

QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2017

Pilbara Gold Project (Pilbara, WA)

- **Highly encouraging results received from maiden helicopter-supported exploration program targeting the conglomerate-hosted gold potential of Kairos' extensive Pilbara tenement portfolio:**
 - *Visible gold discovered from newly identified conglomerates at the Croydon Project within the previously identified 22km strike length of the prospective contact between the basal Mt Roe Basalt and the Archaean basement;*
 - *Significant thick conglomerate exposed at four locations beneath the Mt Roe Basalt which had not previously been reported by Government mapping;*
 - *Exceptional results returned subsequent to Quarter-end from stream sediment sampling which identified widespread and significant gold anomalism including assays up to 12.3g/t Au and 7g/t Au.*
- **Highly successful 2,600m RC drill program at Mt York hits wide zones of strong, shallow BIF-hosted mineralisation along a ~1km strike length in a previously untested area east of the historical Main Hill and Breccia Hill open pits. 100% success rate from the drilling with selected assay results including:**

KMYC018: 22m @ 1.93g/t Au from 106m, including
5m @ 7.02g/t Au from 113m;

KMYC019: 22m @ 1.56g/t Au from 96m, including
16m @ 1.95g/t Au from 102m;

KMYC013A: 16m @ 1.21g/t Au from 137m, including
7m @ 1.53g/t Au from 146m;

KMYC014: 17m @ 1.05g/t Au from 86m, including
5m @ 2.38g/t Au from 98m;

KMYC020: 11m @ 6.97g/t Au from 112m, including:
2m @ 33.39g/t Au from 114m;

- **The results confirm that Mt York Project contains a significantly larger BIF-hosted gold system than previously thought, with strong potential to rapidly expand the current Mineral Resource (Total Indicated & Inferred Resource: 5.692Mt at 1.42g/t for 258,000oz Au)**

Roe Hills Gold Project, WA

- **3,101m Aircore/RC drilling program completed targeting extensions of previously defined mineralisation at Lingering Kiss, Lady of the Lake, Terra plus initial drilling at a new geochemical prospect.**

Corporate

- **Leading global investor, Eric Sprott, through Sprott Capital Partners, joined the Kairos share register as a significant holder after subscribing for \$5M as part of a \$7.3M share placement completed during the quarter.**
- **Cash reserves at Quarter-end of \$9.6M, including proceeds of option conversions totalling \$1.9M.**

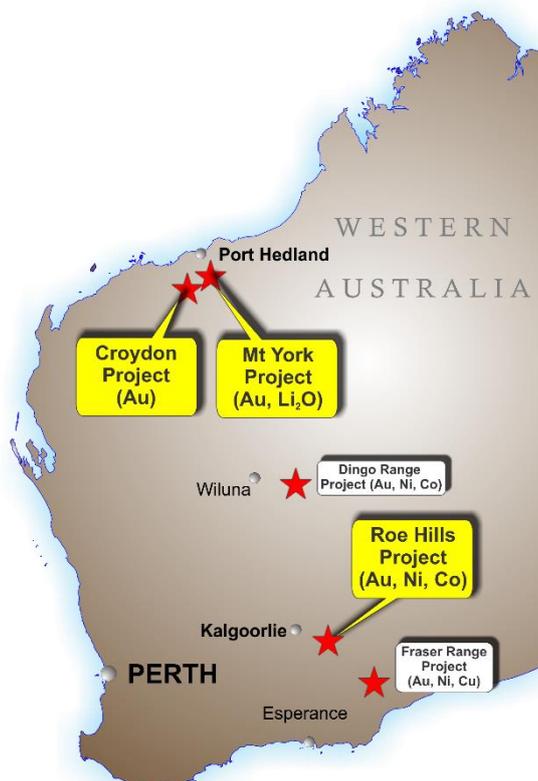


Figure 1: Project Locations

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

CROYDON PROJECT (KAI: 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 base of 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.

Following the fast-tracked geological review of the conglomerate gold potential of its extensive Pilbara tenement holding completed last quarter, Kairos commenced helicopter-supported reconnaissance exploration programs during the quarter, initially focused on the 100%-owned Croydon Project.

Despite extremely hot weather conditions and the inaccessibility of many of the targeted locations, first pass exploration was able to achieve remarkable progress and delivered a number of highly encouraging results in a relatively short space of time.

The helicopter-supported program focused on the contact between the basal Fortescue Group Mount Roe Basalt and older Archean basement along a 22km long corridor within E47/3522 & E47/3523 (see Figure 2).

The field work successfully identified extensive areas of previously unrecognised prospective conglomerate units up to up to ~30m in thickness at four different locations predominantly within the southern portion of tenement package.

