

Completion of sale of non-core tenements to Pilbara Minerals and receipt of first \$10M

Highlights

- \$10M has been received from Pilbara Minerals Ltd (ASX:PLS) ('PLS') on completion of the sale agreement announced by Kairos on August 1, 2024 (Sale Agreement)
- A further \$10M in PLS shares or cash to be received following grant of M45/1307 application or other agreed tenure over the same area
- Kairos retains mining lease application M45/1306 which hosts the 'Main Trend' of the Mt York Gold Project; this contains a JORC-compliant resource of 43Mt at 1 g/t for 1,385,000 ounces over a continuous 3km zone
- Following completion of the Sale Agreement, Kairos and Pilbara Minerals Ltd each have the right to require the parties to negotiate a mineral rights agreement in relation to all mineral rights (except lithium and tantalum) over 367sqkm of neighbouring exploration tenements and applications; this includes an additional 1.4km strike extension of Mt York 'Main Trend' to the northwest with known gold mineralisation including drill hits of 16m at 2.43 g/t Au (MYRC007)
- Once an agreement is in place in relation to the neighbouring exploration tenements and applications, Kairos will target this 'Main Trend' strike extension as part of a 5,000m RC and diamond drill programme to identify higher-grade, near-surface mineralisation to drive resource growth
- Scoping study on the Mt York Gold Project has started under the auspices of GR Engineering after an internal valuation exercise which confirmed that Mt York has strong potential to be a high-value, robust gold mine

Kairos Managing Director, Dr Peter Turner said: **"We are pleased to have banked the first \$10M payment under the \$20M sale agreement, adding to our approximately \$5M cash on hand. We look forward to working with the Pilbara team to enter an agreement for all mineral rights (except lithium and tantalum) to the additional 367sqkm of prospective land package with known gold occurrences. This area has**

untested exploration potential which we will be targeting for accelerated resource growth as part of the upcoming drilling program”.

Kairos Chairman Zane Lewis commented:

“The cash payment provides Kairos with significant flexibility going forward to evaluate additional opportunities whilst systematically growing the Mt York gold resource and complete required development studies which are well advanced. We will maintain a very tight control over expenditure as we move forward with the development studies.”

Kairos Minerals Limited (**ASX:KAI**) is pleased to announce that it has achieved completion under the agreement to sell six non-core prospecting licences and the overlying mining licence application (M45/1307) for **\$20,000,000** to Pilgangoora Operations Pty Ltd and Ngungaju Lithium Operations Pty Ltd, subsidiaries of Pilbara Minerals Ltd (ASX:PLS) (**‘Pilbara Minerals’**).

Deal Terms and Structure

Under the sale agreement signed by all parties on 30 July 2024 Pilgangoora Operations Pty Ltd (**“POPL”**) and Ngungaju Lithium Operations Pty Ltd (**“NLO”**) (both wholly-owned subsidiary of ASX-listed Pilbara Minerals Ltd) agreed to acquire 100% of the right, title and interest in the prospecting licences and the associated mining lease application for \$20,000,000 (**Purchase Price**) under the following structure:

- (a) \$10,000,000 cash on the **Completion Date**; (*Now received*)
- (b) \$10,000,000 cash or new Pilbara Minerals’ shares (at Pilbara Minerals’ election) 10 business days after the earlier of the **Grant Date** of the M45/1307 application or other agreed tenure over the same area.

Royalty Deed

With effect from the grant of a mining lease over the ground that is the subject of the M45/1307 application, a **Royalty Deed** is to be entered into by the parties giving Kairos a 2% royalty on any lithium, tantalum and gold sales by POPL/NLO over this ground.

Mineral Rights

Furthermore, Kairos and POPL each have the right to require the parties to negotiate a mineral rights agreement which will grant to Kairos the sole and exclusive right to explore for minerals (except lithium and tantalum) over the **‘Gold Tenements’** (these tenements and applications are shown in **Figure 1**). Kairos will grant to **POPL** or **NLO** a

2% royalty on gross revenue on all minerals mined over these tenements. In the event the parties do not reach mutually agreed terms in relation to the **Gold Tenements**, POPL and NLO will grant to Kairos a 2% royalty on gross revenue on all minerals (except lithium and tantalum) over the **Gold Tenements**. As completion of the Sale Agreement has now occurred, Kairos intends to shortly notify PLS of its desire to commence negotiations of the mineral rights agreement.

