Kairos Minerals Limited

An emerging gold project in the Pilbara

September 2025

Recommendation: BUY

- **1.4Moz in a single pit, 55km South of the 11.2Moz Hemi deposit**
- **Attractive economics; 85kozpa @ AISC A$2,284/oz over an initial 8 year life**
- **Resource upside with mineralisation extending 1.5km along strike to the NW**

ASX: KAI

Share Price: $0.024

Target Price: $0.050

M/Cap.: $65M

Valuation: $0.050/share

Valuation: $332M

Shares/options: 3,180M

Monthly T/over: $3.7M

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Kairos Minerals Limited (KAI) BUY Share Price: A$0.02

An emerging gold project in the Pilbara Target Price: A$0.05

Kairos Minerals (KAI) own the Mt York Gold Project (100%) located in the Pilbara region of Western Australia, 137km South of Port Hedland and 55km South of Northern Star's (NST) 11.2Moz (264Mt @ 1.3g/t Au) Hemi deposit. KAI controls the gold and base metal rights over 1,720km^2 of exploration tenements hosting Resources of 1.4Moz (43Mt @ 1.0g/t Au) within a single pit shell. Mineralisation has been identified a further 1.5km along strike with a 30,000m drill program underway aimed at growing Resources with an update expected in the Dec. Q'25. Scoping studies completed in Nov. 2024 show Mt York as a robust, attractive project with production of 85kozpa at AISC of A$2,205oz over an initial eight year mine life. Strong potential exists to increase production and extend mine life as drilling continues over the next 18 months. We initiate with a BUY and PT of A$0.05/sh.

Mt York Gold Project (100%)

- A single continuously mineralised open pit with a 1.4Moz Resource open at depth and along strike.
- A Nov'24 Scoping Study was based on a standalone 4Mtpa plant with pre-production capex of A$276M.
- Initial 8 year mine life with payback of <1.5 yrs at spot based on prodn of 85kozpa @ AISC A$2,284/oz (Petra).
- Gold is free milling with >88% recoveries at 75µm grind.
- Conservative mine inventory (Petra) of 878koz (63% of Resource) comprising 79% Indicated & 21% Inferred.
- NPV_8 of A$332M (A$0.05/sh), IRR 36% using a conservative A$3,529/oz gold price (spot is A$5,435/oz).

Strong Exploration Upside

- Mineralisation is defined along 3km of strike and remains open to the North and at depth.
- KAI negotiating gold rights for 367km^2 of ground where the Mt York deposit continues for additional 1.5km strike.
- 30,000m drill program underway with three diamond rigs aimed at growing Resources and confidence.
- High grade zones (+4-5g/t Au) have been identified within a broader 1g/t Au envelope; not factored into mine plan.

NPV_8 of $332m or $0.05/sh fully diluted ($0.14/sh spot)

- Cash – A$10.2M. An additional A$10M in cash or PLS shares subject to grant of M45/1307 application. Nil debt.
- Cheap relative to peers with EV/Resource of A$41/oz vs peer average A$120/oz.

Key Dates Ahead

- Sep. Q'25 – Ongoing drill results
- Sep. Q'25 – PLS exploration access agreement.
- Dec. Q'25 – Resource update.
- Jun. Q'26 – Mt York PFS.

Company Data

Shares – ordinary (M)	2,693.9
Options ex @ 5c May 2026 (M)	341.6
Performance Rights (M)	144.0
Total (fully diluted) (M)	3,179.5
Market capitalisation ($M)	64.7
12 month low/high ($)	0.01 / 0.03
Average monthly turnover ($M)	3.7
GICS Industry	Metals & Mining