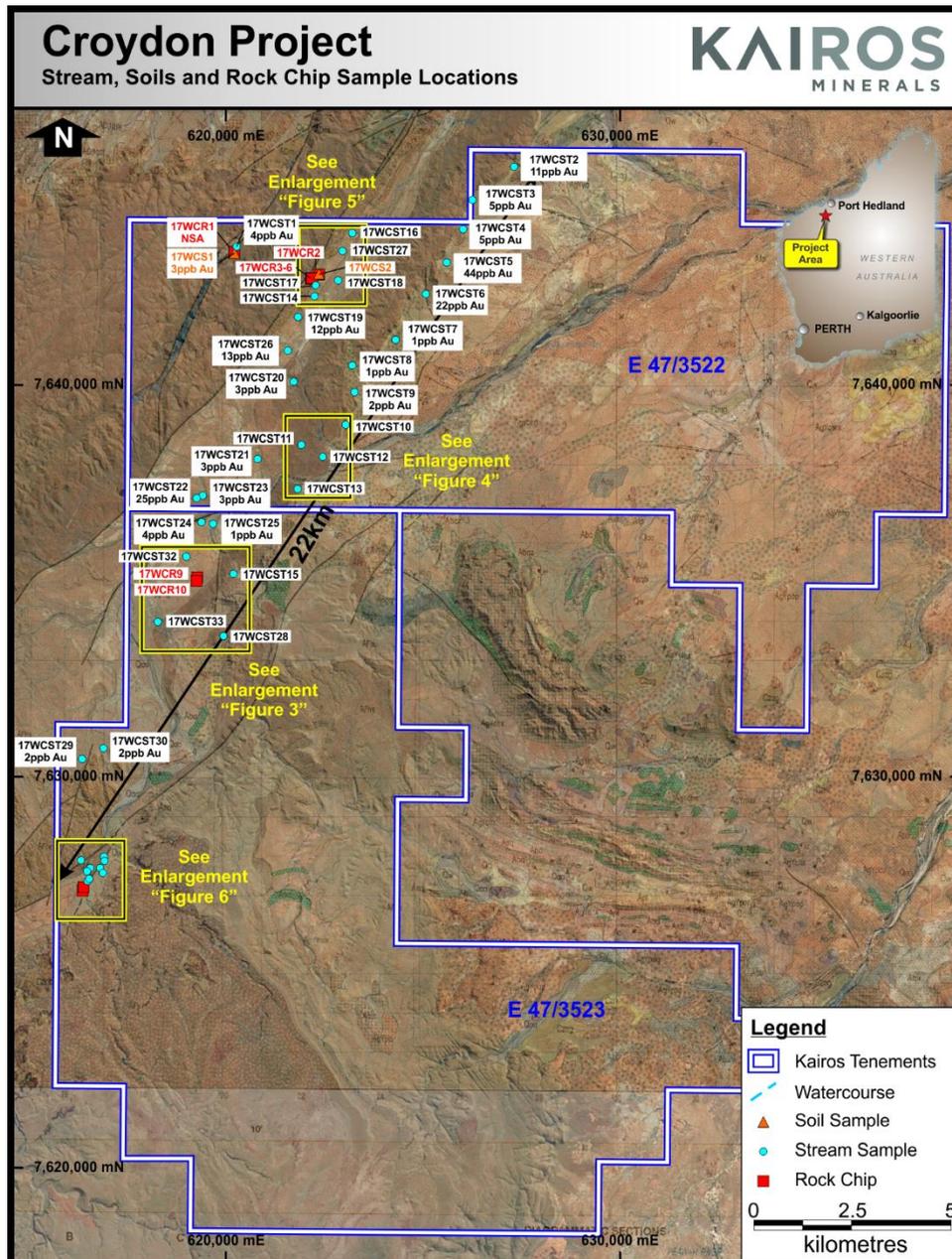


Figure 2: Priority target areas on E47/3522 and E47/3523

Results from the regional geochemistry program were received subsequent to the quarter and were detailed in an announcement to ASX on 10 January 2018.

Stream Sediment Sample 17WCST 15

This stream sediment sample returned significant gold anomalism and this catchment is considered a high-priority target.

The 2kg cyanide leach samples (-2mm fraction) returned 196ppb Au repeat 59ppb Au. The aqua regia result also from the -2mm fraction returned >2000ppb Au repeat 7,650 ppm Au (7.65 g/t). The coarse fraction sample (-5mm+2mm) returned 131pb Au.

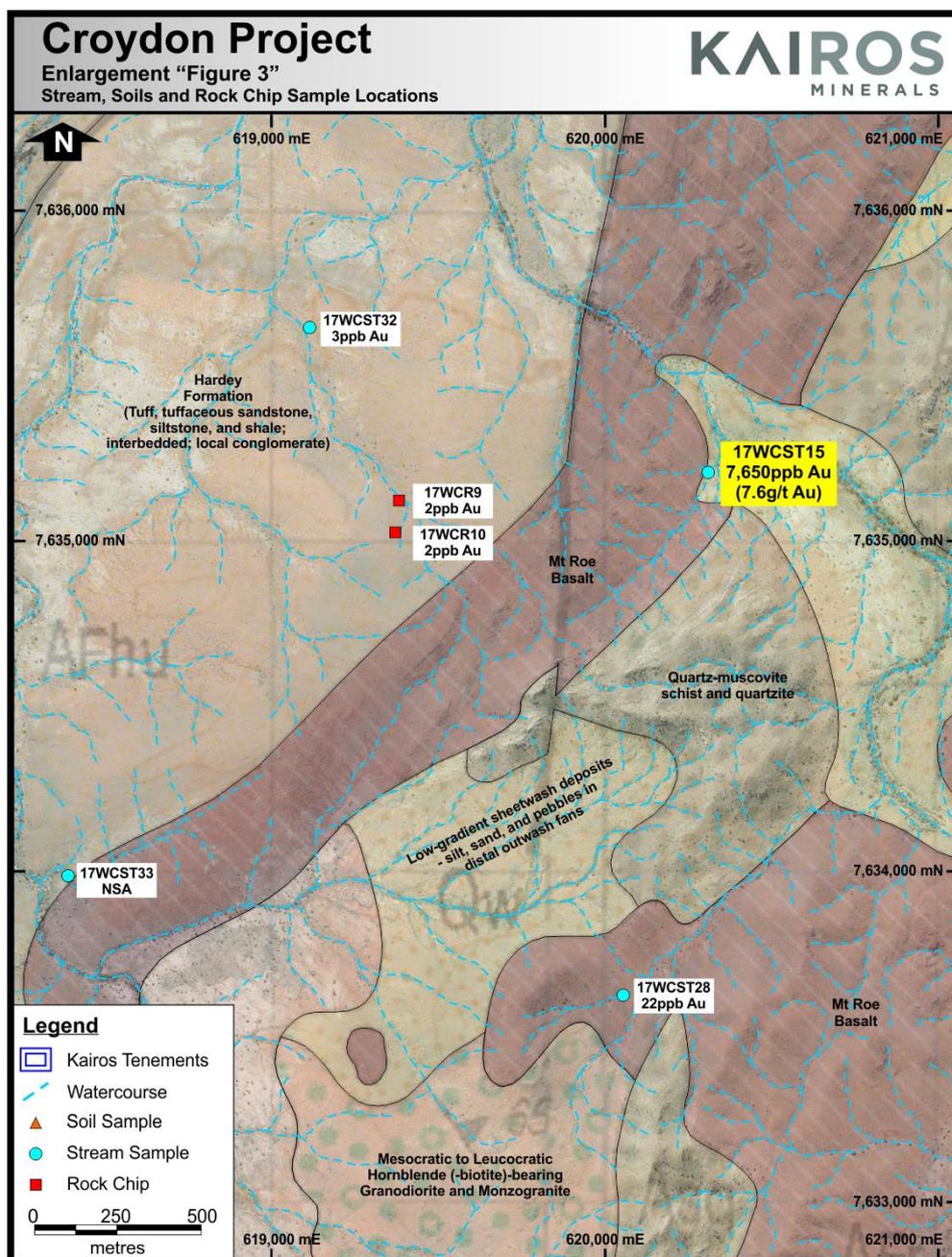


Figure 3: Sample location

The stream sediment samples were collected from a small creek system draining the unconformity between the Mount Roe Basalt and Archaean granitic basement. The creek has a drainage length of approximately 650 metres. This catchment was inspected from the air during the helicopter assisted sampling programme in late 2017 with no obvious conglomerate or sedimentary material observed.

Stream Sediment Samples 17WCST 11 & 17WCST 12

These two stream sediment samples were collected in the same drainage with sample 17WCST 12 located down stream of deflated conglomerate material identified in late 2017. This creek sample returned significant gold results within the fine fraction 2kg cyanide leach result of 1,464ppb Au (1.46 g/t).