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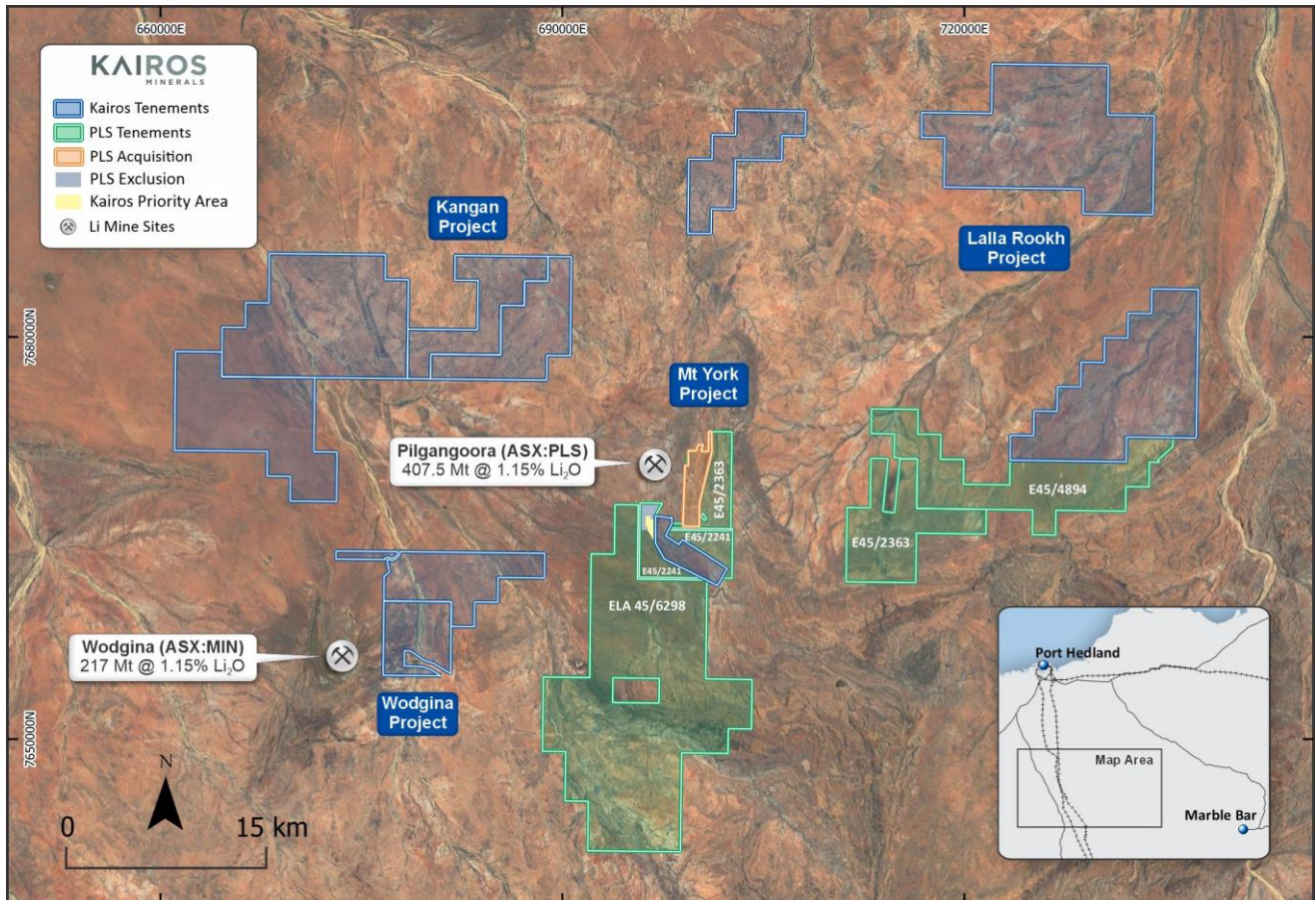


Figure 1. The location of the **Mt York Gold Project** relative to the PLS “**Gold Tenements**” (green) that Kairos will hold the mineral rights to (except lithium and tantalum) once a Mineral Rights Agreement has been entered into. Note Kairos’s other regional gold projects of Kanga, Wodgina and Lalla Rookh (Skywell, Croydon and Rocklea not shown – see **Figure 3** for all projects).

