling interests		-	-
		(10,884,035)	**(5,694,632)**
Total comprehensive loss attributable to:			
Owners of Kairos Minerals Ltd		(11,095,892)	(5,716,794)
Non-controlling interests		-	-
		(11,095,892)	**(5,716,794)**
Loss per share for the year attributable to the members of Kairos Minerals Limited:			
Basic (loss) per share (cents per share)	7	(1.28)	(0.80)
Diluted (loss) per share (cents per share)	7	(1.28)	(0.80)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
ASSETS			
Current assets			
Cash and cash equivalents	8	1,497,140	6,506,276
Trade and other receivables	9	61,109	177,723
Other assets	10	39,402	25,907
Total Current Assets		**1,597,651**	**6,709,906**
Non-current assets			
Other financial assets	11	324,156	281,013
Plant and equipment	13	48,607	34,286
Exploration and evaluation costs	14	9,202,277	16,094,763
Total non-current assets		**9,575,040**	**16,410,062**
TOTAL ASSETS		**11,172,691**	**23,119,968**
LIABILITES			
Current liabilities			
Trade and other payables	15	419,279	1,480,330
Total current liabilities		**419,279**	**1,480,330**
TOTAL LIABILITES		**419,279**	**1,480,330**
NET ASSETS		**10,753,412**	**21,639,638**
EQUITY			
Contributed equity	16	69,667,255	69,457,589
Financial assets at fair value reserve through other comprehensive income		(233,144)	(21,287)
Performance Rights reserve		2,344,650	2,344,650
Accumulated losses		(61,024,238)	(50,140,203)
Parent interests		**10,754,523**	**21,640,749**
Non-controlling interests		(1,111)	(1,111)
TOTAL EQUITY		**10,753,412**	**21,639,638**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2019

Consolidated Entity	Contributed Equity $	Financial assets at fair value reserve through other comprehensive income $	Performance Rights reserve $	Accumulated losses $	Non-controlling interests $	Total $
Balance at 1 July 2017	**56,108,725**	**875**	**900,107**	**(44,445,571)**	**(1,111)**	**12,563,025**
Loss for the year	-	-	-	(5,694,632)	-	(5,694,632)
Other comprehensive loss	-	(22,162)	-	-	-	(22,162)
Total comprehensive (loss) for the year	**-**	**(22,162)**	**-**	**(5,694,632)**	**-**	**(5,716,794)**
Transactions with owners in their capacity as owners:						
Shares issued (net of costs)	9,105,588	-	-	-	-	9,105,588
Performance Rights converted	1,813,607	-	(1,813,607)	-	-	-
Options exercised	1,991,669	-	-	-	-	1,991,669
Options Issued	438,000	-	-	-	-	438,000
Performance Rights granted (Note 3)	-	-	3,258,150	-	-	3,258,150
Balance at 30 June 2018	**69,457,589**	**(21,287)**	**2,344,650**	**(50,140,203)**	**(1,111)**	**21,639,638**
Loss for the year	-	-	-	(10,884,035)	-	(10,884,035)
Other comprehensive loss	-	(211,857)	-	-	-	(211,857)
Total comprehensive (loss) for the year	**-**	**(211,857)**	**-**	**(10,884,035)**	**-**	**(11,095,892)**
Transactions with owners in their capacity as owners:						
Shares issued (net of costs)	70,907	-	-	-	-	70,907
Options exercised	138,759	-	-	-	-	138,759
Balance at 30 June 2019	**69,667,255**	**(233,144)**	**2,344,650**	**(61,024,238)**	**(1,111)**	**10,753,412**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,272,114)	(1,497,590)
Receipts from customers (inclusive of GST)		-	1,800
Interest received		16,393	7,921
Net cash flows used in operating activities	19	**(1,255,721)**	**(1,487,869)**
Cash flows from investing activities			
Payment for purchases of plant and equipment		(1,066)	(13,134)
Farm-in interest proceeds		-	-
Payment for tenement and exploration		(3,632,015)	(4,295,728)
Payment for investments		(255,000)	(302,500)
Research and development tax incentive		-	808,203
Net cash flows used in investing activities		**(3,888,081)**	**(3,803,159)**
Cash flows related to financing activities			
Proceeds from issues of securities		138,759	11,006,669
Capital raising costs		(4,093)	(634,305)
Net cash flows from financing activities		**134,666**	**10,372,364**
Net increase in cash and cash equivalents		**(5,009,136)**	**5,081,336**
Cash and cash equivalents at the beginning of the year		6,506,276	1,424,940
Cash and cash equivalents at the end of the financial year	8	**1,497,140**	**6,506,276**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTE 1: BASIS OF PREPARATION

Corporate Information

The financial report of Kairos Minerals Limited (the Consolidated Entity) for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the Directors on 27 September 2019.

Kairos Minerals Limited is a listed public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: KAI). The financial report covers the Consolidated Entity of Kairos Minerals Limited and controlled entities.

The principal activity of the Company is resource exploration.

New or Amended Accounting Standards and Interpretations Adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Impact of adoption

AASB 9 and AASB 15 (which make amendments to AASB 101) were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2018. There is no material impact of the new Accounting Standards compared with the previous Accounting Standards on the current reporting period.

