KAIROS MINERALS LIMITED

ANNUAL REPORT 2024

Contents

Chairman's Report

Dear Shareholders,

It has been another extraordinary year for Kairos with the sale of non-core tenements for $20,000,000 to Pilbara Minerals Ltd. In addition, the Pilbara Minerals agreement will provide Kairos with the mineral rights (except lithium and tantalum) for 367 km^2 of tenements surrounding our 1.4 Moz Mt York Gold deposit, subject to the execution of the mineral rights agreement.

The deal is truly significant for Kairos as it gives us financial capacity to advance the Mt York Gold Project through its scoping study and beyond at a time when the mineral sector is enjoying record gold prices. It also gives us the ability to look worldwide for attractive acquisitions.

Kairos's small yet capable technical team have done an unbelievable job in discovering a new rare earth element (REE) discovery at our Roe Hills Project 100km east of the Lynas REE Processing Facility near Kalgoorlie. This project has the potential of scale, with substantial clay-hosted REE grades, and we will be looking forward to updating shareholders with developments into the future on both project fronts.

As a shareholder of the Company myself, I have seen some erosion in the share price of the Company over the course of the year that reflects the general malaise in the small-cap mineral company space, not to mention the extreme falls in some commodities, and the rise in others. My message to you is to look at the opportunities and optionality that the business transaction with Pilbara Minerals affords us as a company. With our current cash base sitting at $14m with a further $10m from Pilbara Minerals expected when the mining lease application on the tenement we sold them is granted, the Company is well funded with a strong balance sheet.

Not only does this give us a tremendous leg-up in terms of value-adding to existing projects, it gives us the ability to look at further value-adding strategies or acquisitions at a time when our peer group are struggling to raise money. We have already seen interesting projects come across our desks and will continue to look for projects that fit our criteria of being a material, high-value development project.

However, right now our main focus is to deliver the scoping study for the Mt York Gold Project in the Pilbara that we are thrilled to own outright. I know the Kairos Technical Team are very excited to be working on this project that they believe is a very large gold system indeed and the cherry on top of the cake for them, is to acquire the gold rights to an additional 1.4 kms of strike length of the 'Main Trend' deposit that extends into the Pilbara Minerals ground to the north, that was not accessible to them before the deal was consummated.

The deposit is hosted in a Banded Iron Formation (BIF) and mineralisation can now be traced over 4.5 km. Kairos is very confident, judging by the style and continuity of mineralisation, that a significant resource increase can be achieved.

If you are an existing shareholder then I thank you on behalf of the Board for your support; if you are a potential shareholder looking for an active junior company that is leveraged to growth through the gold price, then I urge you to consider an investment in Kairos.

I am proud to be part of this Team and have full confidence in the management team that drive this company towards the next development…and the next discovery.

Zane Lewis
Chairman

The Board of Directors of Kairos Minerals Limited and its subsidiaries ('the Consolidated Entity') present their report for the year ended 30 June 2024.

Review of Operations

Highlights

Mt York Gold Project, Pilbara

- **Scoping Study on the Mt York Gold Project in the Pilbara of Western Australia has started under the auspices of GR Engineering Services (GRES) and supported by Cube Consulting Pty Ltd (CUBE) after an internal valuation exercise confirmed that Mt York has strong potential to be a high-value, robust gold mine**
- **The scoping study will benefit from Mt York's clean metallurgy; it will assess an ore process rate of 4 Mtpa and above and include financial modelling using current cost estimates**
- **Non-core Mt York ground sold to Pilbara Minerals Ltd (ASX:PLS) for $20m, the first $10m received on completion of the transaction in early September 2024 giving Kairos a $14.7m bank balance; the balance of $10m in PLS shares or cash to be received following grant of M45/1307 application or other agreed tenure over the same area**
- **The tenure being sold contains a gold resource of 0.23Moz (or 14% of the Mt York mineral resource estimate) in two small satellite gold deposits that are non-core to the Mt York Gold Project**
- **Kairos to retain 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**
- **As part of the sale agreement, Kairos gains mineral rights (except lithium and tantalum) over 367sqkm of neighbouring exploration tenements and applications owned by PLS; 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 additional 'Main Trend' strike extension as part of a minimum 5,000m RC and diamond drill programme; It will be aimed at identifying higher-grade, near-surface mineralisation to drive resource growth**

Roe Hills Project Rare Earth Elements (REEs) Discovery

- **Assays reveal Kairos has made a significant Rare Earth Element (REE) discovery at its Black Cat Prospect near Kalgoorlie, confirmed in drilling at Roe Hills**
- **The results show that Black Cat, which is part of the Roe Hills project, is clay-hosted and has genuine scale**
- **Drill intercepts of up to 148m and grades up to 23,000ppm TREO**
- **Results include a standout intersection of 28m @ 3854ppm TREO from 32m, which includes 4m @ 2.31% TREO (23,182ppm) in drillhole RHRC253**

- **More than 90% of holes tested for REEs have returned significant intersections (>500ppm TREO)**
- **Mineralisation contains exceptionally high proportions of the high-value neodymium + praseodymium (23% of TREO) and Magnet REO (28% of TREO) elements – higher than peer group projects**
- **In light of these strong results, Kairos undertook a gravity survey to identify the key areas for follow-up drilling to grow the size of the discovery; Gravity survey highlights large areas of gravity lows which are likely to stem from syenites associated with REE mineralisation**
- **First round metallurgical sighter test work completed on clay samples with excellent recoveries for rare earth elements (REEs) demonstrating potential economic value of the project**
- **Total rare earth leach recoveries were exceptionally high at 89.9% to 97.4% for the four composite samples with total rare earth oxide (TREO) ranges of 2,072 ppm to 5,685 ppm**
- **Simple screen beneficiation results shows the fine fraction (-20µm) carries >70% of the total rare earths (68.2% to 74.8% TREE recovery)**
- **Encouragingly, high-value magnet REE's Nd and Pr (and the valuable REE Sm) preferentially upgrade in the <20 µm size fraction relative to the low value REE's in two of the four samples**
- **Stage II metallurgical test work process flow-sheet has been optimised to include froth flotation to determine if a high-grade flotation concentrate can be produced; Test work timing is currently under review.**

MT YORK GOLD PROJECT, PILBARA (KAI: 100%)

The Mt York Gold Project is situated in the Pilbara of Western Australia, some 120km south of Port Hedland and 40km south-east of De Grey's massive 10Moz+ Hemi Gold Deposit (**Figure 11**).