Tenement	Registered Holder	Status	Grant date or application date
E45/2241	POPL	Granted	24/04/2002
E45/2363	NLO	Granted	01/05/2006
E45/4894	NLO	Granted	15/10/2020
E45/6298	NLO	Application	26/08/2022

Table 1. “Gold Tenements”

Mt York Future Exploration and Resource Update

Once a mineral rights agreement has been entered into with POPL or NLO in relation to the Gold Tenements, Kairos intends to access and explore the northwestern extension of the Mt York Main Trend orebody on tenement E45/2241 (**Figure 2**) to follow-up on Pilbara Minerals' reconnaissance drilling in the area. Pilbara Minerals drilled reconnaissance drilling methods to test only 800m of the total 1,400m of strike extension of the Mt York stratigraphy. Most of the Pilbara Minerals' drill holes reported gold intersections and some ended in mineralisation. The results are shown on **Figure 2** and include:

- 12m @ 1.37 g/t from 80m (MYRC005)
- 16m @ 2.43 g/t Au from 16m (MYRC007)
- 4m @ 3.32 g/t Au from 4m (MYRC008)
- 6m @ 1.37 g/t Au from 84m (MYRC009)
- 8m @ 2.41 g/t Au from 44m (MYRC011)
- 2m @ 1.76 g/t Au from 116m (MYRC013)
- 5m @ 1.36 g/t Au from 173m (MYRC014)
- 15m @ 1.18 g/t Au from 13m (WSRC02)

(refer to Pilbara Mineral's *Quarterly Reports dated March 2020 and 2022*; Refer to the **Drillhole Collar Locations** and **Drillhole Intercepts** compiled in **Appendices 1 and 2** respectively and for notes in **Appendix A, JORC Table 1, Sections 1 and 2** at the rear of KAI press announcement dated 1 August 2024 entitled 'Non-core Mt York ground sold to Pilbara Minerals for \$20m').

The full 1,400m of this largely untested but prospective geology contains known banded iron formation that is mineralised at Mt York. Kairos is extremely confident that the mineralisation will continue along-strike as the Pilbara Minerals' drill holes are mineralised on both the northern and southern lines confirming that mineralisation is open along-strike to both the northwest and southeast, as well as at depth (**Figure 2**).

In addition, regional gold targets including **Gilt Dragon** with historic results of 19m @ 1.31 g/t Au from 1m including 2m @ 6.6 g/t Au from 4m (GL15) (**Figure 2**) will be pattern-drilled.

The application ELA 45/6298 to the south of Mt York which has similar banded iron formation (BIF) rocks and stratigraphy to the Mt York area (**Figures 1, 2 & 3**). This area has not been subject to any significant, systematic modern-day exploration programmes over what is known to be very prospective geology for gold and base metals.

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Updated Mineral Resource Estimate

The updated Mt York Mineral Resource Estimate is shown in **Table 2** and was first reported in the press announcement dated 15 May 2023 entitled '*Resource increases to 1.6Moz and remains open*'.

As at 4 September 2024 ("Completion Date") there was a change of ownership of the prospecting licences holding the resources to Iron Stirrup and Old Faithful, and these mineral resources will, moving forward, be excluded from Kairos' gold resource inventory for the Mt York Gold Project. These resources contained at Iron Stirrup and Old Faithful were relatively small satellite deposits containing only 14% of the previous total resource inventory of the Mt York Gold Project and are located 5km and 7km respectively from the Mt York Main Trend (**Figure 2**).