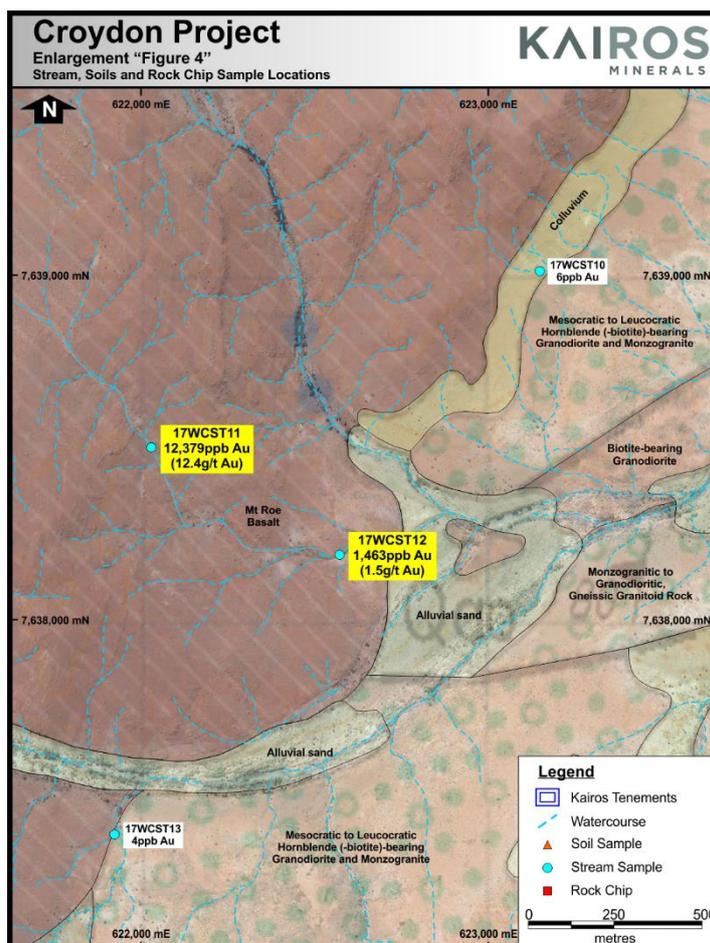


Figure 4: Sample locations

Stream sediment sample 17WCST 12 was collected upstream of the deflated conglomerate and stream sediment sample 17WCST 11 and over Mount Roe Basalt lithologies. The coarse fraction sample was very anomalous with a grade of 12,379 ppb Au (12.4g/t). The objective of this sample was to geochemically assess the overlying Hardey Formation upstream, but further detailed mapping will be required to determine if there is an inlier of the basal conglomerate exposed within this catchment and over the Mount Roe Basalt.

Stream Sediment Samples 17WCST 2, 3, 4, 5 & 6

These five stream sediment samples were collected in the most northern portion of E47/3522 and were designed to assess the contact between the Mount Roe Basalt and Archaean basement. The Satirist 1:100,000 geological map reports medium-to-coarse grained sandstone in the vicinity of stream sediment sample 17WCST 2.

Stream sediment sample 17WCST 5 reported the most anomalous result with 45ppb Au



Plate 1: Sandstone units mapped under Mt Roe Basalt

Hardey Formation Conglomerate and Sandstone Targets

The Hardey Formation which overlies the Mount Roe Basalt trends north-east and transects both E47/3522 and E47/3523 in the western portion of the tenements. During the reconnaissance helicopter sampling program, a quartz cobble conglomerate was observed within the Hardey Formation and sampled (Rock samples 17WCR 2, 3, 4, 5 & 6).

These five rock samples all returned significant gold anomalism ranging between 43ppb Au and 202ppb Au. The conglomerates observed have a dominantly siliceous matrix. This area will now require further detailed exploration and provides a new target horizon within the project area.

Several stream sediment samples were also collected in creeks draining these conglomerates. Four samples 17WCST 14, 17, 18, 19 and 27 returned significantly anomalous gold in both the coarse and fine fractions.

Stream sediment sample 17WCST 17, which drains the conglomerate pile discussed above, returned 497ppb Au and repeated 166ppb Au in the 2kg cyanide leach analysis. Stream sediment sample 17WCST 27, collected 1km along strike to the north and draining mapped conglomerates returned 132ppb Au in the 2kg cyanide leach analysis. Stream sediment samples 17WCST 14, 18 & 19 collected over the Hardey Formation returned 42ppb Au, 33ppb Au and 12ppb Au respectively in the coarse fraction samples.