The investment classifications 'Available-for-sale financial assets' are no longer used and 'Financial assets at fair value through other comprehensive income' was introduced.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2019. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, is set out below.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases.

Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs.

Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 using the modified retrospective approach allowed under Paragraph C8 (b)(ii). Under this approach the cumulative difference from this standard will be recognised as an adjustment on 1 July 2019, comparatives will not be restated.

Based on the current lease expiring on 15 July 2020 the impact of the treatment would fall under the 12 months expectation and therefore the impact has not been determined for the current reporting period on the basis of materiality.

Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards, as appropriate for profit orientated entities. The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian dollars.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and assumptions made by management in preparation of these financial statements are;

- Share based payment transactions
  The Consolidated Entity measures the cost of the share-based payments at fair value at the grant date using the Monte-Carlo simulation model after taking into account the terms and conditions upon which the instruments were granted (see note 16).

- Exploration and evaluation costs
  One or more of the following facts and circumstances indicate that an entity should test exploration and evaluation assets for impairment (the list is not exhaustive):
  (a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
  (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
  (c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
  (d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

  Where an impairment test is performed, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

- Fair value measurement
  Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

- Allowance for expected credit loss
  The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

Going concern
The Consolidated Entity incurred a net loss after income tax of $10,884,035 for the year ended 30 June 2019 (2018: $5,694,632) and had net cash outflows from operating and investing activities of $5,143,802 (2018: $5,291,028). At 30 June 2019, the Consolidated Entity had cash and cash equivalents of $1,497,140 (2018: $6,506,276) and had working capital, being current assets less current liabilities, of $1,178,372 (2018: $5,229,576).

Based on planned and committed expenditure, the company will need to raise additional capital within the next 12 months to fund its activities. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the entity to continue as a going concern. The financial report has been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business at the amounts stated in the financial report, for the following reasons:

- The budgets and forecasts reviewed by the directors for a period of 12 months from the date of signing the financial report anticipate that the business will continue to hold cash and cash equivalents to fund its operations and exploration commitments.
- Management will actively manage discretionary and exploration expenditures in line with the funds available.
- Should additional funding be required the Consolidated Entity may attempt future equity capital raising initiatives, however it should be noted that while this source of funding has been used in the past, any future capital raising would be dependent on financial market conditions at the time that any additional equity funds are being sought.

Based on the above, the directors are satisfied adequate resources are in place and that the Consolidated Entity will have sufficient sources of funding to meet its obligations and anticipated expenditure through to 27 September 2020 (12 months from date of audit report).

Should the Consolidated Entity be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due

Statement of Compliance
The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Consolidated Entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Principles of Consolidation

A controlled entity is any entity controlled by Kairos Minerals Limited. The parent entity controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

A list of controlled entities is contained in Note 12 to the financial statements. All of the controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

Where controlled entities have entered or left the Consolidated Entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b) Income Tax

The charge for current income tax expense is based on the profit or loss for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted as at the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The tax Consolidated Entity has entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution of the group's income tax. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the parent entity.

c) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over their useful lives to the Consolidated Entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20% to 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

d) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The costs of restoration obligations are provided for in full at the time of the activities which give rise to the need of restoration. Restoration costs include reclamation, site closure and monitoring of those activities, and are based on undiscounted prospective current cost estimates which satisfy anticipated legal requirements. Estimates of future costs are measured at least annually.

Where part of a tenement/area of interest is farmed out in consideration of the farminee undertaking to incur further expenditure on behalf of both the farminee and the farmor, exploration expenditure incurred and carried forward prior to farmout continues to be carried forward without adjustment, unless the terms of the farmout are excessive based on the diluted interest retained. A decision is then made to reduce exploration expenditure to its recoverable amount.

e) Other Financial Assets

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

<u>Financial assets at fair value through profit or loss</u>

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

1. held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
2. designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and for which an irrevocable election has been made to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

f) Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the profit and loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

h) Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

j) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender is recognised as an expense on an accruals basis.

k) Share capital

Ordinary share capital is recognised as the fair value of the consideration received by the Consolidated Entity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

l) Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to Directors and contractors.

Equity-settled transactions are awards of shares, performance rights or options over shares that are provided to Directors and contractors in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. Performance rights are valued using the Monte-Carlo simulation model, taking into account any market based performance conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

m) Earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares outstanding during the financial year. Where a net loss is made for the period, basic earnings per share and dilutive earnings per share are the same, because, the inclusion of options in the earnings per share calculation does not result in future dilution.

n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

o) Investment in subsidiaries

Investments in subsidiaries are carried at the lower of cost of acquisition or at their recoverable amount in the Consolidated Entity's financial statements.

p) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and assessing their performance.

q) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the result of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

NOTE 2: REVENUE

	30 June 2019 $	30 June 2018 $
Interest revenue from external parties	16,393	7,921
Other	8,213	1,800
Total revenue	**24,606**	**9,721**

NOTE 3: EXPENDITURE

	30 June 2019 $	30 June 2018 $
<u>**Directors' fees**</u>		
Salaries	208,835	552,230
Superannuation	35,150	27,550
Share based payments – equity settled [1, 2]	-	1,241,200
Directors' fees	**243,985**	**1,820,980**
<u>**Professional fees**</u>		
Legal fees	7,800	62,169
Company secretarial	90,000	91,300
Accounting and consultants	197,677	964,840
Share based payments – equity settled [1, 2]	-	1,551,500
Professional fees	**295,477**	**2,669,809**

1 Performance Rights were issued to Directors and Company Secretary pursuant to the 15 November 2017 Annual General Meeting of the Company. In addition, Performance Rights were provided to consultants for other services. No Performance Rights were issued during the year (2018: $$3,258,150). Total value of Performance Rights issued in have been credited to a reserve in the Statement of Changes in Equity.