Deposit	Cut-off (Au g/t)	Indicated			Inferred			Total		
		Tonnes (Mt)	Au (g/t)	Ounces (kcozs)	Tonnes (Mt)	Au (g/t)	Ounces (kcozs)	Tonnes (Mt)	Au (g/t)	Ounces (kcozs)
Main Trend	0.5	20.25	1.06	690	22.83	0.95	697	43.08	1.00	1,385
Total Mt York		20.25	1.06	690	22.83	0.95	697	43.08	1.00	1,385

Table 2. Mineral Resource Estimate for the Mt York Gold Project

The Mineral Resource Estimate for the Mt York Gold Project referred to in this announcement was first reported in accordance with ASX Listing Rule 5.8 in the press announcement dated May 15, 2023 entitled '*Resource increases to 1.6Moz and remains open*'. Kairos confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply for the Main Trend and have not materially changed.

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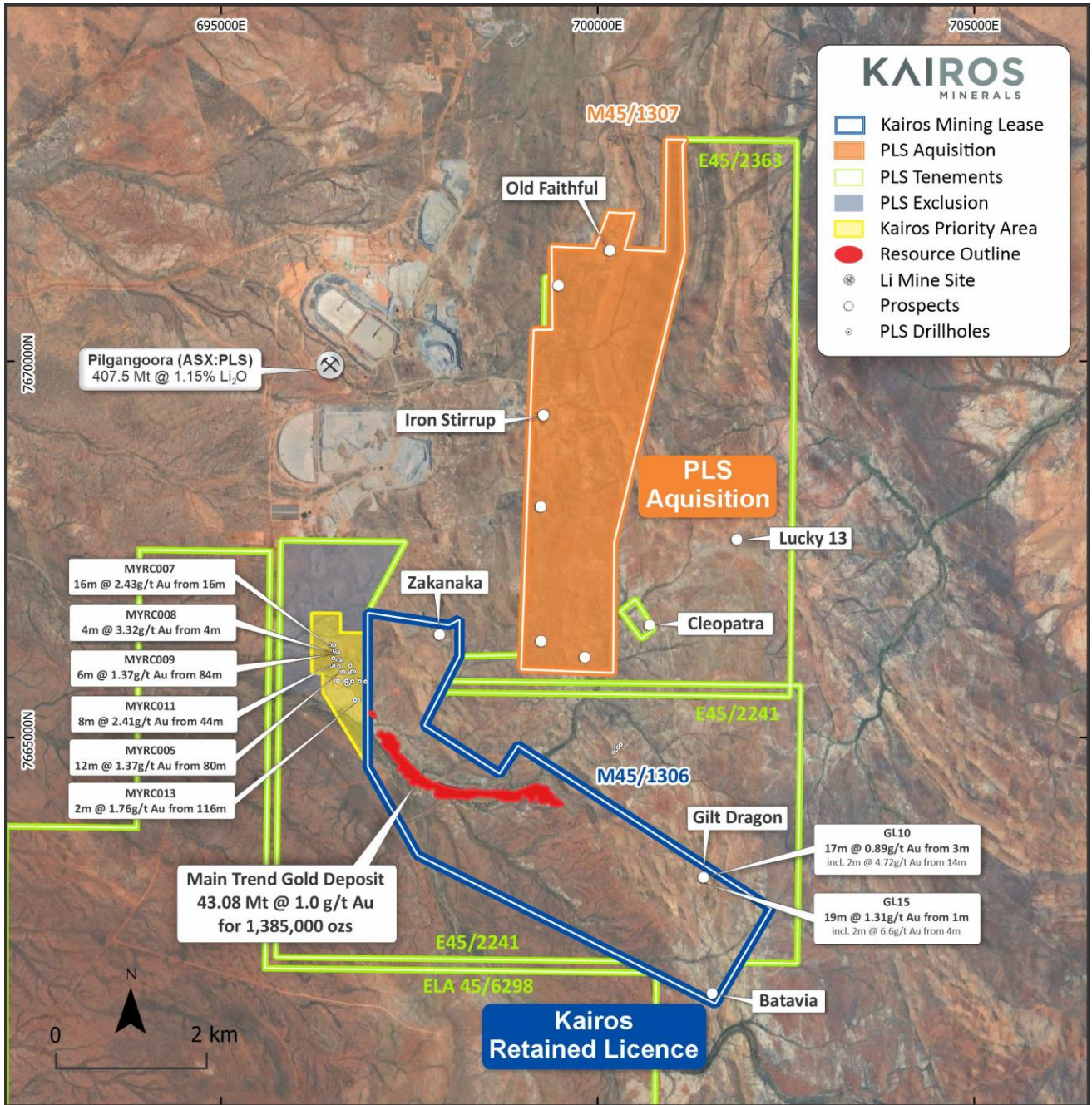


Figure 2. The Mt York Main Trend Gold Deposit (red) showing the 1,400m extension of the deposit towards the northwest on E45/2241. Kairos will have priority access to the yellow area once a full agreement is entered into in relation to the Gold Tenements.