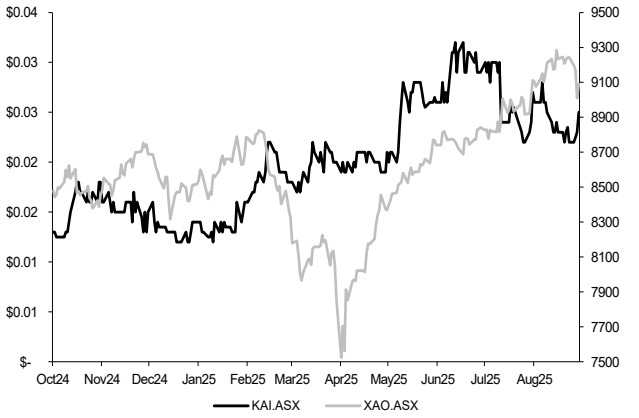
Financial Summary (fully diluted/normalised)

Year end June	FY27F	FY28F	FY29F	FY30F	FY31F
Revenue ($M)	0.0	0.0	173.3	427.9	440.4
Costs ($M)	4.5	5.0	73.4	246.3	196.6
EBITDA ($M)	-4.5	-5.0	99.9	181.6	243.7
NPAT ($M)	-3.8	-11.5	69.7	95.4	145.1
EPS (¢ps)	-0.1	-0.2	1.0	1.4	2.2
EPS Growth (%)	-13	-43	>100	37	52
PER (x)	na	na	2.3	1.7	1.1
Free cash flow ($M)	-3.2	-10.1	88.5	177.4	208.9
FCFPS (¢ps)	-0.1	-0.2	1.3	2.7	3.1
PFCFPS (x)	na	na	1.8	0.9	0.8
Enterprise Value ($M)	21	320	284	120	-76
EV / EBITDA (x)	-5	-64	3	0.7	-0.3

Board

Director	Position	Executive	Independent
Simon Lill	Chairman	Non Exec	Yes
Dr Peter Turner	MD	Yes	No
Robert Klug	Director	Non Exec	Yes
Zane Lewis	Director	Non Exec	Yes
Mark Calderwood	Director	Non Exec	Yes

KAI – performance over one year



Analysis

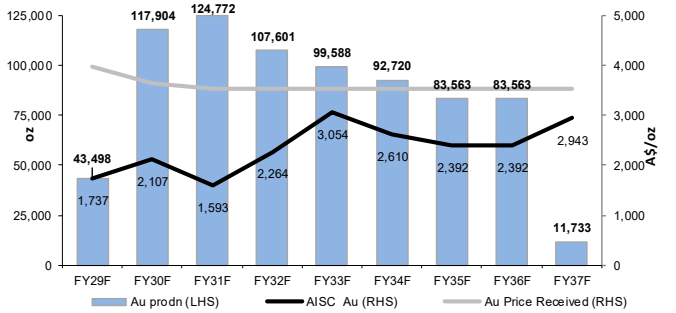
KAIROS MINERALS LIMITED (KAI)

Share Price	($)	0.024
Iss. Shares	(M)	2,693.9
Options ex @ 5c May 2026	(M)	341.6
Perf Rights	(M)	144.0
Mkt Cap.	($M)	64.7

