

13 July 2016

Dispatch of Entitlement Offer and New Options Offer Prospectus

Kairos Minerals Limited (ASX: KAI) (**Company**) is pleased to advise that the prospectus, dated 5 July 2016 (**Prospectus**), and the accompanying personalised application forms have been dispatched to eligible shareholders (**Eligible Shareholders**) and eligible previous optionholders (**Eligible Previous Optionholders**) today, Wednesday 13 July 2016.

Eligible Shareholders will be able to participate in a non-renounceable pro rata rights issue to subscribe for new fully paid ordinary shares (**New Shares**) in the Company at an issue price of \$0.05 per New Share on the basis of two (2) New Shares for every seven (7) shares held by Eligible Shareholders at the Record Date of 8 July 2016 (**Entitlement Offer**).

The Entitlement Offer, which is fully underwritten by BW Equities Pty Ltd, will involve the issue of up to 80,763,904 New Shares to raise approximately \$4,038,196 (before costs).

The Prospectus also contains an offer to Eligible Previous Optionholders, who held listed options that expired on 30 June 2016 (**Expired Options**), the opportunity to subscribe for new options in the Company (**New Options**) at an issue price of \$0.005 per New Option on the basis of one (1) New Option for every one (1) Expired Option (**New Options Offer**).

The New Options Offer will involve the issue of up to 140,852,158 New Options to raise approximately \$704,260 (before costs). The New Options Offer is subject to shareholder approval at the general meeting to be held on 29 July 2016.

The anticipated closing date of the Entitlement Offer is Friday 22 July 2016. The anticipated closing date of the New Options Offer is Friday 29 July 2016.

Subject to the ASX Listing Rules, the Company reserves the right to vary the dates for the Entitlement Offer and the New Options Offer at its discretion. Should this occur, this will have a consequential effect on the anticipated date of issue and normal trading of the New Shares and New Options.

For further enquiries, please contact:

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