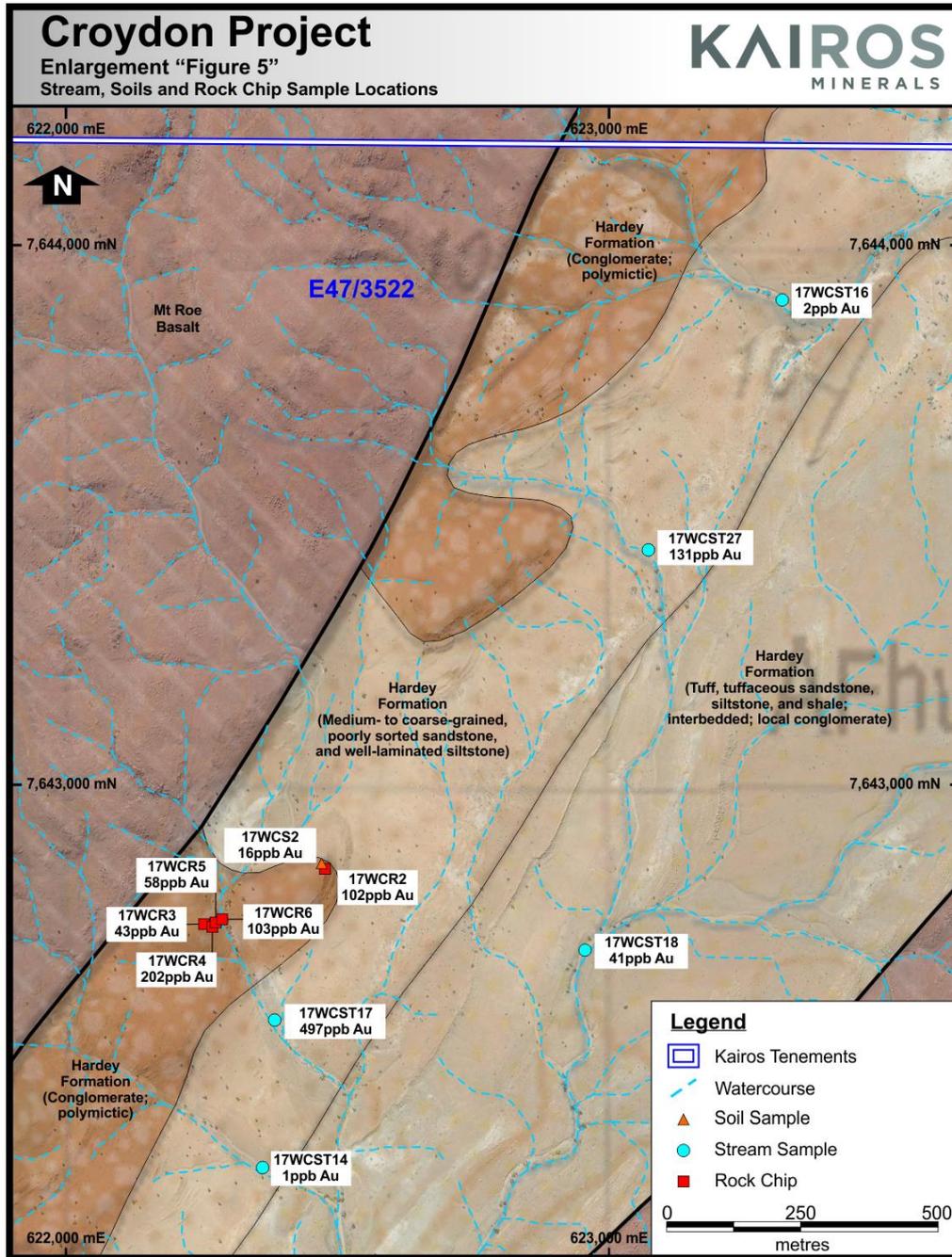


Figure 5: Hardey Formation Conglomerate Sample Locations

At other locations within the Pilbara, auriferous conglomerate horizons are found within the predominately sandy units of the Hardey Formation. Stream sediment samples 17WCST 22 (CN2-25ppb Au/coarse fraction 8ppb Au) and 17WCST 26 (CN2-14ppb Au/coarse fraction 12ppb Au) collected well south and away from the mapped conglomerates discussed above also returned significantly elevated gold responses.

These geochemical results have highlighted the presence of auriferous conglomerates in the Hardey Formation, therefore providing a second target for gold mineralisation within the tenement package.

Southern Conglomerate Target

This area represents the most interesting and most prospective area within the tenement package thus far. Considerable exposure of conglomerate, over 2,000 metres in strike length and up to 400 metres wide, has been observed to date. Another exposure of conglomerate was recently recognised a further 2,000 metres northwards and along strike which may represent an extension of the southern conglomerate area.

Work completed thus far includes reconnaissance outcrop mapping, stream sediment, soil and rock sampling as well as gold panning.

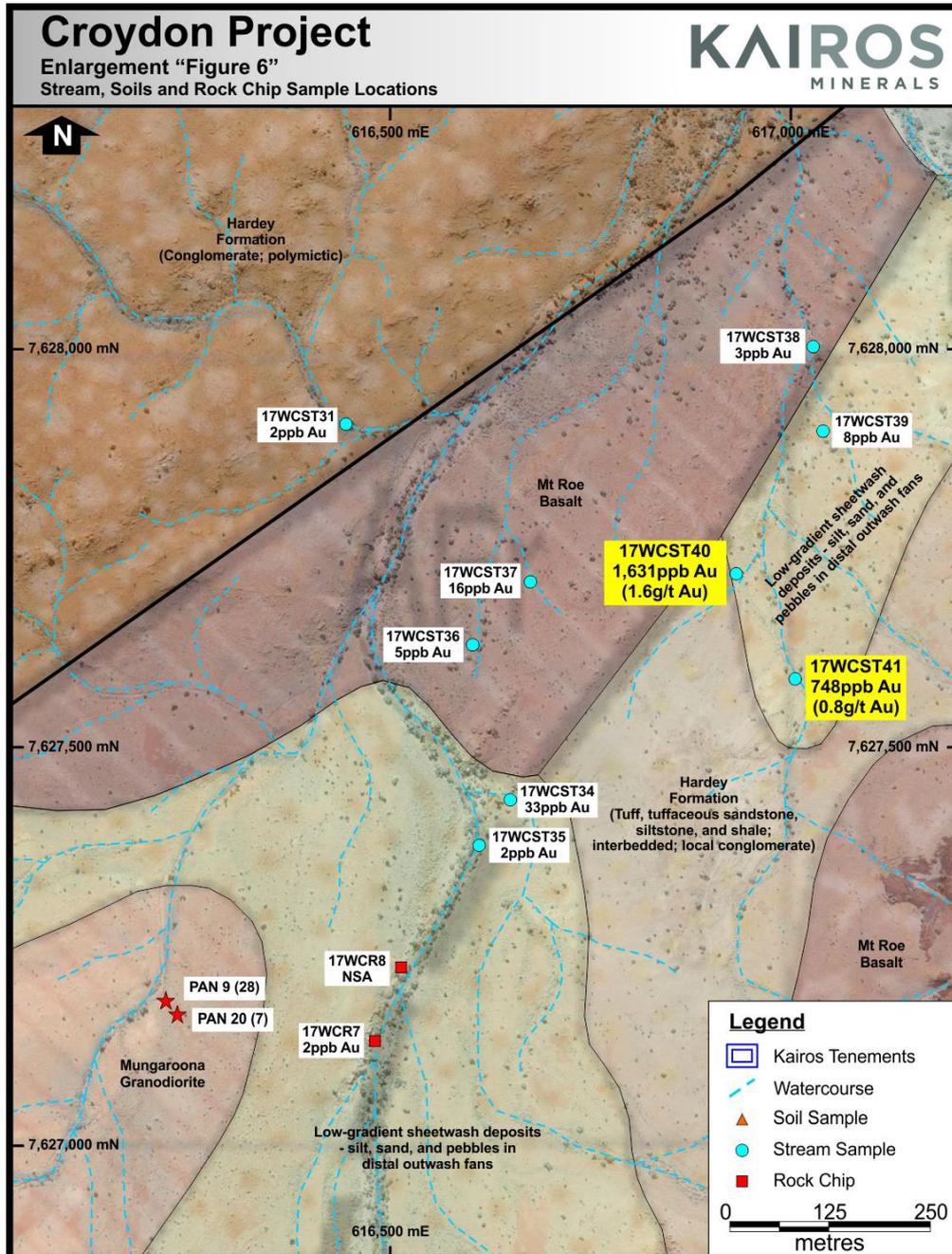


Figure 6: Sample locations

Numerous surface geochemical samples were collected over the southern area. This includes 22 stream sediment samples, four composite soil samples and two rock samples.

The sampling programme has already identified two areas worthy of follow up. This includes the samples collected in the south western area centred around stream sediment samples Pan 9 and 20. Panning of these fine fraction stream sediment samples returned 28 and 7 pieces of gold respectively. A short soil traverse (4 composite sample-samples Pan 21 to 24) across the head waters of sample sites Pan 9 and 20 was completed with sample Pan 22 returning 278ppb Au in the 2kg cyanide leach analysis and 2 pieces of gold in the pan.



Plate 2: Southern Conglomerates

The other location worthy of follow up is located upstream of stream sediment sample sites 17WCST 40 and 41 in the eastern side of the conglomerate package. Sample 17WCST 40 returned 1,632ppb Au (1.6 g/t) repeated 572ppb Au in the 2kg cyanide leach result. Sample 17WCST 41 returned 749ppb Au repeated 420ppb Au in the 2kg cyanide leach result. This sample also returned 42ppb Au in the coarse fraction sample. These 2 adjacent sample sites drain an inlier of granitic basement adjacent to conglomerate and Mount Roe Basalt.