Kairos has been in negotiation with its neighbour, Pilbara Minerals Ltd (ASX:PLS) for the past year to sell its interest in prospecting licences P45/2988, P45/2992, P45/2993, P45/2995, P45/2997 and P45/2998 and the overlying mining lease application (M45/1307) for $20,000,000m. The deal was consummated and announced to the market on August 1, 2024 with Completion and first of two $10,000,000 payments made on September 4, 2024. The second payment of $10,000,000 is expected from PLS on the earlier of the grant date of the M45/1307 application or other agreed tenure over the same area.

The Iron Stirrup and Old Faithful satellite gold prospects occur on the licences that are part of the PLS sale agreement and contain a combined mineral resource of 233,000 ounces (or 14% of the total Mt York gold inventory). Kairos negotiated the mineral rights including gold and base metals (but excluding lithium and tantalum) to 367 km^2 of nearby exploration tenements owned by PLS (**Figure 11**). Importantly, the Company will gain access to the extension of the Mt York '**Main Trend**' deposit that continues on to PLS's ground as shown in **Figure 1**.

Part of the funds from PLS are intended to cover the drilling and development of additional gold resources that are along-strike of Kairos's Main Hill Gold Deposit that will be incorporated into the Company's resource inventory going forward.

Drill planning is currently underway to:

1) increase gold resources on the total '**Main Trend**', including the additional 1.4kms of exploration ground towards the northwest where PLS have confirmed the mineralisation continues (**Figure 1**) and

2) increase the confidence of the resources from inferred to indicated along the whole Mt York Trend.

Drilling will be staged to accomplish both aims. Only part of the initial $10m received from PLS will be used for the planned drilling in 2024-2025.

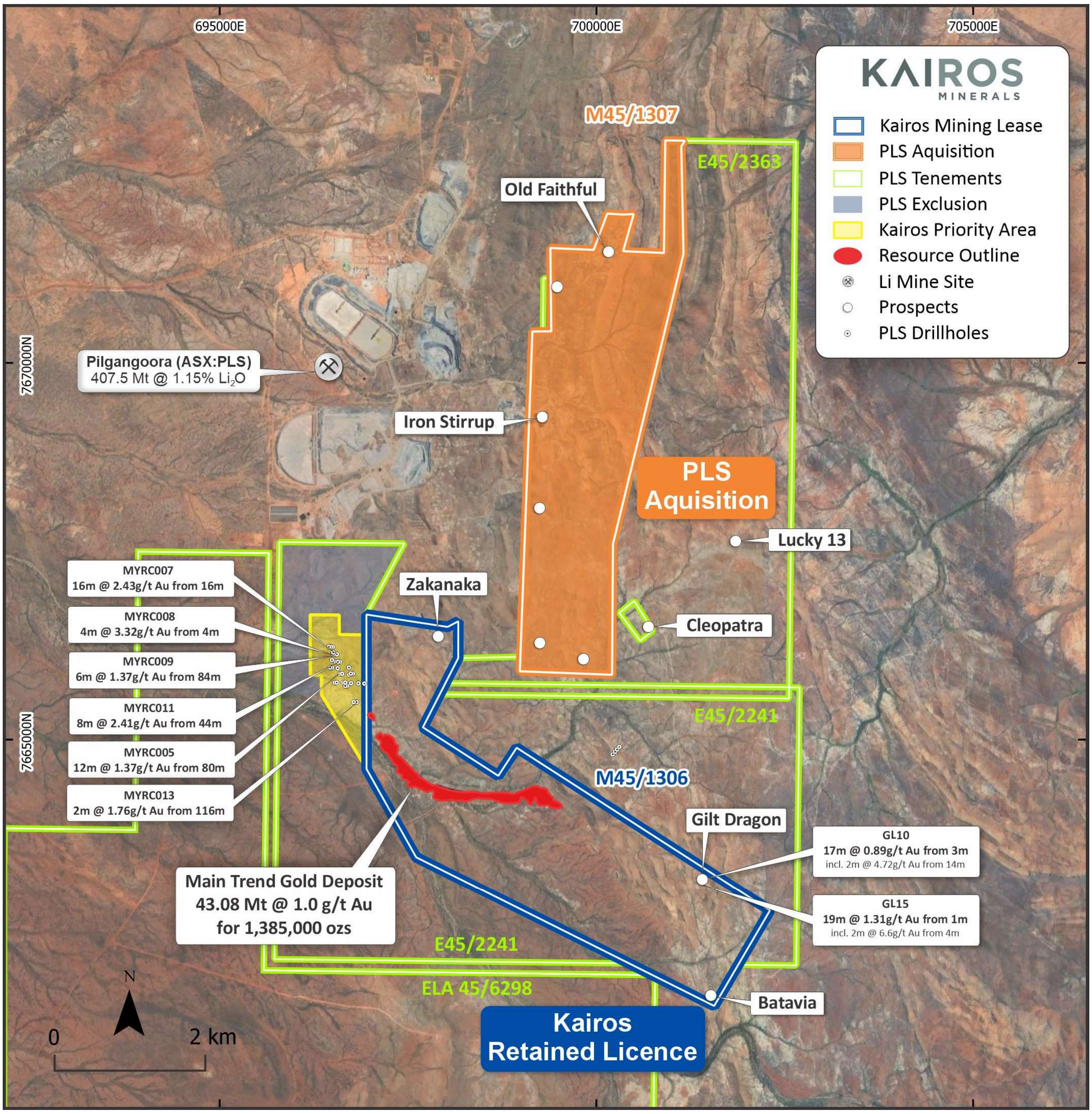

Figure 1. The Mt York Main Trend Gold Deposit (red) showing the 1,400m extension of the deposit towards the northwest on E45/2241 (within the yellow polygon). Kairos will have priority access to the Main Trend Extension once a full agreement is entered into in relation to the PLS 'Gold Tenements'.