5-Sep-25

Year End June	A$	FY27F	FY28F	FY29F	FY30F	FY31F
PROFIT & LOSS						
Sales Revenue	$M	0.0	0.0	173.3	427.9	440.4
Other Income	$M	0.0	0.0	0.0	0.0	0.0
Operating Costs	$M	4.5	5.0	73.4	246.3	196.6
Exploration	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	0.0	0.0	0.0	0.0	0.0
EBITDA	**$M**	**(4.5)**	**(5.0)**	**99.9**	**181.6**	**243.7**
Dep. & Amort.	$M	0.6	1.4	18.9	41.2	42.5
EBIT	**$M**	**(5.1)**	**(6.4)**	**81.0**	**140.4**	**201.3**
Net Interest	$M	(1.3)	5.1	11.4	4.2	(6.0)
Pre-Tax Profit	**$M**	**(3.8)**	**(11.5)**	**69.7**	**136.3**	**207.3**
Tax	$M	0.0	0.0	0.0	40.9	62.2
Minorities	$M	0.0	0.0	0.0	0.0	0.0
Net Profit	**$M**	**(3.8)**	**(11.5)**	**69.7**	**95.4**	**145.1**
Abnormal	$M	0.0	0.0	0.0	0.0	0.0
Reported Profit	**$M**	**(3.8)**	**(11.5)**	**69.7**	**95.4**	**145.1**
Dividends Paid	$M	0.0	0.0	0.0	0.0	0.0
Adjustments	$M	0.0	0.0	0.0	0.0	0.0
Retained Earnings	**$M**	**(84.9)**	**(96.4)**	**(26.7)**	**68.7**	**213.8**
CASH FLOW						
Revenue	$M	0.0	0.0	173.3	427.9	440.4
Costs	$M	(4.5)	(5.0)	(73.4)	(246.3)	(196.6)
Net Interest	$M	1.3	(5.1)	(11.4)	(4.2)	6.0
Tax Paid	$M	0.0	0.0	0.0	0.0	(40.9)
Gross Cash Flow	**$M**	**(3.2)**	**(10.1)**	**88.5**	**177.4**	**208.9**
Net Capex	$M	(40.0)	(200.0)	(48.0)	(8.0)	(8.0)
Exploration	$M	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Dividends	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	0.0	0.0	0.0	0.0	0.0
Free Cashflow	**$M**	**(48.2)**	**(215.1)**	**35.5**	**164.4**	**195.9**
Equity Issues	$M	99.8	0.0	0.0	0.0	0.0
Net Borrowings	$M	0.0	180.0	(30.0)	(150.0)	0.0
Net Investments	$M	0.0	0.0	0.0	0.0	0.0
Surplus Cash Flow	**$M**	**51.6**	**(35.1)**	**5.5**	**14.4**	**195.9**
BALANCE SHEET						
Cash	$M	55.7	20.6	26.2	40.6	236.5
Other Current	$M	0.0	0.0	26.0	64.2	66.1
Total Current	**$M**	**55.7**	**20.6**	**52.2**	**104.8**	**302.5**
Fixed Assets	$M	39.5	238.1	267.2	234.0	199.6
Expl. & Evaluation	$M	49.2	54.2	59.2	64.2	69.2
Intangibles	$M	0.0	0.0	0.0	0.0	0.0
Other	$M	0.0	0.0	0.0	0.0	0.0
Total NC Assets	**$M**	**88.7**	**292.3**	**326.4**	**298.3**	**268.8**
TOTAL ASSETS	**$M**	**144.4**	**312.9**	**378.6**	**403.1**	**571.4**
Total Debt	$M	0.0	180.0	150.0	0.0	0.0
Current Liab	$M	0.4	0.4	0.4	41.3	62.6
Non Current Liab	$M	0.0	20.2	46.2	84.4	86.2
TOTAL LIAB	**$M**	**0.4**	**200.6**	**196.6**	**125.6**	**148.8**
NET ASSETS	**$M**	**144.0**	**112.3**	**182.0**	**277.4**	**422.5**
SH/HLDRS FUNDS	**$M**	**123.9**	**112.3**	**182.0**	**277.4**	**422.5**
RATIO ANALYSIS						
EPS	¢	(0.1)	(0.2)	1.0	1.4	2.2
PER	x	na	na	2.3	1.7	1.1
EPS Growth	%	(13.3)	43.1	(706)	37	52
EBITDA per share	¢	(0.1)	(0.1)	1.5	2.7	3.6
EBITDA Multiple	x	(17)	(32)	2	0.9	0.7
EV/EBITDA	x	(5)	(64)	3	0.7	(0.3)
CFPS	¢	(0.1)	(0.2)	1.3	2.7	3.1
PCFR	x	na	na	1.8	0.9	0.8
DPS	¢	0.0	0.0	0.0	0.0	0.0
Yield	%	0.0	0.0	0.0	0.0	0.0
Franking	%	0.0	0.0	0.0	0.0	0.0
Payout Ratio	%	0.0	0.0	0.0	0.0	0.0
Gearing ND/E	%	na	142	68	na	na
Interest Cover	x	3.9	na	7.1	33.7	na
EBITDA Margin	%	na	na	57.6	42.4	55.3
EBIT Margin	%	na	na	46.8	32.8	45.7
Return On Assets	%	(3.6)	(2.1)	21.4	34.8	35.2
Return On Equity	%	(3.1)	(10.2)	38.3	34.4	34.3
Eff Tax rate	%	0.0	0.0	0.0	30.0	30.0