MT YORK GOLD-LITHIUM PROJECT (KAI: 100%)

The 100%-owned Mt York Gold-Lithium Project is located ~100km south of Port Hedland in the world-class Pilgangoora district. Since acquiring the project in early 2016, Kairos has rapidly established a 258,000oz JORC 2012 compliant Mineral Resource inventory at Mt York by re-evaluating the known resources from the historical Lynas Find gold mine, which produced over 125,000oz between 1994 and 1998.

Outstanding Drilling Results from Mt York

During the quarter, Kairos completed a 21-hole/~2,600m Reverse Circulation (RC) drilling program at the Mt York Gold-Lithium Project (Figure 3).

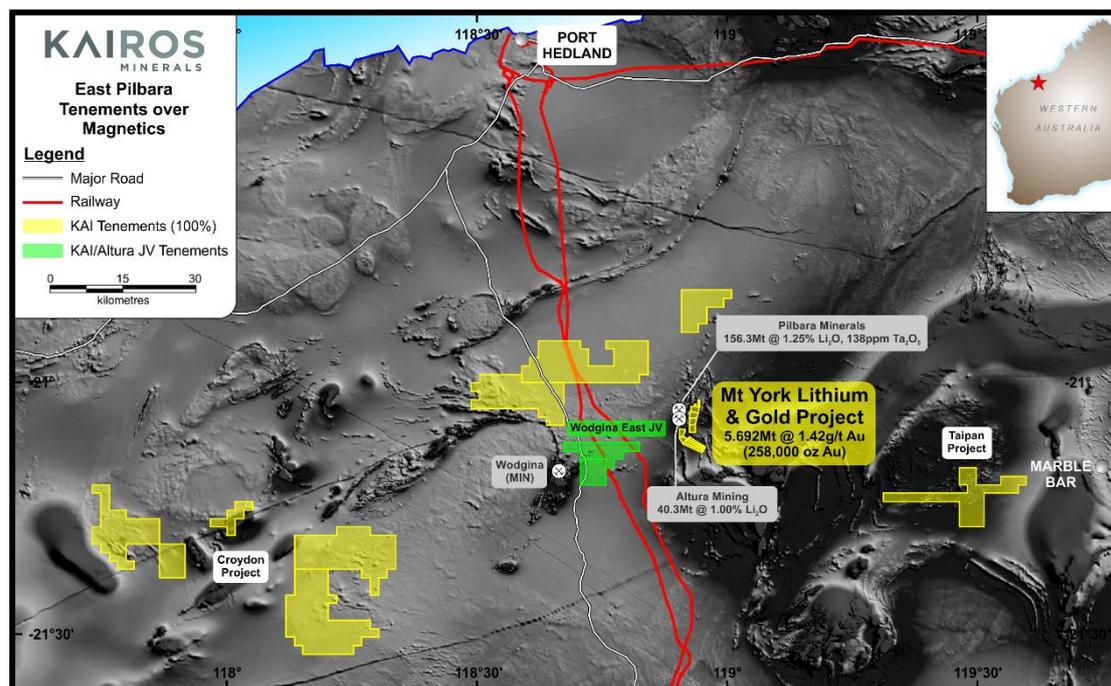


Figure 7: Mt York Project Location, Tenements and Key Gold-Lithium-Tantalum Targets

The drilling program focused initially on testing for potential extensions to the Main Hill and Breccia Hill deposits, over a further 1km of strike eastward to Gossan Hill between surface and a maximum vertical depth of ~150m (Figure 8).

Main Hill and Breccia Hill – Background

The Main Hill and Breccia Hill deposits (JORC 2012 Compliant Indicated and Inferred Mineral Resource – Main Hill and Breccia Hill: totalling 123,000oz Au) define a zone of BIF-hosted gold mineralization traceable over a strike length of at least 1.5km and extending from surface to a maximum drilled depth of 250m. The deposits were partially mined by Lynas Gold NL as a series of shallow open pits to a maximum depth of about 30m in conjunction with the Iron Stirrup mining operation during the mid-1990s at a much lower gold price environment when global gold prices were ~\$250-\$300/ounce.

The deposits remain open along strike to the north and south and at depth. A central “hinge zone” defined by a marked flexure in the mineralised horizon separates the two deposits. This “gap” remained untested and unmined due to a weakened surface expression and a perception by previous operators that the position was barren. The Hinge Zone represents a data shadow of some 400m in strike, which Kairos’ technical team identified as a key structural target with the potential to rapidly expand the current resource, significantly improve future pit expansion/optimization opportunities and to host conceptual underground opportunities.

Three holes were completed in 2016 to provide a preliminary test of the Hinge Zone. The drilling confirmed the presence of both a thickening of the host BIF sequence (>100m thickness) and the presence of a stacked series of gold mineralised lodes well beyond the limits of the known deposits, confirming that the mineralised BIF sequence in this area is significantly wider than was previously recognized.

The results of the 2016 drilling program confirmed Kairos' view that the Main Hill and Breccia Hill deposits are part of a much larger, more extensive mineralised system than was previously recognized, and that the two are connected.

An additional data shadow identified immediately east of Breccia Hill where the BIF sequence remained completely untested over a strike length of some 400m.

RC Drilling Results

The new drill program was designed to test extensions/repetitions to the known mineralisation over the ~1km strike length between Breccia Hill and Gossan Hill on approximate 100m spaced drill lines including a preliminary assessment of the 400m long "data shadow" identified immediately east of the Breccia Hill open pit. Key results received during the Quarter are provided below:

KMYC018:	22m @ 1.93g/t Au from 106m, including 5m @ 7.02g/t Au from 113m
KMYC019:	22m @ 1.56g/t Au from 96m, including 16m @ 1.95g/t Au from 102m
KMYC013A:	16m @ 1.21g/t Au from 137m, including 7m @ 1.53g/t Au from 146m
KMYC014:	17m @ 1.05g/t Au from 86m, including 5m @ 2.38g/t Au from 98m
KMYC015:	5m @ 5.17g/t Au from 188m
KMYC020:	11m @ 6.97g/t Au from 112m, including: 2m @ 33.39g/t Au from 114m
KMYC021:	38m @ 1.1g/t Au from 77m, including: 7m @ 2.23g/t Au from 102m
KMYC022:	22m @ 1.18g/t Au from 77m, including: 4m @ 2.73g/t Au
KMYC023:	12m @ 1.05g/t Au from 32m, including: 1m @ 2.58g/t Au from 32m
KMYC026:	11m @ 1.17g/t Au from 11m
KMYC028:	16m @ 1.08g/t Au from 80m
KMYC029:	4m @ 4.87g/t Au from 4m