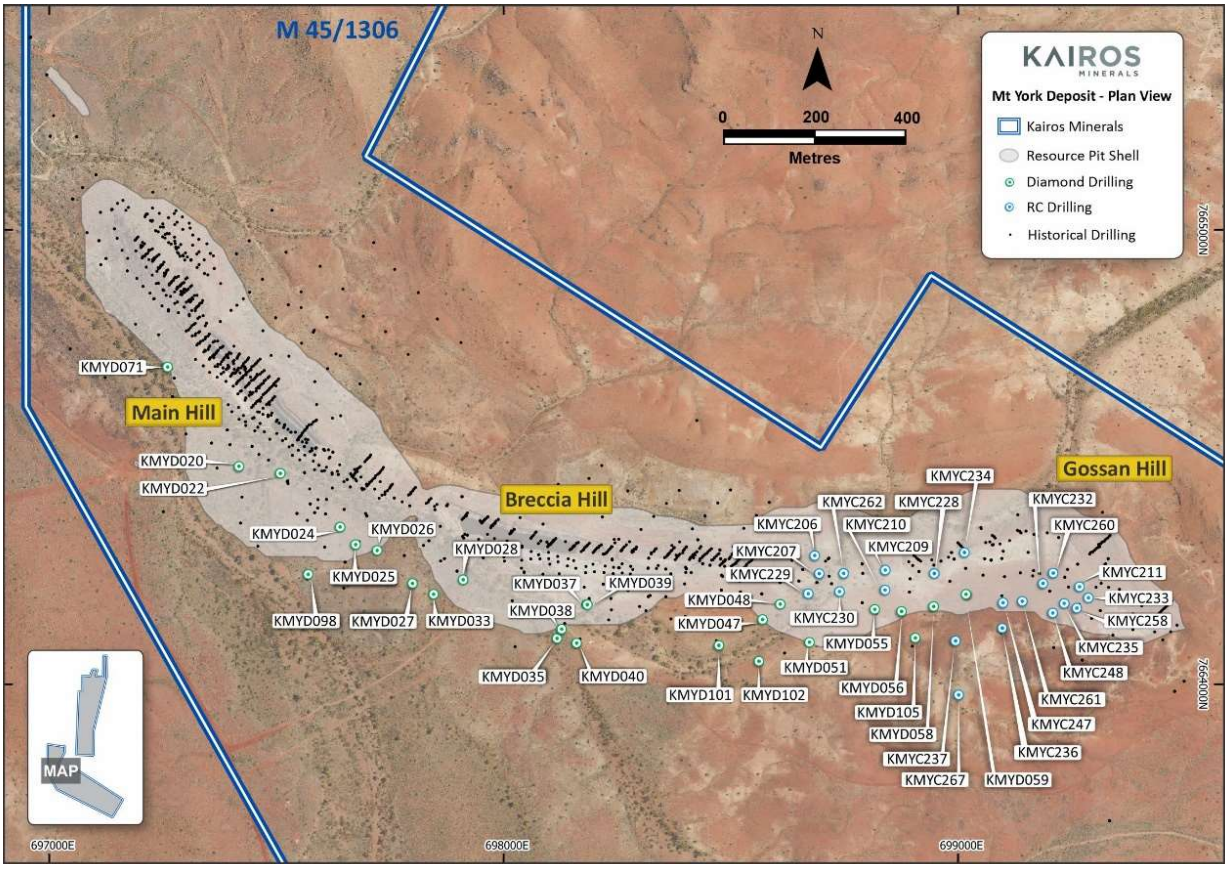

Figure 2. Mt York's **Main Trend** showing all historic holes (black dots) emphasising holes drilled in 2022 (green and blue dots). The mineralisation extends to the northwest on to licence E45/2241 owned by PLS shown on **Figures 1** & **11** where Kairos has agreed to acquire the gold and base metal rights, potentially increasing immediate drill targets over an additional 1.4 kms in our hunt to increase the project's gold resources.

UPDATED MINERAL RESOURCE ESTIMATE

The updated Mt York Mineral Resource Estimate is shown in **Table 1** 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 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 1**).

Deposit	Cut-off (Au g/t)	Indicated			Inferred			Total		
		Tonnes (Mt)	Au (g/t)	Ounces (kozs)	Tonnes (Mt)	Au (g/t)	Ounces (kozs)	Tonnes (Mt)	Au (g/t)	Ounces (kozs)
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 1. 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.

MINING LEASE APPLICATIONS (MLAs)

M45/1306 (Mt York South) is a mining lease application owned by Kairos Minerals Ltd that remains in progress. M45/1307 – Mt York North – was sold to Pilbara Minerals Ltd as part of the sale agreement for the non-core ground announced by the Company on August 1, 2024.

M45/1306 is advancing through the granting process and Kairos Minerals Ltd has begun negotiating with the traditional owners of the project site, the Nyamal Aboriginal Corporation (**NAC**).

Kairos will continue to update shareholders on any important developments with respect to the granting process of the application whilst studies continue over the gold project.

ROE HILLS PROJECT (100% KAI)

Roe Hills is 100km east of Kalgoorlie, WA and is located within a new lithium pegmatite and Rare Earth Element (REE) province hosting the Manna Li-Ta project of Global Lithium Resources Ltd (ASX:GL1) (**Figure 3**).