RESERVES & RESOURCES		FY27F	FY28F	FY29F	FY30F	FY31F
Reserves / Mine Inventory						
Tonnes	Mt	0.0	30.0	29.0	25.0	21.0
Grade Au	g/t	0.0	0.9	0.9	0.9	0.9
Contained Au	Moz	0.00	0.88	0.85	0.73	0.61
Resources						
Tonnes	Mt	43.1	43.1	42.1	38.1	34.1
Grade Au	g/t	1.0	1.0	1.0	1.0	1.0
Contained Au	Moz	1.39	1.39	1.35	1.22	1.10
PRODUCTION (100%)						
Ore Milled	Mt	0.00	0.00	1.00	4.00	4.00
Au Grade	g/t	0.00	0.00	1.52	1.03	1.09
Recovery	%	0.00	0.00	0.89	89.0	89.0
Au Production	oz	0.00	0.00	43,498	117,904	124,772
REVENUE (attributable)						
Mt York Gold	$M	0.0	0.0	173.3	427.9	440.4
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	0.0	0.0	173.3	427.9	440.4
COSTS						
Au AISC (prodn)	A$/oz	0	0	1737	2107	1593
Au AISC (prodn)	US$/oz	0	0	1155	1422	1083
Costs	$M	0.0	0.0	68.4	241.3	191.6
Corp / Other	$M	4.5	5.0	5.0	5.0	5.0
Total Costs	$M	4.5	5.0	73.4	246.3	196.6
CAPEX						
Mt York Gold	$M	40.0	200.0	48.0	8.0	8.0
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	40.0	200.0	48.0	8.0	8.0
DEPRECIATION						
Mt York Gold	$M	0.6	1.4	18.9	41.2	42.5
Other	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	0.6	1.4	18.9	41.2	42.5
EBITDA						
Mt York Gold	$M	-4.5	-5.0	99.9	181.6	243.7
Other (incl. writedowns)	$M	0.0	0.0	0.0	0.0	0.0
Total	$M	-4.5	-5.0	99.9	181.6	243.7



ASSUMPTIONS		FY27F	FY28F	FY29F	FY30F	FY31F
Exchange Rate	A$/US$	0.65	0.66	0.67	0.68	0.68
Gold Price	US$/oz	3,150	2,900	2,650	2,450	2,400
Gold Price	A$/oz	4,846	4,427	3,985	3,630	3,529

OTHER DATA						
Share Price	$/sh.	0.024	0.024	0.024	0.024	0.024
Number of shares	M	3179.5	6679.5	6679.5	6679.5	6679.5
Market Capitalisation	$M	76.3	160.3	160.3	160.3	160.3
EV	$M	20.6	319.7	284.1	119.7	-76.2

VALUATION (fully diluted)	A$M	A$/sh
Mt York Gold Project (NPV8+1yr)	$267.7	$ 0.04
Exploration (1Moz @ $95/oz)	$ 95.0	$ 0.01
Corporate / Other	$ (35.2)	$ (0.01)
Net Cash (Debt) FY26	$ 4.2	$ 0.00
Total	**$331.6**	**$ 0.05**

Source: Petra Capital. Assumes A$105M equity raise @ $0.03/share in 2H FY27.