KMYC030: 11m @ 1.76g/t Au from 59m

KMYC031: 4m @ 2.11g/t Au from 107m

KMYC025: 6m @ 1.52g/t Au from 137m

KMYC032: 6m @ 2.06g/t Au from 159m

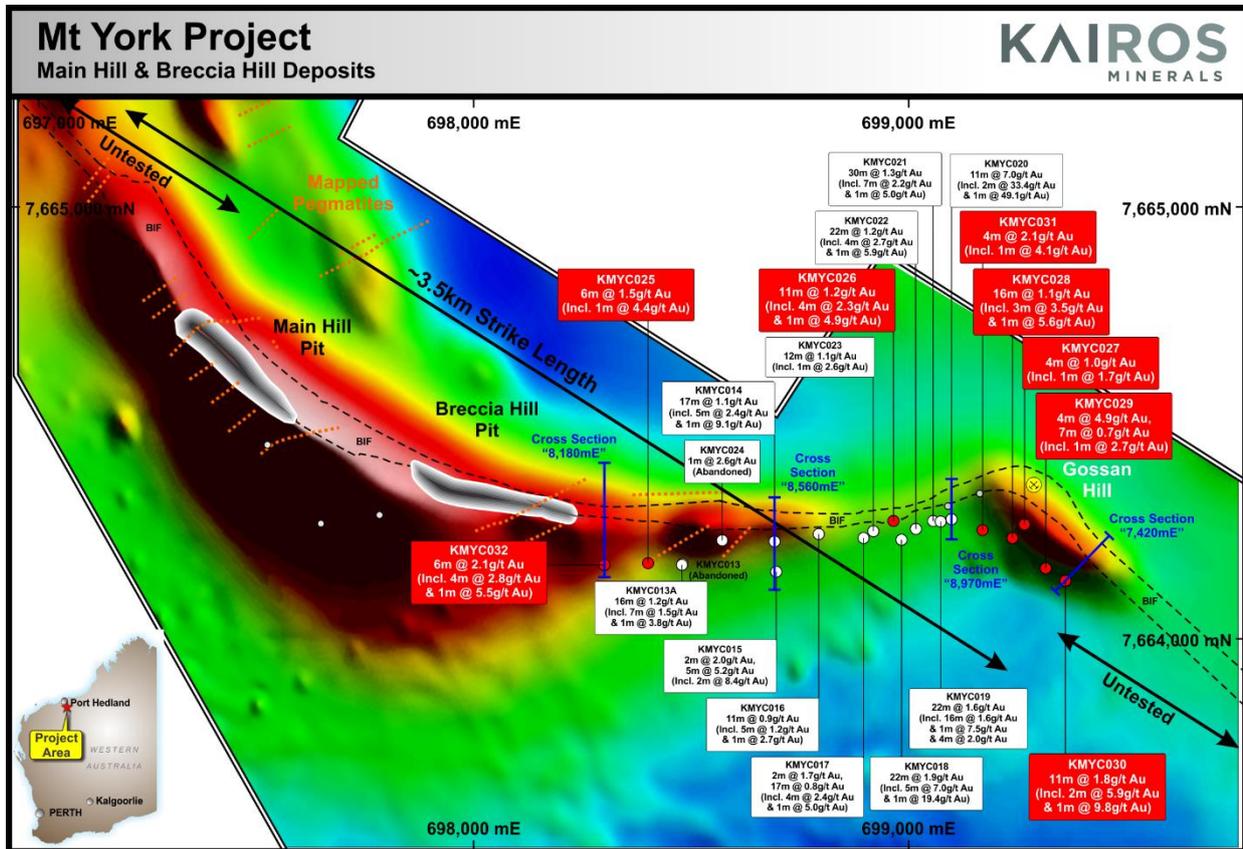


Figure 8: Mt York Project - Main Hill-Breccia Hill-Gossan Hill Plan

Mt York Exploration Drilling Results													
Collar Location & Orientation													
Prospect	Hole	Type	E	N	RL	Dip	Az	Total Depth (m)	From (m)	To (m)	Length (m)	Grade Au g/t	Comment
Gossan Hill	KMYC013*	RC	698,479	7,664,175	180	-60	360	103					Abandoned
	KMYC013A*	RC	698,478	7,664,173	180	-60	360	172	137	153	16	1.21	
								<i>Including</i>	146	153	7	1.53	
								<i>and</i>	151	152	1	3.84	
	KMYC014*	RC	698,691	7,664,227	179	-60	360	130	86	103	17	1.05	
								<i>including</i>	86	92	6	0.73	
								<i>and</i>	91	92	1	1.35	
									98	103	5	2.38	
									99	102	3	3.35	
									101	102	1	9.06	
	KMYC015*	RC	698,695	7,664,156	183	-60	360	202	170	171	1	0.58	
									177	179	2	2.03	
									188	193	5	5.17	
								<i>Including</i>	188	192	4	6.25	
								<i>and</i>	190	192	2	8.4	
	KMYC016*	RC	698,792	7,664,244	181	-60	360	100	29	35	6	0.39	
								<i>including</i>	29	30	1	0.51	
								<i>and</i>	34	35	1	1.24	
									65	76	11	0.86	
									65	70	5	1.15	
									65	66	1	2.67	
	KMYC017*	RC	698,895	7,664,235	183	-60	360	94	53	55	2	1.72	
									65	82	17	0.84	
								<i>Including</i>	65	69	4	2.37	
								<i>and</i>	67	68	1	5	
									79	80	1	1.03	
	KMYC018*	RC	698,983	7,664,230	187	-60	360	148	67	68	1	0.74	
									106	128	22	1.93	
								<i>including</i>	113	118	5	7.02	
								<i>and</i>	115	116	1	19.41	
									127	128	1	1.07	
	KMYC019*	RC	699,073	7,664,273	184	-60	360	154	96	118	22	1.56	
								<i>including</i>	102	118	16	1.95	
								<i>and</i>	102	105	3	2.32	
									107	108	1	2.2	
									110	111	1	7.48	
									114	118	4	2.01	
	KMYC020*	RC	699,097	7,664,278	184	-60	360	148	112	123	11	6.97	
								<i>including</i>	114	116	2	33.39	
								<i>and</i>	115	116	1	49.1	
	KMYC021*	RC	699,055	7,664,274	183	-60	360	148	77	107	30	1.3	
								<i>including</i>	102	109	7	2.23	
							<i>and</i>	103	104	1	5		
KMYC022*	RC	699,016	7,664,256	185	-60	360	124	77	99	22	1.18		
							<i>including</i>	92	96	4	2.73		
							<i>and</i>	95	96	1	5.89		
KMYC023*	RC	698,918	7,664,250	185	-60	360	76	32	44	12	1.18		
							<i>including</i>	32	33	1	2.58		
KMYC024*	RC	698,571	7,664,229	184	-60	360	76	72	73	1	2.6	Abandoned	
KMYC025	RC	698,400	7,664,176	179	-60	360	178	137	143	6	1.52		
							<i>including</i>	140	145	1	4.36		
KMYC026	RC	698,964	7,664,274	188	-60	360	64	11	22	11	1.17		
							<i>including</i>	18	22	4	2.32		
							<i>and</i>	18	19	1	4.85		
KMYC027	RC	699,265	7,664,266	204	-60	44.5	100	52	56	4	0.96		
							<i>including</i>	54	55	1	1.72		
KMYC028	RC	699,237	7,664,235	198	-60	44.5	112	80	96	16	1.08		
							<i>including</i>	93	96	3	3.49		
							<i>and</i>	94	95	1	5.62		
KMYC029	RC	699,314	7,664,164	197	-60	44.5	106	4	8	4	4.87		
							<i>and</i>	59	66	7	0.73		
							<i>including</i>	63	64	1	5.62		
KMYC030	RC	699,359	7,664,135	194	-60	44.5	100	59	70	11	1.76		
							<i>including</i>	68	70	2	5.93		
							<i>and</i>	68	69	1	9.78		
KMYC031	RC	699,169	7,664,253	194	-50	44.5	130	107	111	4	2.11		
							<i>including</i>	109	110	1	4.05		
KMYC032	RC	698,300	7,664,173	178	-60	360	190	159	165	6	2.06		
							<i>including</i>	161	165	4	2.81		
							<i>and</i>	161	162	1	5.47		