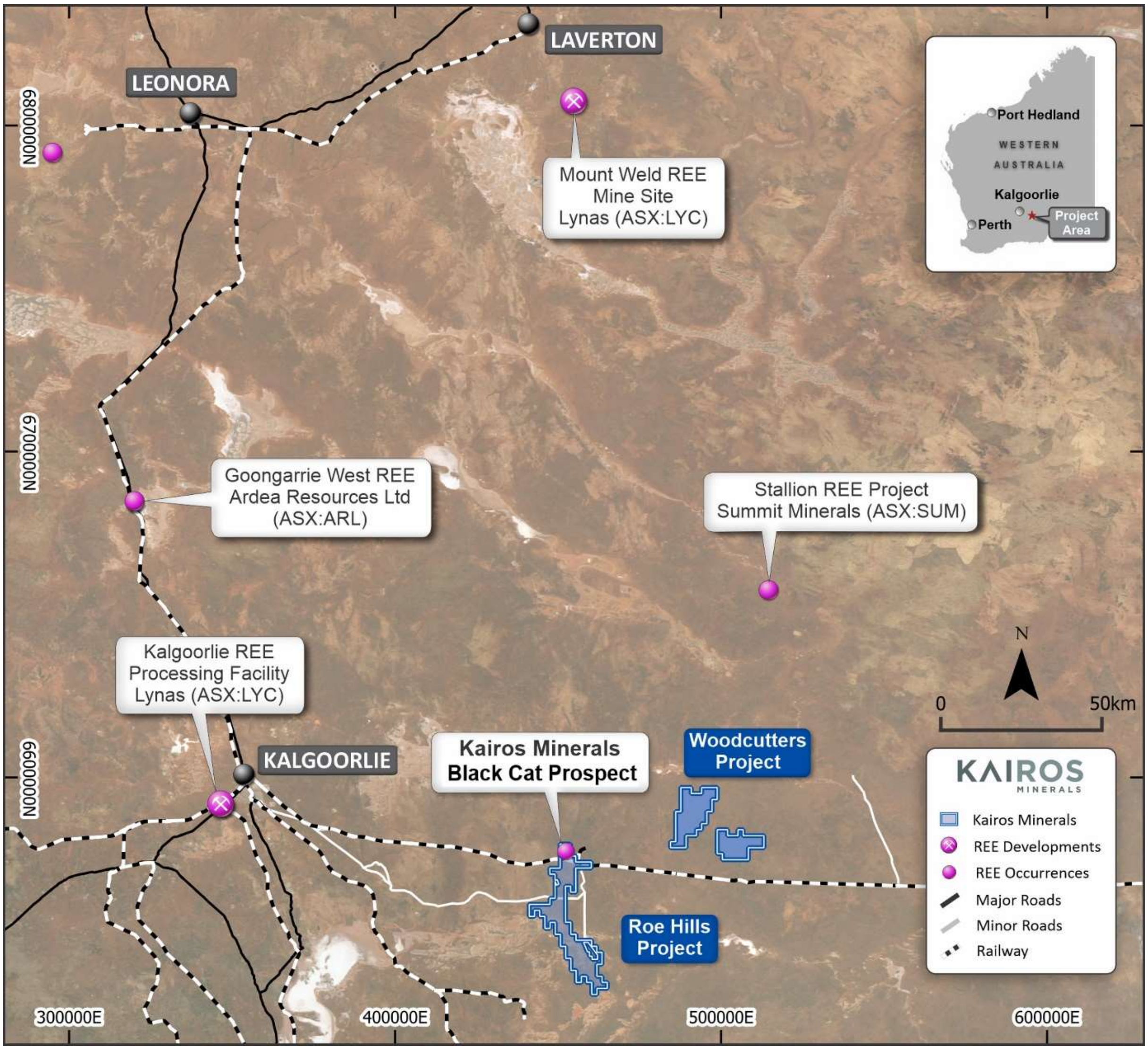

Figure 3. Kairos' REE & gold prospects over the Roe Hills area. Other REE projects and Lynas Process Facility shown.

Kairos' activities over the past year comprised an extensive drilling programme targeting lithium-bearing pegmatites both along-strike of Manna at the **Crystal Palace Prospect** and at the Manna lookalike lithium target called **Black Cat** (**Figure 4**). Drilling at Black Cat resulted in a significant REE discovery.

SIGNIFICANT RARE EARTH ELEMENT (REE) DISCOVERY AT ROE HILLS

During the past year, the Company drilled 83 reconnaissance RC holes for 11,138m (average hole depth of 134m) over REE, lithium and gold surface targets at Roe Hills.

Drilling at Black Cat defined significant high-grade REE mineralisation that is far more extensive and widespread than originally anticipated, **so much so that it is being considered by Kairos as a significant**

and potentially large discovery. The REE mineralisation at Black Cat is blind from surface, open in all directions and has a potentially large volume target with excellent road and rail infrastructure to the project from Kalgoorlie (**Figure 4**).

Initial drilling at Black Cat during the quarter originally targeted significant lithium pathfinder anomalies in soils, and while no lithium pegmatites were intersected at Black Cat as hoped, initial multi-element assay results returned thick, high-grade rare earth mineralisation within clays overlying previously unknown syenite intrusions in each of 9 holes that were originally analysed for REE's. This prompted samples from the remaining holes at Black Cat to be re-submitted for REE analysis, as well as an additional 5 drill holes that were completed to test for extensions to the emerging mineralisation.

Results were received for all 83 holes at Black Cat during the quarter and include some spectacular total rare earth oxide (TREO) widths and grades (**Figure 4**). Recent high-grade results using a four-acid digest, ICPMS finish include:

- **40m @ 2104ppm (0.21%) TREO** from 36m incl **8m @ 6023ppm (0.60%) TREO** from 40m (RHRC158)
- **78m @ 1255ppm (0.13%) TREO** from 52m incl **32m @ 2212ppm (0.22%) TREO** from 56m (RHRC136)
- **16m @ 1428ppm (0.14%) TREO** from 52m (RHRC135)
- **148m @ 821ppm (0.08%) TREO** from 36m incl **40m @ 1551ppm (0.16%) TREO** from 36m (RHRC138)
- **28m @ 3854ppm TREO** from 32m incl **4m @ 23,182ppm (2.31%) TREO** from 56m (RHRC253)
- **48m @ 1631ppm TREO** from 44m incl **12m @ 4332ppm TREO** from 48m (RHRC153)
- **36m @ 1586ppm TREO** from 36m incl **12m @ 3187ppm TREO** from 44m (RHRH125)
- **20m @ 2100ppm TREO** from 44m incl **8m @ 3152ppm TREO** from 48m (RHRC126)
- **114m @ 1185ppm TREO** from 40m incl **12m @ 2533ppm TREO** from 40m and **16m @ 2178ppm TREO** from 108m (RHRC127)
- **36m @ 1826ppm TREO** from 36m incl **24m @ 2390ppm TREO** from 40m (RHRC128).

Mineralisation at Black Cat contains a significant proportion of the valuable neodymium + praseodymium rare earths (NdPr) and magnet rare earths (Mag REO). NdPr ratios across the deposit average 23% of TREO values, with local ratios up to 38% of TREO. In addition the Mag REO ratios average 28% of TREO values with local ratios up to 47% of TREO. These are exceptionally high proportions relative to most REE deposits and highlights the significance of the rare earths at Black Cat.

All significant intercepts are associated with deeply weathered clays that have enriched REEs in highly mineralised zones by simple weathering above the syenite intrusions. The highly mineralised clays form a broad, thick, sub-horizontal sheet-like body of REE enriched material that remains open in all directions (**Figures 4, 5 and 6**).