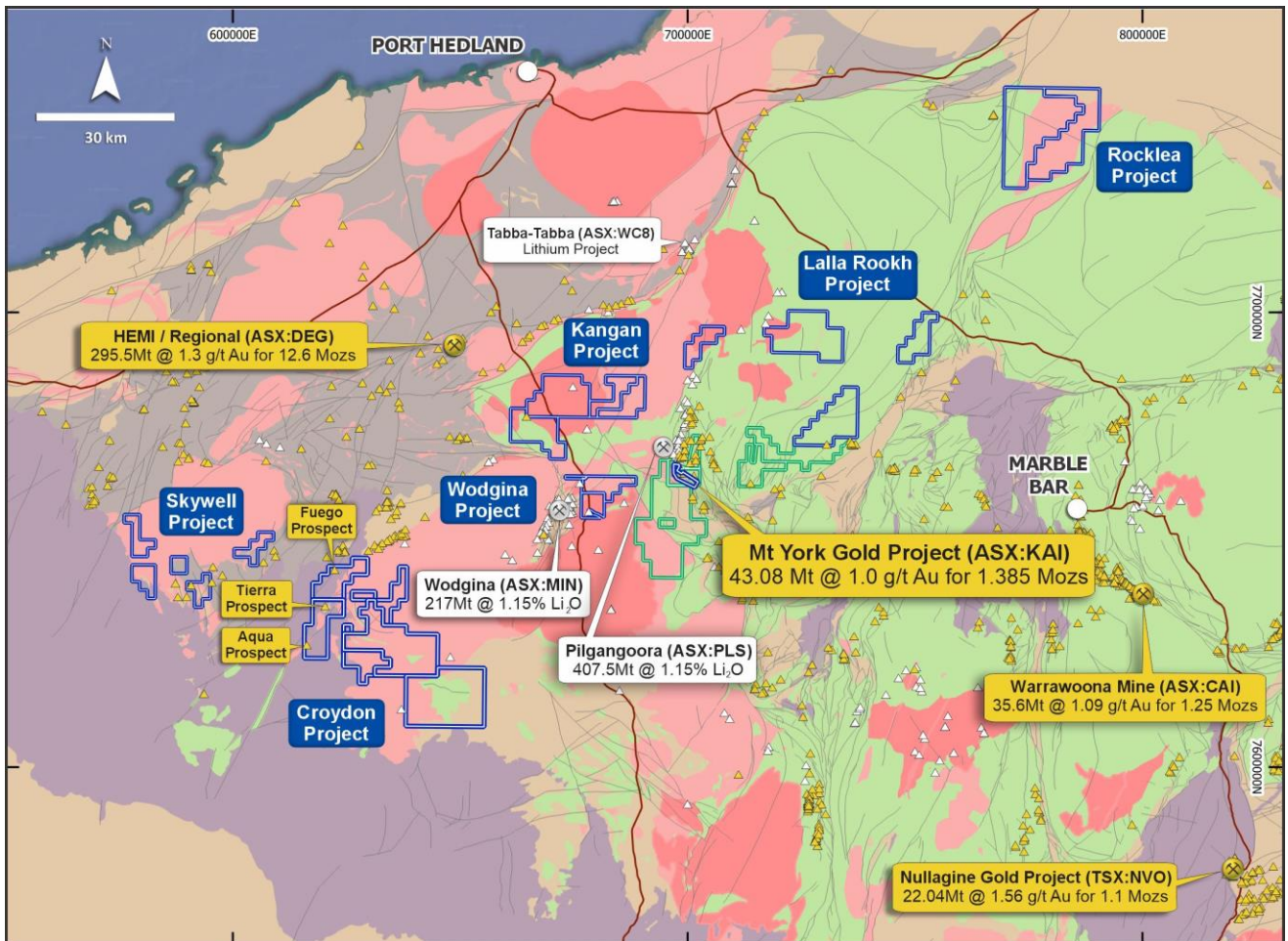


Figure 3. Kairos' 100% owned Pilbara exploration tenements (blue outlines) and Pilbara Minerals' exploration tenements and application (shown in green) that will form part of the mineral rights agreement between the two parties. All gold occurrences and mines shown.