Executive Summary

Mt York Gold Project (100%)

Mt York is located in the Pilbara of Western Australia ~137km south of Port Hedland and 55km Southeast of Northern Star's world-class Hemi Gold Project (11.2Moz). The Main Trend at Mt York was discovered by Carpentaria Exploration Company Pty Ltd in 1986. Lynas Gold NL acquired the project in the early 1990's and mined a number of gold deposits (Breccia Hill, Main Hill & Iron Stirrup) via open pit from 1994–98. KAI acquired Mt York in January 2016 and has steadily grown the Resource from 123koz (2.9Mt @ 1.32g/t Au) to 1.4Moz currently. Focus has now returned to Mt York following a two year hiatus, when the Company focused on lithium. The deposit appears amenable to low cost bulk open pit mining with Resources optimised within a single pit. Mineralised intervals are hosted within a Banded Iron Formation (BIF) and average 20-30m thick with intercepts up to 100m thick at Main Hill. Drilling continues to expand and de-risk Mt York, with an updated resource expected in the Dec.Q'25 to feed into a Pre-Feasibility Study due for completion in mid- Jun. Q'26 followed by a DFS in mid CY27.

Scoping Study shows attractive economics

A Scoping Study was completed by GR Engineering Services and Cube Consulting in November 2024 which showed Mt York as a robust project with attractive returns. The study estimates pre-production capex of A$276M with a 4Mtpa plant producing an average of 82kozpa (115kozpa years 2-4) at AISC of A$2,205/oz over an initial eight year mine life. Based on conservative gold prices of A$3,500/oz (spot is A$5,310/oz) the project generates: A$574M free cashflow with an NPV_5 of A$410M, IRR 35.7% and payback period of 2.7 years. Mine inventory equates to 707koz which is just 54% of the total Resource.

PLS Agreements

In August 2024, KAI completed the sale of non-core ground to Pilbara Minerals (PLS) for A$20M with the first A$10M received in September 2024. The second payment of A$10M (cash or PLS shares) is expected on the earlier of the grant date of the M45/1307 (directly North of Mt York) application to PLS or other agreed tenure over the same area, targeted for 2H CY25. Kairos and PLS are also negotiating a mineral rights agreement for KAI to gain access to 367km2 of ground directly adjacent to Mt York where the main gold mineralised trend extends a further 1.5km along strike to the Northwest.

Exploration Upside

Aggressive resource growth drilling on priority targets is planned during 2025 including drilling the 1.5km of strike extent NW of Main Hill, where Pilbara Minerals (PLS) have previously reported drill intercepts including 16m @ 2.43 g/t Au along the same stratigraphy as seen at Main Hill. Once an agreement is reached with PLS in relation to the neighbouring tenements and applications, KAI plans to commence a minimum 5,000m RC and diamond drill programme aimed at identifying higher grade, near surface mineralisation to drive Resource growth. Potential for additional gold discoveries exists on Exploration Licence Application (ELA) 45/6298 to the South with similar geology to Mt York at identified BIF targets.

Credible Board and Management

Non Exec Chairman Simon Lill has +25 years' experience in mineral management, stockbroking, capital raising and business development. Simon was the Chairman of De Grey Mining (12 years) where he oversaw the discovery of one of Australia's largest gold finds at Hemi (11.2Moz) and navigated the company through the A$5Bn takeover by Northern Star. Managing Director Dr Peter Turner is an experienced geologist with over 25 years' experience in mineral projects in Australia, Africa, the Middle East and Asia. He has significant experience with gold deposits. Simon and Peter are supported by experienced Directors Mark Calderwood, Zane Lewis and Robert Klug.

BUY, Target Price of A$0.05/share (1x P/NPV_{8+1})

We value KAI at A$0.05/sh fully-diluted (A$332M) based on an 8% discount rate and a mine life of 8 years (63% Resource conversion). We use a long-term gold price of US$2,400/oz and 0.68 FX. At spot prices of US$3,550/oz Au & 0.653 FX, NPV rises to $0.14/sh. Key risks relate to (i) permitting delays (ii) capex increases & funding, (iii) commodity prices & FX volatility, (iv) op. costs & production profile.

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