2 Where appropriate, elements of salaries and share-based payments have been capitalised in exploration and evaluation assets.

NOTE 4: INCOME TAX EXPENSE

		30 June 2019 $	30 June 2018 $
a)	**The components of tax expense comprise**		
	Current income tax benefit	3,060,943	473,553
	Deferred tax income relating to the originating and reversal of temporary differences	(1,901,305)	1,323,893
	Tax losses not recognised	(1,159,638)	(1,797,446)
		-	-
b)	**The prima facie tax on loss from continuing activities before tax is reconciled to the income tax expense as follows:**		
	Prima facie tax benefit on loss from continuing activities before income tax at 27.5% (2018: 27.5%)		
	- Consolidated Entity	2,993,110	1,566,024
	Add:		
	Tax effect of:		
	- Section 40/880 deduction	100,205	69,741
	Less:		
	Tax effect of:		
	- share based payments	(20,625)	(1,152,609)
	- entertainment/other	(11,747)	(9,603)
		3,060,943	**473,553**
	Tax effect of losses and temporary differences not recognised as deferred tax assets	(3,060,943)	(473,553)
	Income tax expense attributes	-	-
c)	**Unrecognised deferred tax balances**		
	Deferred tax liabilities		
	Deferred exploration & evaluation costs	9,202,277	16,094,963
	Other	272,546	47,194
		9,474,823	**16,142,157**
	Tax effect @ 27.5% (2018: 27.5%)	**2,605,576**	**4,439,093**
	Deferred tax assets		
	Investments	178,159	178,159
	Other	734,647	849,994
	Tax losses **	40,548,539	36,331,876
		41,461,345	**37,360,029**
	Tax effect @ 27.5% (2018: 27.5%)	**11,401,870**	**10,274,008**
	Net deferred tax asset not recognised	8,796,294	5,834,915

NOTE 4: INCOME TAX EXPENSE (CONT.)

The benefit of tax losses and timing differences will only be achieved if:

(i) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and

(ii) the losses are transferred to an eligible entity in the Consolidated Entity; and

(iii) the Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation; and

(iv) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deductions for the losses.

** These carry forward tax losses include gross tax losses from prior financial years amounting to $29,795,709. These losses are subject to further review by the consolidated entity to determine if they satisfy the necessary legislative requirements under the income tax legislation for the carry-forward and recoupment of tax losses. Included in tax losses are transferred losses into the tax Consolidated Entity relating to the years from 2000 to 2002.

Additionally, a deferred tax asset has not been recognised in respect of these items because it is not probable that future profit will be available against which the Consolidated Entity can utilise the benefits.

d) Tax-Consolidation Group

Kairos Minerals Limited is the head entity in the tax Consolidated Entity.

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

a) Key Management Personnel Compensation

The aggregate compensation made to Directors of Kairos Minerals Ltd and other Key Management Personnel of the Consolidated Entity is set out below:

	30 June 2019 $	30 June 2018 $
Short-term employee benefits	460,000	643,530
Post-employment benefits	35,150	27,550
Share based payment - equity settled	-	1,706,650
Total compensation	**495,150**	**2,377,730**

NOTE 6: AUDITORS' REMUNERATION

	30 June 2019 $	30 June 2018 $
Remuneration of the auditor of the parent entity for:		
- Audit and review fees	51,570	51,100
	51,570	**51,100**

NOTE 7: EARNINGS PER SHARE

	30 June 2019	30 June 2018
Basic (loss) per share (cents)	(1.28)	(0.80)
Diluted (loss) per share (cents)	(1.28)	(0.80)
a) Net (loss) used in the calculation of basic and diluted loss per share	($10,884,035)	($5,694,632)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	850,170,726	714,757,217

NOTE 8: CASH AND CASH EQUIVALENTS

	30 June 2019 $	30 June 2018 $
Cash at bank	432,395	6,496,276
Term deposits	1,064,745	10,000
	1,497,140	**6,506,276**

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,497,140	6,506,276
	1,497,140	**6,506,276**

NOTE 9: TRADE AND OTHER RECEIVABLES

	30 June 2019 $	30 June 2018 $
Current		
Sundry receivables	207,057	197,231
Allowance for expected credit loss	(196,917)	(196,917)
Good and services tax refund due	50,969	177,409
	61,109	**177,723**