Next Steps

- Negotiation of full form mineral rights agreement in relation to the 'Gold Tenements';
- Drill planning on Mt York Extension, Gilt Dragon and surrounding exploration tenements to drive resource growth
- Commencement of negotiations with Nyamal Aboriginal Corporation for a mining agreement over Mt York
- Subject to agreeing a full form mineral rights agreement, commencement of field mapping and sampling on the additional 'Gold Tenements' under the mineral rights agreement
- Completion of the scoping study for the Main Trend of the Mt York Gold Project using all historic and current data

About Kairos Minerals

Kairos Minerals (ASX:KAI) owns 100% of the flagship 1.38Mozs **Mt York Gold Project** that was partially mined by Lynas Gold NL between 1994 and 1998. Kairos has recognised that the resource has significant potential to grow further from its current 1.38Moz base with significant exploration potential existing within the Mt York Gold Project area. A scoping study is underway under the auspices of GR Engineering and will progress rapidly underpinned by the resource expansion work that will collect important information for metallurgical testwork, mining and process engineering to determine viability and optimal pathway to develop a sustainable, long-lived mining project. Current resources at a 0.5 g/t Au cutoff grade above 325m depth are shown in the table below.

Deposit	Indicated			Inferred			Total		
	Tonnes (MT)	Au (g/t)	Ounces (kcozs)	Tonnes (MT)	Au (g/t)	Ounces (kcozs)	Tonnes (MT)	Au (g/t)	Ounces (kcozs)
Main Trend	20.25	1.06	690	22.83	0.95	697	43.08	1.00	1,385
Total	20.25	1.06	690	22.83	0.95	697	43.08	1.00	1,385

Kairos's 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio where the Company's exploration work has confirmed the potential for significant discoveries of high-grade gold, nickel, cobalt, lithium and rare earth mineralisation. Kairos has recently discovered significant high-grade REE mineralisation at Black Cat within enriched lower saprolite clays overlying fertile REE-bearing syenite intrusions.

This announcement has been authorised for release by the Board.

Peter Turner
Managing Director

Zane Lewis
Non Executive Chairman

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COMPETENT PERSON STATEMENTS:

The information in this report that relates to Exploration Results is based and fairly represents on information compiled and reviewed by Mr Mark Falconer, who is a full-time employee of Kairos Minerals Ltd and who is also a Member of the Australian Institute of Geoscientists (AIG). Mr Falconer has 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 Falconer has consented to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Mineral Resource Estimate for the Mt York Gold Project referred to in this announcement was first reported in accordance with ASX Listing Rule 5.8 in the announcement dated 15 May 2023 (entitled '*Resource increases to 1.6Moz and remains open*'). Kairos confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply for the Main Trend and have not materially changed.

FORWARD LOOKING STATEMENTS:

This announcement may contain forward-looking statements. These forward-looking statements are made as of the date of this announcement and Kairos Minerals Limited (the **Company**) does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law. Forward-looking statements relate to future events or future performance and reflect the Company's expectations or beliefs regarding future events and include, but are not limited to, the execution of a definitive mineral rights agreement in relation to the 'Gold Tenements' (as described in the announcement); the Company's planned strategy and corporate objectives; the likelihood of further exploration success; the timing of planned exploration and study activities; access to sites for planned drilling activities; planned capital requirements; the success of future potential operations and the timing of results from planned exploration programs.

In certain cases, forward-looking statements can be identified by the use of words such as, "commence", "considered", "continue", "could", "estimated", "expected", "for", "is", "likely", "may", "plan" or "planned", "possible", "potential", "objective", "opportunity", "targeted", "towards", "will" or variations of such words and phrases or statements that certain actions, events or results may, could, would, might or will be taken, occur or be achieved or the negative of these terms or comparable terminology. By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.

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