* Previously Reported

Table 1: Mt York Project - Summary of Significant Intersections > 0.5g/t Au

Prospect	Material	Category	Tonnes (kt)	Au (g/t)	Ounces (koz)
Iron Stirrup	Fresh	Indicated	421	2.22	30
		Inferred	293	1.67	15
Old Faithful	Transitional	Indicated	325	1.18	12
		Inferred	327	1.37	14
	Fresh	Indicated	609	1.41	27
		Inferred	807	1.41	37
Main Hill	Oxide	Indicated	361	0.99	11
		Inferred	339	1.16	12
	Transitional	Indicated	298	1.55	15
		Inferred	560	1.26	23
	Fresh	Inferred	83	1.85	5
	Breccia Hill	Oxide	Indicated	157	1.24
Inferred			154	1.01	5
Transitional		Indicated	275	1.4	12
		Inferred	466	1.33	20
Fresh		Inferred	217	1.96	14
Total Indicated			2,446	1.46	113
Total Inferred			3,246	1.40	145
Total Indicated + Inferred			5,692	1.42	258

Table 2: Mt York Project - October 2016 Kairos Minerals JORC 2012 Mineral Resource Table for Iron Stirrup, Old Faithful Prospects, Breccia Hill and Main Hill (reported at a 0.5g/t cut-off)

ROE HILLS PROJECT, EASTERN GOLDFIELDS (KAIROS: 100%)

The 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio which is highly prospective for gold, nickel and cobalt discoveries. Kairos' tenure adjoins the emerging Lake Roe gold discovery, owned by Breaker Resources (ASX: BRB).

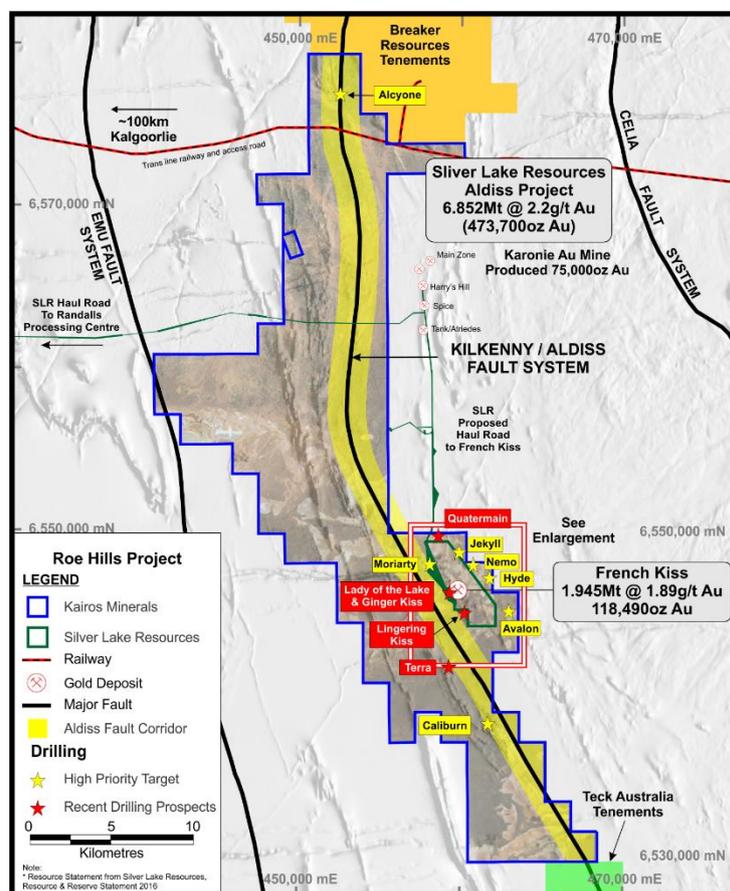


Figure 9: Roe Hills Project

Towards the end of the Quarter, Kairos completed a new program of gold-focused Aircore and Reverse Circulation (RC) drilling at its 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in Western Australia (Figure 9).

The program comprised a total of 27 holes for approximately 3,101m of combined Aircore/Reverse Circulation drilling and was designed to follow up on the outstanding results and new gold discoveries reported at Roe Hills last year (see ASX announcement: 7 August 2017).

The recently completed program was designed to test both dip and strike extensions of previously defined mineralisation at a number of targets with the potential for near-term resource delineation (such as Lingerin Kiss, Lady of the Lake, Terra and Caliburn), and to commence testing of several newly identified greenfields targets (Quatermain, Moriarty, Nemo, Avalon, Nautilus).

Assay results from the drilling were received subsequent to Quarter-end, and were reported to the ASX on 30 January 2018.

Assays confirm visually encouraging indicators with all targets remaining open. Better results include:

Lingering Kiss

RHRC037

1m @ 5.14g/t Au from 96m; and
4m @ 4.99g/t Au from 153m, *including:*
2m @ 8.87g/t Au from 154m

Terra

RHRC048

2m @ 4.87g/t Au from 81m, *including:*
1m @ 8.96g/t Au from 81m,
3m @ 1.54g/t Au from 147m

Preliminary testing also undertaken of the recently defined gold-in-soil geochemical anomalies at Quartermain, 4km north of Silver Lake's French Kiss deposit.