NOTE 10: OTHER ASSETS

	30 June 2019 $	30 June 2018 $
Current		
Prepayments	39,402	25,907
	39,402	**25,907**

NOTE 11: OTHER FINANCIAL ASSETS

	30 June 2019 $	30 June 2018 $
Non-Current		
Listed securities at fair value	324,156	281,013
	324,156	**281,013**

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		30 June 2019	30 June 2018
Parent Entity			
Kairos Minerals Limited	Australia		
Subsidiaries of Kairos Minerals Limited			
Delcarmen Energy Pty Ltd	Australia	100.00	100.00
Xplor Pty Ltd	Australia	100.00	100.00
Enoch's Point Pty Ltd	Australia	96.86	96.86
Horizon Energy Pty Ltd	Australia	96.86	96.86
Golden Mount Pty Ltd	Australia	96.86	96.86
Westside Nickel Pty Ltd	Australia	100.00	100.00
Coal First Pty Ltd	Australia	100.00	100.00
Next Commodities Pty Ltd	Australia	100.00	100.00

* Percentage of voting power is in proportion to ownership

NOTE 13: PLANT AND EQUIPMENT

	30 June 2019 $	30 June 2018 $
Plant and equipment		
At cost	91,336	61,485
Accumulated depreciation	(42,729)	(27,199)
Total plant and equipment	**48,607**	**34,286**
Movements in carrying amounts		
Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:		
Balance at the beginning of year	34,286	19,011
Additions	33,436	26,604
Depreciation expense	(19,115)	(11,329)
Carrying amount at the end of the year	**48,607**	**34,286**

NOTE 14: EXPLORATION AND EVALUATION ASSETS

		Note	30 June 2019 ($)	30 June 2018 ($)
Fraser Range project (100%)				
	Balance at the start of the year		83,013	32,547
	Exploration expenditure capitalised		22,594	50,466
	Capitalised exploration costs written down		(105,607)	-
			-	**83,013**
Roe Hills project (100%)[1]				
	Balance at the start of the year		7,577,256	5,287,622
	Exploration expenditure capitalised		419,187	2,295,988
	Capitalised exploration costs written down		(7,996,443)	(6,354)
			-	**7,577,256**
Dingo Range project (100%)				
	Balance at the start of the year		1,335,928	1,134,535
	Exploration expenditure capitalised		77,311	201,393
	Capitalised exploration costs written down		(1,413,239)	-
			-	**1,335,928**
Mt York project (100%)				
	Balance at the start of the year		5,676,043	4,197,627
	Exploration expenditure capitalised		420,671	1,478,416
			6,096,714	**5,676,043**
Wodjina project (100%)				
	Balance at the start of the year		215,628	155,344
	Exploration expenditure capitalised		213,193	60,284
			428,821	**215,628**
Mooloo project (100%)				
	Balance at the start of the year		25,348	91,844
	Exploration expenditure capitalised/(reversed)	14(a)	(8,547)	(66,496)
	Capitalised exploration costs written down		(16,801)	-
			-	**25,348**
Taipan project (100%)				
	Balance at the start of the year		597,763	192
	Exploration expenditure capitalised		726,403	597,571
			1,324,166	**597,763**
Croyden project (100%)				
	Balance at the start of the year		322,433	47,069
	Exploration expenditure capitalised		562,965	275,364
			885,398	**322,433**
Lalla Rookh project (100%)				
	Balance at the start of the year		67,947	-
	Exploration expenditure capitalised		23,804	67,947
			91,751	**67,947**
Woodcutters project (100%)				
	Balance at the start of the year		193,404	23,526
	Exploration expenditure capitalised		182,023	169,878
			375,427	**193,404**
Total capitalised exploration expenditure			**9,202,277**	**16,094,763**

[1] Some tenements were impaired due to being lapsed and surrendered on reporting date.

NOTE 14: EXPLORATION AND EVALUATION ASSETS (CONT.)

14(a) Mooloo Project
The reduction in carrying value reflects a refund of tenement rents which was paid in prior period.

14(b) Project Ownership Interests
At reporting date the group owned:

	Percentage Owned (%)	
	30 June 2019	**30 June 2018**
Roe Hills Project	100.00	100.00
Fraser Range Project	100.00	100.00
Dingo Range Project	100.00	100.00
Mt York Project	100.00	100.00
Wodjina Project	100.00	100.00
Mooloo Project	100.00	100.00
Taipan Project	100.00	100.00
Croyden Project	100.00	100.00
Lalla Rookh Project	100.00	100.00
Woodcutters Project	100.00	100.00

14(c) Ultimate Recovery
Ultimate recovery of exploration costs is dependent upon the consolidated entity maintaining appropriate funding through success in its exploration activities or by capital raising, or sale/farm-out of its exploration tenement interests to support continued exploration activities.

NOTE 15: TRADE AND OTHER PAYABLES

	30 June 2019 $	30 June 2018 $
Current		
Trade payables	366,869	1,392,311
Sundry payables and accrued expenses	52,410	88,019
	419,279	**1,480,330**

NOTE 16: CONTRIBUTED EQUITY

	Note	30 June 2019 $	30 June 2018 $
Ordinary shares fully paid	16(a)	69,229,255	69,019,589
Options over ordinary shares	16(b)	438,000	438,000
		69,667,255	**69,457,589**

NOTE 16: CONTRIBUTED EQUITY (CONT.)