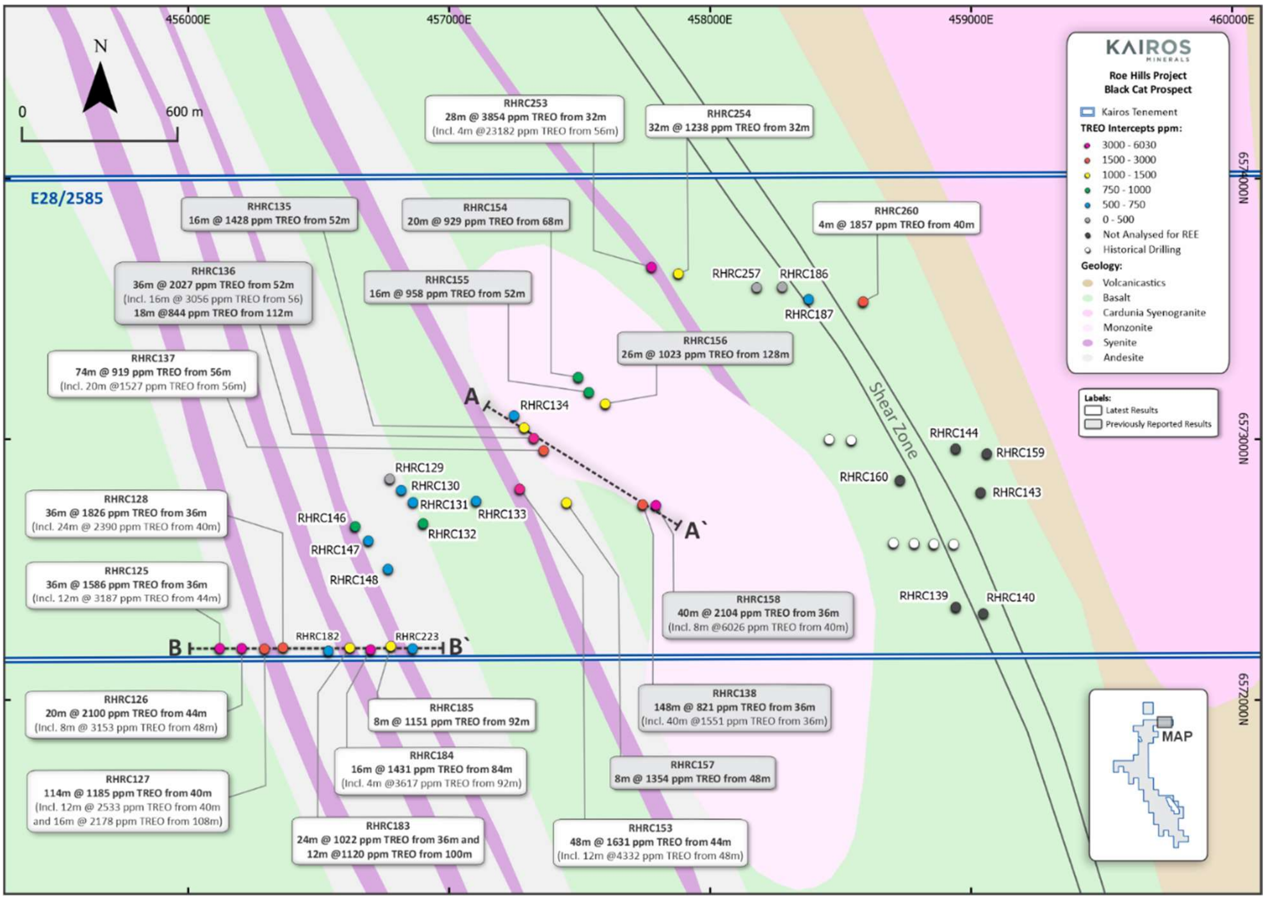

Figure 4. Black Cat REE drill results. See **Figures 5 and 6** for cross-sections.

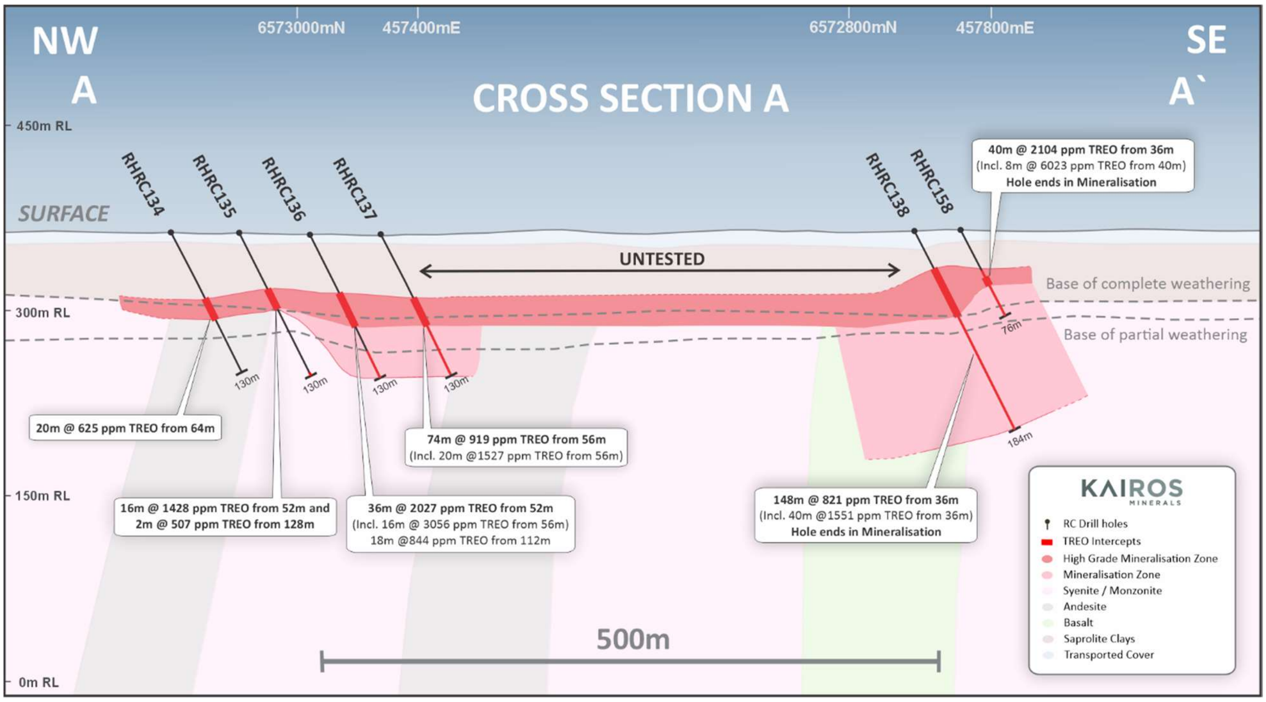

Figure 5. Cross-section A-A`with rare earth intercepts. See **Figure 4** for section location.

The mineralisation in the clays is generally non-visual and forms at the transition from upper saprolite to lower saprolite, and through to the base of complete weathering. Mineralisation in the saprock and fresh rock is generally constrained to the syenite intrusions and their immediate country rock. The potential volumes of saprolitic clays enriched in REEs is thought to be very large indeed. Further drill testing will be required to determine a mineral resource over the Black Cat area and will be guided by ground geophysics.