Roe Hills Exploration Drilling Results															
Collar Location & Orientation								Intersection Summary							
Prospect	Hole	Type	E	N	RL	Dip	Az	Total Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)	Comments		
TERRA	RHRC048	RC	459520	6540761	294	-60	63	180		81	83	2	4.87	Test -40m below RHRC002 lode intersection	
									<i>including</i>	81	82	1	8.96		
										147	150	3	1.54		
										157	158	1	0.78		
TERRA	RHRC049	RC	459295	6541490	290	-60	63	180		110	119	9	0.86	Test up -dip of TD1 & below KR130	
										128	129	1	1.49		
										133	134	1	1.1		
	RHRC050	RC	459177	6541707	288	-60	63	180					NSR		
	RHRC051	RC	459210	6542036	288	-60	63	180		176	180	4	0.6	Test up dip of RHDD036, 4m composite	
LINGERING KISS	RHRC035	RC	459940	6545080	290	-60	270	121					NSR	Exploration 160m west of RHRC021	
	RHRC036	RC	460020	6545080	290	-60	270	120					NSR	Exploration 80m west of RHRC021	
	RHRC037	RC							178		96	97	1	5.14	80m Infill between RHRC021 & 022
											139	140	1	0.62	
											153	157	4	4.99	
										<i>including</i>	154	156	2	8.87	
										162	166	4	0.59	4m composite	
	RHRC038	RC	460440	6545080	290	-60	270	130					NSR	Collar 100m E of RHRC032. Test zone to west in mag high feature	
	RHRC039	RC	460346	6545080	290	-60	90	178					NSR	Test mag high feature and further lodes east of RHRC032	
	RHRC040	RC							178		74	75	1	0.77	Test beneath RHRC037 & RHRC022 looking for different lode orientations
											76	77	1	0.53	
										121	123	2	1.68		
RHRC041	RC							178		148	153	5	0.70	Exploration 80m south along strike of RHRC022 & RHRC037	
										156	158	2	0.73	2m composite	
										174	176	2	0.78	2m composite	
RHRC042	RC	460440	6545000	290	-60	270	178					NSR	Test mag high feature south of RHRC038		
LADY OF THE LAKE	RHRC043	RC	459240	6546280	290	-60	270	120					NSR	Test 80m west of RHRC025	
	RHRC044	RC	459310	6546440	288	-60	270	120					NSR	Test 160m north along strike of 6546280N Section and anomalous soils and RAB	
	RHRC045	RC							120		18	22	4	0.90	Test 160m north along strike of 6546280N Section and anomalous soils and RAB
											53	59	6	0.46	
											106	108	2	0.55	
	RHRC046	RC	459630	6546440	287	-60	270	120					NSR	Test 160m north along strike of 6546280N Section and anomalous soils.	
	RHRC047	RC							178		4	6	2	0.48	Test east of & below RHRC011
										66	74	8	0.59	Includes waste interval	
										135	136	1	1.28		
RHRC014	RC	459421	6546123	290	-60	270	180		146	147	1	1.06	Re-entry drill 90 -180m		
QUARTERMAIN	RHRC052	RC	458522	6549675	284	-60	270	24					NSR	Test soil anomaly	
	RHRC053	RC	458501	6549675	284	-60	270	24					NSR	Test soil anomaly	
	RHRC054	RC	458556	6549674	284	-60	270	30					NSR	Test soil anomaly	
	RHRC055	RC	458601	6549674	284	-60	270	36		17	21	4	0.19	Test soil anomaly, 4 metre composite	
	RHRC056	RC	458639	6549674	284	-60	270	30					NSR	Test soil anomaly	
	RHRC057	RC	458519	6549774	284	-60	270	36		18	22	4	0.33	Test soil anomaly, 4 metre composite	
	RHRC058	RC	458562	6549773	284	-60	270	36					NSR	Test soil anomaly	
	RHRC059	RC	458598	6549776	284	-60	270	36					NSR	Test soil anomaly	
	RHRC060	RC	458640	6549774	284	-60	270	30					NSR	Test soil anomaly	

Table 3: Roe Hills Project - Summary of Significant Intersections

CORPORATE

Capital Raisings

The \$7.3 million share placement to sophisticated and professional investor clients of CPS Capital and Patersons Securities was completed on 22 November 2017 after shareholder approval was received to refresh the Company's placement capacity. Leading global investor Eric Sprott, through Sprott Capital Partners, joined the Kairos share register after collectively subscribing for \$5 million as part of the placement.

Milestone for Series B (2,983,333 shares), Series C (3,933,335 shares), Series D (6,700,000 shares), Series E (6,700,000 shares) and Series J (10,500,000 shares) were achieved and issued during the quarter;

74,126,317 KAIO options were exercised (\$1.9M in cash received) during the quarter;

Annual General Meeting

The Company's Annual General Meeting was held in Perth on 15 November 2017, with all resolutions supported by shareholders on a show of hands.

For further information, please contact:

Investors:

Mr Terry Topping
Executive Chairman
Kairos Minerals Limited

Media:

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

COMPETENT PERSON STATEMENT:

Competent Person: The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr Steve Vallance, who is the Technical Manager for Kairos Minerals Ltd and who is a Member of The Australian Institute of Geoscientists. The information was also reviewed by Mr Terry Topping, who is a Director of Kairos Minerals Ltd and who is also a Member of AusIMM. Both Mr Vallance and 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 Vallance and 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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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

Name of entity

Kairos Minerals Limited (ASX:KAI)

ABN

84 006 189 331

Quarter ended ("current quarter")

31st December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,041)	(1,838)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(473)	(1,031)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	808
1.8 Other (provide details if material)*	-	-
1.9 Net cash from / (used in) operating activities	(1,512)	(2,059)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(20)	(20)
(c) investments	-	(75)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(20)	(95)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	7,305	9,030
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	1,927	1,927
3.4	Transaction costs related to issues of shares, convertible notes or options	(504)	(573)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	8,728	10,384

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,459	1,425
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,512)	(2,059)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(95)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,728	10,384
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	9,655	9,655

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	9,655	2,459
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,655	2,459

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	125
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

-

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

-

Mining exploration entity and oil and gas exploration entity quarterly report

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

-

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	700
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	350
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1050

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

Refer to Annexure A.

Compliance statement

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

Sign here:

Date: **31 January 2018****Chairman & CEO**Print name: **Terry Topping****Notes**

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

Annexure A – Tenement Schedule

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Roe Hills	WA	100%			100%
E28/1935					
E28/2117					
E28/2118					
E28/2495					
E28/2548					
E28/2585					
P28/1292					
P28/1293					
P28/1294					
P28/1295					
P28/1296					
P28/1297					
P28/1298					
P28/1299					
P28/1300					
E28/2593					
E28/2594					
E28/2698					
E28/2699					
E28/2700					
Fraser Range Project					
E69/3411	WA	100%			100%
E69/3308					
Dingo Range					
E53/1731	WA	100%			100%
E53/1732					
E53/1733					
P53/1624					
E53/1814					
E53/1927					
E53/1928					
Pilbara Lithium-Gold Project (Mt York Project)					
P45/2987	WA	100%			100%
P45/2989					
P45/2996					
P45/2998					
P45/2988					

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
P45/2992	WA	100%			100%
P45/2993					
P45/2994					
P45/2990					
P45/2991					
P45/2997					
P45/2995					
L45/0422					
Wodjina Project					
E45/4715	WA	100%		JV Altura	100%
E45/4780				JV Altura	
E45/4740					
E45/4731					
Croydon Project					
E47/3522	WA	100%			100%
E47/3523					
Croydon Project					
E47/3519	WA	100%			100%
E47/3520					
E47/3521					
Lalla Rookh Project					
E45/4741	WA	100%			100%
Tiapan Project					
E45/4806	WA	100%			100%
Woodcutters Project					
E28/2646	WA	100%			100%
E28/2647					
E28/2648					
Mooloo Project					
E08/2857	WA	100%			100%