	Note	30 June 2019 No.	30 June 2019 $	30 June 2018 No.	30 June 2018 $
16 a) Ordinary Shares					
At the beginning of reporting period		837,399,784	69,019,589	485,516,898	53,271,279
Shares issued during year					
- Issue of shares		-	-	222,818,181	9,015,000
- Issue of shares in lieu of payment for services	(i)	1,536,193	75,000	15,287,384	495,155
- Issue of shares for exploration tenements		-	-	6,358,014	199,220
- Issue of shares for exploration milestone achievements	(ii)	8,000,000	-	-	-
- Exercise of Options	(iii)	5,336,862	138,759	76,602,639	1,991,669
- Issue of shares in respect to the satisfaction of Performance Rights[1]		-	-	30,816,668	1,813,607
- Valuation adjustments for prior year share issues		-	-	-	30,518
- Transfer in respect to expired Options		-	-	-	2,837,446
Transaction costs relating to share issues		-	(4,093)	-	(634,305)
At reporting date		**852,272,839**	**69,229,255**	**837,399,784**	**69,019,589**

[1] The valuation assumptions used in the calculation of performance rights is set out on the following page.

Note	30-June-19	Details	Number	Issue Price $	Total $
(i)	23-Aug-18	Issue of shares for investor relations services	1,000,000	.055	55,000
(i)	23-Aug-18	Issue of shares for consulting services	536,193	.037	20,000
(ii)	23-Aug-18	Issue of shares for exploration milestone reached	8,000,000	-	-
(iii)	various	Exercise of options	5,336,862	.026	138,759
			14,873,055		**213,759**

NOTE 16: CONTRIBUTED EQUITY (CONT.)

	Note	30 June 2019 No.	30 June 2019 $	30 June 2018 No.	30 June 2018 $
16 b) Options					
At the beginning of reporting period		158,215,542	438,000	153,352,158	2,837,446
Options movements during year					
- Issue of options		-	-	222,818,181	-
- Exercise of options		(5,336,862)	-	(76,602,639)	-
- Issue of options to consultants		-	-	12,000,000	438,000
- Expiration of options		-	-	(153,352,158)	(2,837,446)
At reporting date		**152,878,680**	**438,000**	**158,215,542**	**438,000**

The Monte-Carlo simulation model has been used when valuing the Company's performance share rights issued in previous year. The nature of the performance rights are that, at any time during the market vesting period, subject to meeting the vesting conditions, an ordinary share in KAI will automatically vest to the holder of the performance right.

Input	Assumption*
Number of Rights	Series G – 10,500,000 Series H – 10,500,000 Series I – 10,500,000 Series J – 10,500,000
Valuation Date	15 November 2017
Vesting Period (Years)	Series G – 3 years from date of issue Series H – 3 years from date of issue Series I – 3 years from date of issue Series J – 3 years from date of issue
Spot Price	$0.087
Exercise Price	$0.00
Company Volatility	100%
Vesting condition	Series G – market capitalisation of $60,000,000 or more Series H – market capitalisation of $70,000,000 or more Series I – market capitalisation of $80,000,000 or more Series J – the company raising capital of at least $5,000,000
Risk free rate	1.93%
Dividend yield	0%

* Refer to Directors' remuneration report "Section B" and "Section C" for further details.

NOTE 16: CONTRIBUTED EQUITY (CONT.)

During 2018, the Company issued 12,000,000 unlisted options to Highline Capital for consulting services valued with a Black-Scholes calculation, using the following criteria:

Criteria	Inputs
Quantity	12,000,000
Entitlement date	28/09/2017
Expiry date	31/12/2019
Share price	$0.052
Exercise price	$0.026
Implied volatility	100%
Option life (years)	2.26
Expected dividends	-
Risk free rate	1.93%

None of the options issued above had any vesting or escrow conditions.

	30 June 2019		30 June 2018	
	No.	$	No.	$
16 c) Performance Rights				
At the beginning of reporting period	31,500,000	2,344,650	20,316,668	900,107
Movements during year				
- Issued to key management personnel	-	-	42,000,000	3,258,150
- Conversion to shares	-	-	(30,816,668)	(1,813,607)
At reporting date	**31,500,000**	**2,344,650**	**31,500,000**	**2,344,650**

The number of performance rights issued by the Company during 2019 and previous year is set out below:

	Received as compensation*		Conversion No.**	Balance at the end of the year
	No	Fair Value $		
2018				
Terrence Topping	8,000,000	620,600	(2,000,000)	6,000,000
Neil Hutchison	4,000,000	310,300	(1,000,000)	3,000,000
Bruno Seneque	4,000,000	310,300	(1,000,000)	3,000,000
Adrien Wing	6,000,000	465,450	(1,500,000)	4,500,000
Other contractors	20,000,000	1,551,500	(5,000,000)	15,000,000
	42,000,000	**3,258,150**	**(10,500,000)**	**31,500,000**

* Performance Rights issued approved by shareholders on 15 November 2017.
**Converted Series J performance rights to shares. Refer to tables above.