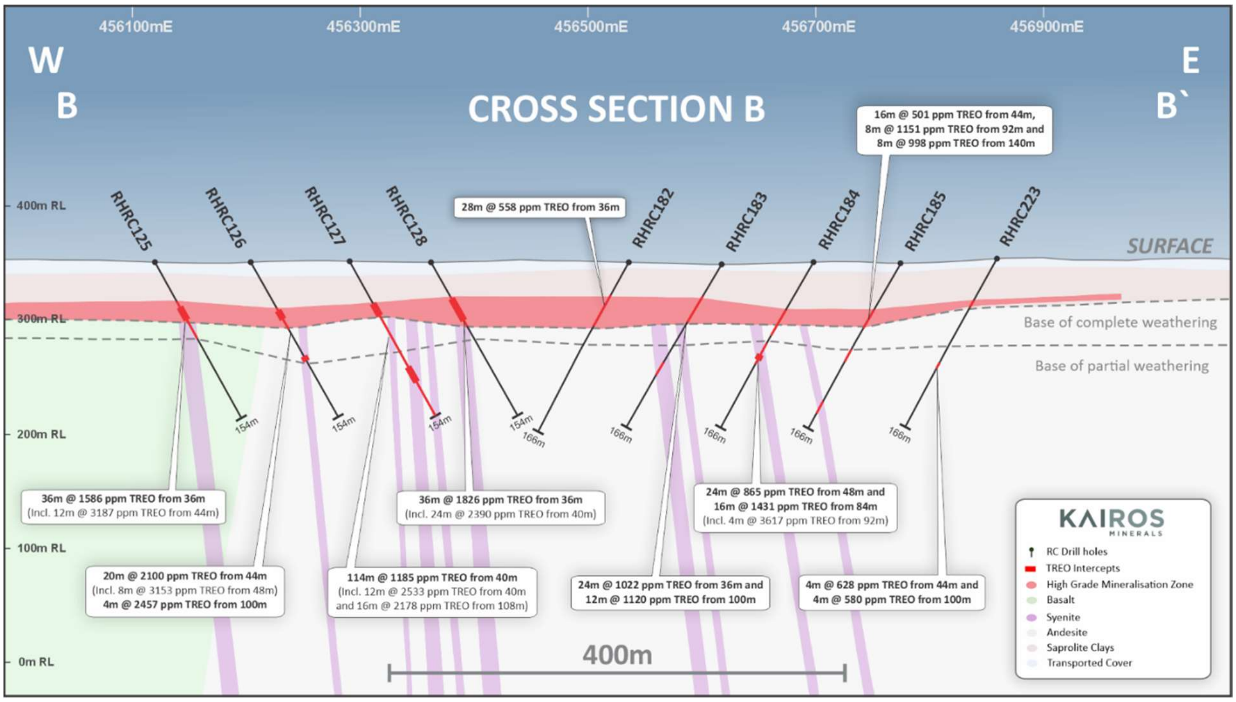

Figure 6. Cross-section B-B`with rare earth drillhole intercepts. See **Figure 4** for section location.

Four composites were selected (**Table 1**) from the clay-rich saprolite mineralised zone from RHRC136 and RHRC158 (see **Figures 4, 5 & 7** for location of holes) for initial sighter metallurgical test work (**Table 2**).

Hole ID	From (m)	To (m)	Interval (m)	Comment
RHRC136	56	60	4	Composite: Lower Saprolite (upper contact)
RHRC136	64	68	4	Composite: Lower Saprolite (lower contact)
RHRC158	40	44	4	Composite: Lower Saprolite (upper contact)
RHRC158	48	52	4	Composite: Lower Saprolite (lower contact)

Table 2. Composite samples for initial sighter test work for the REE samples at Black Cat.

The results showed excellent recoveries for Rare Earth Elements (REEs) demonstrating the potential economic value of the project.

The total Rare Earth leach recoveries were exceptionally high at 89.9% to 97.4% for the four composite samples with total Rare Earth Oxide (TREO) ranges of 2,072 ppm to 5,685 ppm.

Simple screen beneficiation results show the fine fraction (-20µm) carries >70% of the total Rare Earths (68.2% to 74.8% TREE recovery).

Encouragingly, high-value magnet REE's Nd and Pr (and the valuable REE Sm) preferentially upgrade in the <20 µm size fraction relative to the low value REE's in two of the four samples.

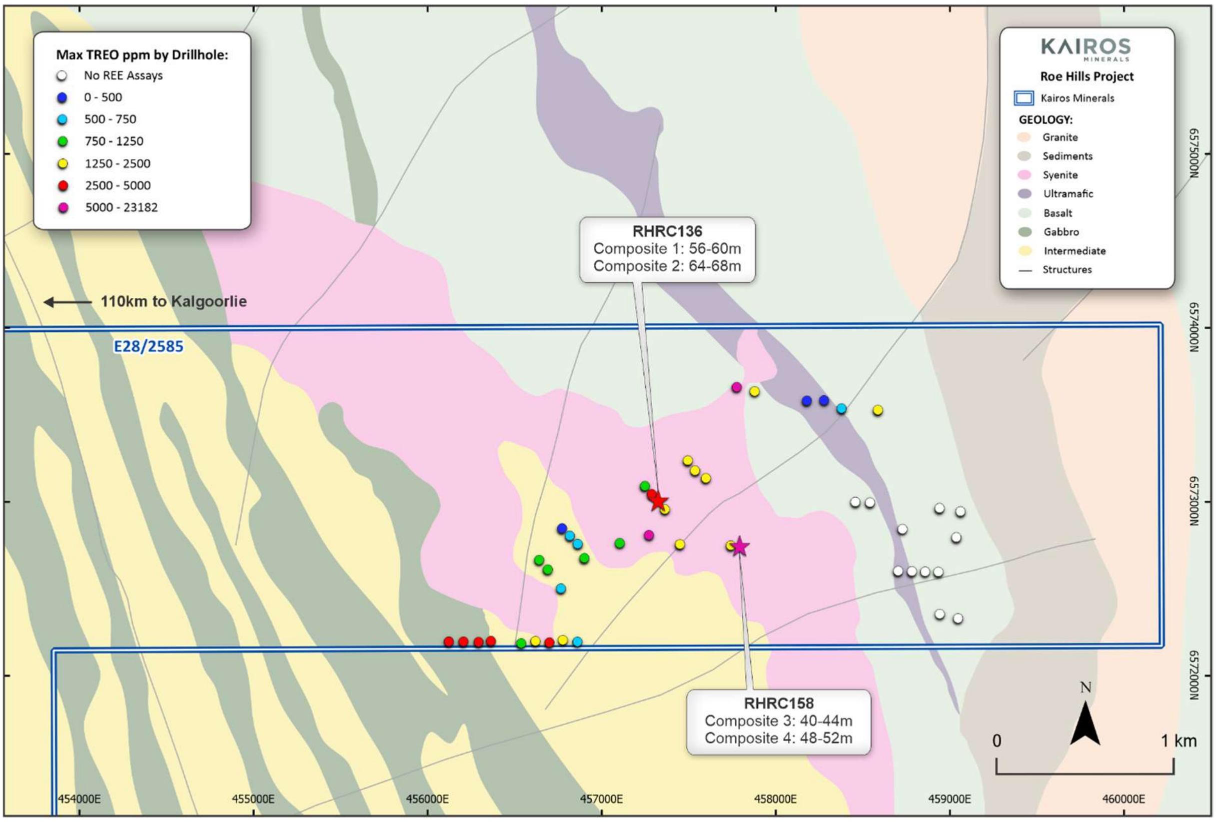

Figure 7. Geological interpretation from drilling data and gravity surveying of the **Black Cat REE deposit** showing the location of drillholes RHRC136 and RHRC158 from which metallurgical samples were selected and submitted for size analysis and leach testing. The pink indicates the potential ore-source syenites interpreted from the gravity survey that provides significant untested drill targets for future aircore drilling.