NOTE 17: COMMITMENTS AND CONTINGENCIES

	30 June 2019 $	30 June 2018 $
Exploration expenditure commitments:		
Within one year	979,960	1,375,254
Two to five years	5,252,840	-
More than five years	1,815,960	-
Total	**8,048,760**	**1,375,254**
Operating lease commitments:		
Within one year	160,000	178,094
One to five years	13,333	178,094
Total	**173,333**	**356,188**

If the consolidated entity decides to relinquish certain exploration leases and/or does not meet its obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of the carrying values. The sale, transfer and/or farm-out of explorations rights to third parties will reduce or extinguish these obligations.

Operating lease commitments are the non-cancellable operating lease on office space at 14 Outram Street, West Perth WA 6872. This lease is effective from 15 July 2018 for a two-year term.

NOTE 18: OPERATING SEGMENTS

The consolidated entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews NPBT (net profit/(loss) before tax). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The company owns interests in exploration assets and financial assets that are based in Australia.

NOTE 19: CASH FLOW INFORMATION

	30 June 2019 $	30 June 2018 $
Reconciliation of Cash Flow from Operations with Result after Income Tax:		
(Loss) for the Period	**(10,884,035)**	**(5,694,632)**
Add back depreciation expense	19,115	11,329
Add back allowance for expected credit loss	-	196,917
Add back equity settled expense	75,000	4,191,305
Add back exploration write off	9,532,090	6,354
(Increases)/Decreases in Accounts Receivable	103,081	(197,231)
(Increases)/Decreases in Other Current Assets	-	(1,911)
Decreases/(Increases) in Trade Payables	(100,972)	-
Cash flow used in operations	**(1,255,721)**	**(1,487,869)**

NOTE 20: RELATED PARTY TRANSACTIONS

During the year, the wife of Mr Terence Topping, Ms Johanne Topping, was employed in an administration role and was paid $30,594 (2018: $16,939) for wages and superannuation at normal market rates.

During the period, Amber Corporate Pty Ltd, an entity associated with Mr Bruno Seneque was engaged as consultant and paid $28,500 (2018: $Nil). This amount has also been included within the remuneration report.

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Financial Instruments

The Consolidated Entity's financial instruments consist of cash and cash equivalents, trade and other receivables, other financial assets, and trade and other payables.

	30 June 2019 $	30 June 2018 $
Cash and cash equivalents	1,497,140	6,506,276
Trade and other receivables[1]	10,140	314
Other financial assets	324,156	281,013
Trade and other payables	(419,279)	(1,480,330)

[1] Excludes statutory receivables relating to GST

The Consolidated Entity does not have any derivative instruments at 30 June 2019 (30 June 2018: Nil).

b) Risk Management Policy

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the Consolidated Entity's implementation of that system on a regular basis.

The Board seeks to ensure that the exposure of the Consolidated Entity to undue risk which is likely to impact its financial performance, continued growth and survival is minimised in a cost effective manner.

c) Significant Accounting Policy

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and other financial assets are represented at their fair values determined in accordance with the accounting policies disclosed in Note 1.

d) Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may issue new shares or reduce its capital, subject to the provisions of the Company's constitution.

The capital structure of the Company consists of equity attributed to equity holders of the Company, comprising issued capital and accumulated losses.

e) Financial Risk Management

Interest Rate Risk

The Consolidated Entity is exposed to interest rate risks via the cash and cash equivalents that it holds. Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The objective of managing interest rate risk is to minimise the Consolidated Entity's exposure to fluctuations in interest rates that might impact its interest revenue and cash flow.

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

Cash at bank balances of $1,497,140 (2018: $6,506,276) are subject to interest rate risk, being held in accounts with floating interest rates. There is no other exposure to interest rate risk.

The Consolidated Entity has conducted a sensitivity analysis of the Consolidated Entity's exposure to interest rate risk. The analysis shows that if the Consolidated Entity's interest rate was to fluctuate as disclosed below and all other variables had remained constant, then the interest rate sensitivity impact on the Consolidated Entity's loss after tax and equity would be as follows:

	30 June 2019 $	30 June 2018 $
1% (2018: +1.00%)	14,971	65,063
-1% (2018: -1.00%)	(14,971)	(65,063)

Credit Risk

The Consolidated Entity is exposed to credit risk via its cash and cash equivalents and trade and other receivables. Credit risk is the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Consolidated Entity. To reduce risk exposure for the Consolidated Entity's cash and cash equivalents, it places them with high credit quality financial institutions.

Receivables past due and impaired for which an allowance for expected credit losses has been created are nil (2018: $196,917). All other receivables past due are not considered impaired. Management believe that these receivables are recoverable and are satisfied that payment will be received in full.

Liquidity Risk

The Consolidated Entity is exposed to liquidity risk via its trade and other payables. Liquidity risk is the risk that the Consolidated Entity will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring the Consolidated Entity's undiscounted cash flow forecasts to ensure the Consolidated Entity is able to meet its debts as and when they fall due.

Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the activity. The Board considers when reviewing its undiscounted cash flows forecasts whether the Consolidated Entity needs to raise additional funding from the equity markets. The Consolidated Entity has analysed its trade and other payables below:

	0-30 days	30-60 days	60-90 days	90+ days	Total
2019					
Trade and other payables					
- Trade and other payables	175,968	100,411	3,078	87,412	366,869
- Accrued expenses	52,410	-	-	-	52,410
	228,378	**100,411**	**3,078**	**87,412**	**419,279**
2018					
Trade and other payables					
- Trade and other payables	1,168,578	159,909	-	63,824	1,392,311
- Accrued expenses	88,019	-	-	-	88,019
	1,256,597	**159,909**	**-**	**63,824**	**1,480,330**

NOTE 22: PARENT COMPANY INFORMATION

The following information has been extracted from the financial reports and records of the Parent Entity, Kairos Minerals Ltd, and has been prepared in accordance with the accounting standards.

	Parent Entity	
	30 June 2019	**30 June 2018**
	$	**$**
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	1,584,527	6,696,889
Non-current assets	8,899,428	16,423,080
Total assets	**10,483,955**	**23,119,969**
Liabilities		
Current liabilities	419,279	1,480,331
Total liabilities	**419,279**	**1,480,331**
Net assets	**10,064,676**	**21,639,638**
Equity		
Issued capital	69,667,255	69,457,589
Reserves	2,111,506	2,323,363
Accumulated losses	(61,714,085)	(50,141,314)
Total equity	**10,064,676**	**21,639,638**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	**(10,884,035)**	**(5,694,632)**
Total Comprehensive Loss	**(11,095,997)**	**(5,716,794)**

NOTE 23: EVENTS OCCURRING AFTER THE REPORTING DATE

No other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Consolidated Entity, the result of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

NOTE 24: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Level 1, 14 Outram Street, West Perth, Western Australia, Australia 6005.

Directors' Declaration

The Directors' of the Company declare that;

1. In the Directors' opinion the financial statements and the notes and the remuneration disclosures that are contained within the Remuneration report within the Directors' report are in accordance with the Corporations Act 2001, including:

   a. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its performance, for the financial year ended on that date; and

   b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001 and other mandatory professional reporting requirements.

2. the financial report also complies with International Financial Reporting Standards issued by the International Accounting Standards Board as disclosed in note 1; and

3. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the chief executive officer and chief financial officer for the financial year ended 30 June 2019.

This declaration is made in accordance with a resolution of the Board of Directors.

Terence Topping
Chairman

Melbourne
Dated: 27th September 2019.

Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Kairos Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kairos Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

BDO

Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
The company has incurred significant exploration and evaluation expenditures which have been capitalised in accordance with the requirements of *Exploration for and Evaluation of Mineral Resources* (AASB 6). AASB 6 contains detailed requirements with respect to both the initial recognition of such assets and ongoing requirements to continue to carry forward the assets. As the carrying value of exploration and evaluation expenditures represents a significant asset of the company, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of the areas of interest may exceed their recoverable amounts. Note 1(d) & 14 to the financial statements contain the accounting policy and disclosures in relation to exploration and evaluation expenditures	Our audit procedures included, amongst others: • Obtaining evidence that the company has valid rights to tenure in the areas of interest represented by the capitalised exploration and evaluation expenditures by obtaining independent searches; • Confirming rights to tenure are expected to be renewed for tenements that will expire in the near future; • Agreeing a sample of the additions to capitalised exploration expenditure during the year to supporting documentation, and ensuring that the amounts were permissible under AASB6 and capitalised correctly; • Reviewing the directors' assessment of the carrying value of the exploration and evaluation costs, ensuring that management have considered the effect of potential impairment indicators, commodity prices, planned exploration expenditure and the stage of the Group's projects in accordance with the requirements of AASB 6; • Considering the directors decision to impair capitalised expenditure to ensure their write-offs complied with the requirements of AASB 6 and were disclosed correctly; and • Reviewing public (ASX) announcements and reviewing minutes of directors' meetings to ensure that the company had not decided to discontinue activities in any of its areas of interest.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 24 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Kairos Minerals Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO East Coast Partnership

BDO

Richard Dean
Partner

Melbourne, 27 September 2019

Shareholder Information

As at 24th September 2019:

Number of Holders of Equity Securities

Ordinary Shares

852,272,839 fully paid ordinary shares are held by 6,043 individual shareholders.
All ordinary shares carry one vote per share.

Options

20,060,499 unlisted options exercisable at $0.026 on or before 31 December 2019 are held by 12 individual holders.
132,818,181 unlisted options exercisable at $0.10 on or before 31 December 2020 are held by 86 individual holders.

Options do not carry a right to vote.
Voting rights will be attached to the unissued shares when the options have been exercised.