Stage II metallurgical test work process flow-sheet has been optimised including froth flotation to determine if a high-grade flotation concentrate can be produced. The acid consumption tests aim to improve project economics.

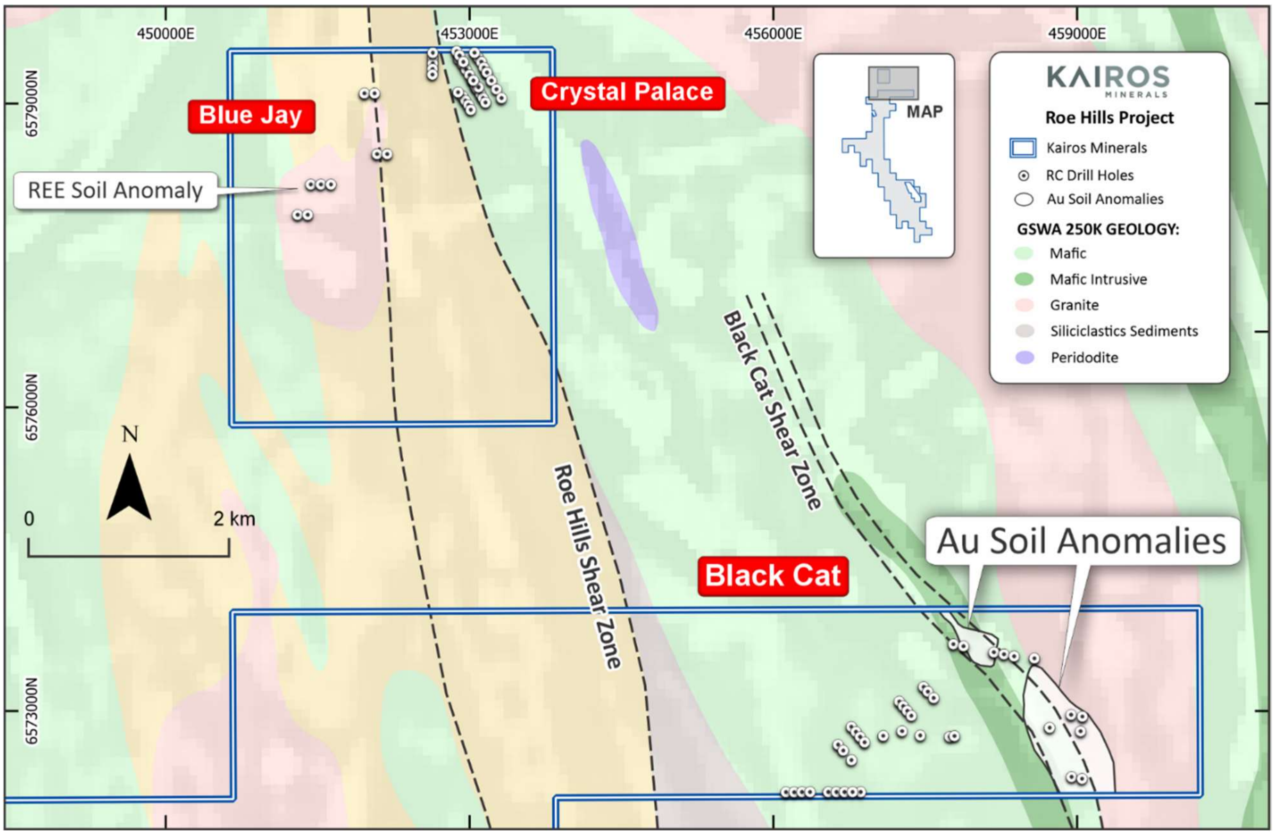

Figure 8. Roe Hills North project area showing the prospect locations and locations of all RC drill collars drilled during the quarter on a background image of regional geology.

Drilling at **Crystal Palace** also targeted a west-south-west trending swarm of pegmatites mapped in surface sub-crop (**Figure 9**), with coincident strong lithium and associated pathfinder soil anomalism in addition to Lithium-Tantalum-Caesium (LCT) fertility indicators such as low K/Rb ratio (<25 across pegmatite intercepts) and lithium-bearing lepidiolite mica in rock chips. Several narrow 1-3m wide, steeply-dipping pegmatites were intersected in the drilling, with lepidiolite noted in most intercepts which was backed up by XRD mineralogy. The best lithium grades returned were:

- **3m @ 0.23% Li_2O** from 29m including **1m @ 0.46% Li_2O** from 30m (RHRC166)
- **3m @ 0.41% Li_2O** from 87m including **1m @ 0.67% Li_2O** from 88m (RHRC168)
- **1m @ 0.14% Li_2O** from 8m (RHRC172)
- **2m @ 0.33% Li_2O** from 98m (RHRC195)

The presence of lepidiolite in the samples is encouraging from an Lithium-Cesium-Tantalum (LCT) perspective and can be indicative of nearby spodumene mineralisation as at Manna. The mapped pegmatite swarm disappears under shallow transported cover to the west, where a completed gravity survey assisted in identifying further drill targets under this cover (**Figure 10**).

During the drilling program a sample of pegmatite float was discovered close to one of the planned drillhole traverses. The sample contained spodumene and was submitted for analysis which returned a value of **1.67% Li_2O** (**Figure 9**). While this sample was not in its original location it still gives Kairos confidence that spodumene-bearing pegmatites occur in the **Crystal Palace** area which is 5km along-strike to the southwest of the Manna lithium deposit (ASX: GL1).