Distribution of Holders in Each Class of Equity Securities

Shareholders (KAI)

	No. of Shareholders
1 – 1,000	2,225
1,001 – 5,000	427
5,001 – 10,000	404
10,001 – 100,000	1,949
100,001 –	1,038
Total number of shareholders	**6,043**
Unmarketable Parcels	4,075

Twenty Largest Holders of Quoted Securities

Fully paid ordinary shares

Shareholders		Number	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	139,857,793	16.41%
2	BNP PARIBAS NOM PTY LTD	33,634,066	3.95%
3	CITICORP NOMINEES PTY LTD	28,923,369	3.39%
4	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	27,229,722	3.19%
5	J P MORGAN NOMINEES AUSTRALIA LIMITED	16,158,380	1.90%
6	NATIONAL NOMINEES LIMITED	13,405,735	1.57%
7	TYRANNA RESOURCES LTD	12,724,000	1.49%
8	COLIN & IMELDA BOURKE SUPERANNUATION FUND PTY LTD	12,600,000	1.48%
9	MS AIPING ZHANG	11,000,000	1.29%
10	MS LINLIN LI	10,000,000	1.17%
11	MR PAUL JOHN DE ROO	7,000,000	0.82%
12	MR KONG HOCK TAN & MRS MARY MENG MAY ANG	5,142,857	0.60%
13	MR NEIL ARMSTRONG HUTCHINSON & MRS JOYCE ODEH HUTCHINSON	4,893,333	0.57%
14	MR WALTER LEONARD PARSONS STONE	4,500,000	0.53%
15	SILVERSONG PTY LTD <VILLA ROMA SUPER FUND A/C>	4,000,000	0.47%
16	MR BRYCE LEE EDWARDS & MRS JULIE MARGARET EDWARDS <EDWARDS SUPER A/C>	3,595,964	0.42%
17	MR MARC DAVID CHIARUTTINI	3,500,000	0.41%
18	MR IAN LLOYD RICHARDS & MRS BARBARA LESLEY RICHARDS	3,342,856	0.39%
19	WILDERNESS EXPLORATION PTY LTD	3,300,000	0.39%
20	LEKON GLOBAL PTY LTD	3,000,000	0.35%
	TOTAL	**320,578,353**	**40.79%**

Unquoted Equity Securities Holdings Greater than 20%

Nil

Substantial Shareholder Register

2176423 Ontario Ltd	110,909,091 shares	13.01%

Shareholder Enquiries

Shareholders with enquiries about their shareholdings should contact the Share Registry:

Advanced Share Registry Limited
110 Stirling Highway
Nedlands Western Australia 6009
Telephone: +61 (0)8 9389 8033

Change of Address, Change of Name, Consolidation of Shareholdings

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

Removal from the Annual Report Mailing List

Shareholders who wish to receive a hard copy of the Annual Financial Report should advise the Share Registry or the Company in writing. Alternatively, an electronic copy of the Annual Financial Report is available from www.asx.com.au or www.kairosminerals.com.au. All shareholders will continue to receive all other shareholder information.

Tax File Numbers

It is important that Australian resident shareholders, including children, have their tax file number or exemption details noted by the Share Registry.

CHESS (Clearing House Electronic Sub-register System)

Shareholders wishing to move to uncertificated holdings under the Australian Securities Exchange (ASX) CHESS system should contact their stockbroker.

Uncertificated Share Register

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of your holding.

Interests in Mining Tenements as at 30 June 2019

Project/Tenements	Location	Held	Events Subsequent to Balance Date
Roe Hills Project 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 E28/2695 E28/2696 E28/2697	W.A., Australia	100%	N/A
Mt York (Pilbara Lithium Gold Project) P45/2987 P45/2989 P45/2988 P45/2990 P45/2991 P45/2992 P45/2993 P45/2994 P45/2995 P45/2996 P45/2997 P45/2998 L45/0422 L45/0455	W.A., Australia	100%	N/A
Wodjina Project E45/4715 E45/4780 E45/4731 E45/4740 L45/504 L45/505	W.A., Australia	100% JV Altura JV Altura 100% 100% 100% 100%	N/A
Croydon Project E47/3519 E47/3520 E47/3521 E47/3522 E47/3523	W.A., Australia	100%	N/A

Lalla Rookh Project E45/4741 E45/5486 E45/5487	W.A., Australia	100%	N/A
Taipan Project E45/4806	W.A., Australia	100%	N/A
Woodcutters Project E28/2646 E28/2647 E28/2648	W.A., Australia	100%	N/A

Corporate Directory

COMPANY

Kairos Minerals Limited
ABN 84 006 189 331

DIRECTORS

Mr Terence Topping	Executive Chairman
Mr Bruno Seneque	Non-Executive
Mr Neil Hutchison	Non-Executive

COMPANY SECRETARY

Mr Adrien Wing

COMPANY WEBSITE

www.kairosminerals.com.au

REGISTERED OFFICE

Level 1, 14 Outram Street
West Perth, Western Australia
Australia 6005

Phone: +61 (0)8 9226 1141
Facsimile: +61 (0)3 9614 0550

SOLICITORS

DLA Piper
Level 31, Central Park
152-158 St Georges Terrace
Perth WA 6000

SHARE REGISTRY

Advanced Share Registry Limited
110 Stirling Highway
Nedlands Western Australia
Australia 6009

Telephone: +61 (0)8 9389 8033
Facsimile: +61 (0)8 9262 3723

AUDITORS

BDO East Coast Partnership
Level 18, 727 Collins Street
Docklands, Victoria
Australia 3000

SECURITIES QUOTED

Australian Securities Exchange (ASX)

ASX Code: KAI Ordinary Fully Paid Shares

BANKERS

National Australia Bank
Melbourne, Victoria
Australia 3000