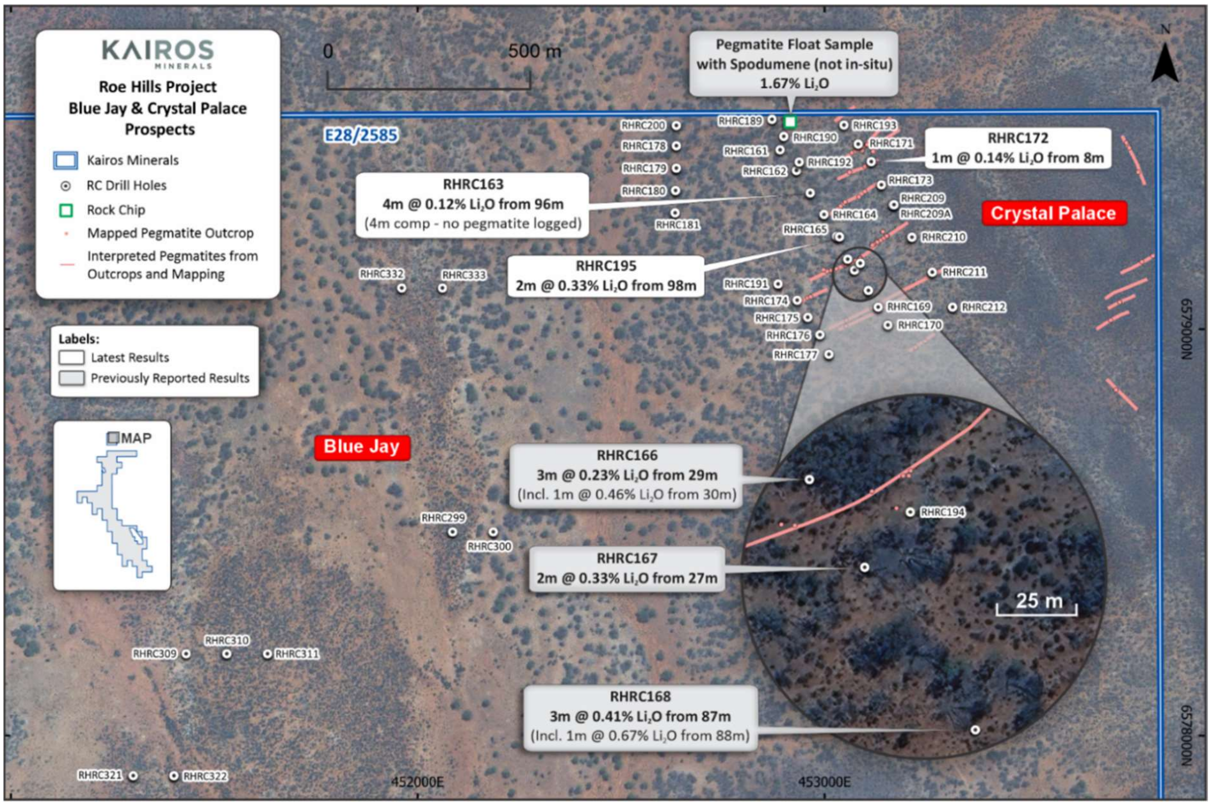

Figure 9. Crystal Palace (lithium) and Blue Jay (REEs) drill results.

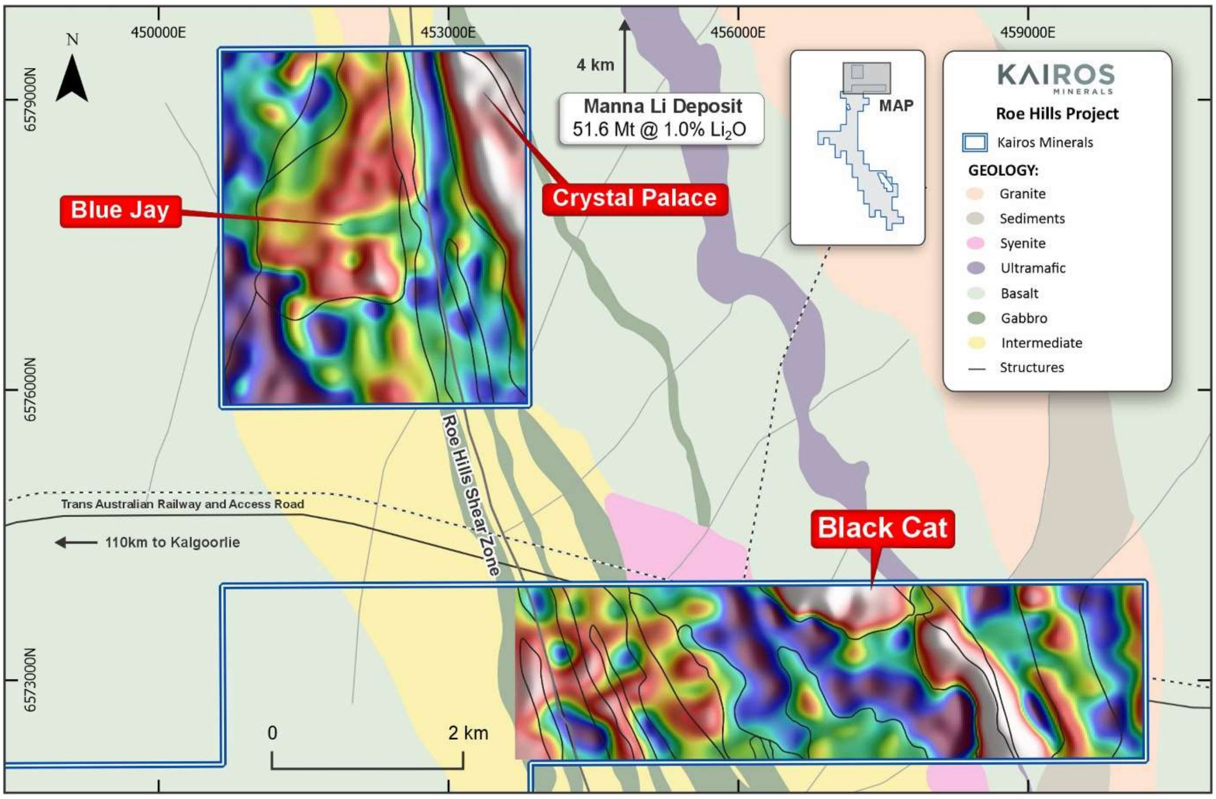

Figure 10. Roe Hills North project area showing the location of the recent 200m x 50m spaced ground gravity survey. The gravity image displayed is the first vertical derivative Bouger anomaly with a non-linear colour stretch. Gravity lows are represented by deep blues and are generally interpreted to be potential intrusions.

REGIONAL PILBARA PROJECTS (KAI: 100%)

During the year, field work activities were undertaken on most of the regional Pilbara assets (**Figure 11**).

Significant work in the form of soil sampling was conducted over one of our three Lalla Rookh licences and results will enable the company to determine the project's future.

In most cases, geological mapping including structural observations were taken. With many of the projects in the Pilbara exhibiting good rock exposure, the Exploration Team used extensive and freely-available satellite imagery to back-up their observations and interpretations on whether a mineralised system, be it gold, base metals or lithium, exist. Important structural geological information, alteration mapping and its lithological framework have been combined with all geochemical and geophysical data to make the right decisions on maintaining ownership of a project.

The holding costs of these tenements to the Company is large and sensible geological assessment and rationalisation of the assets is important.

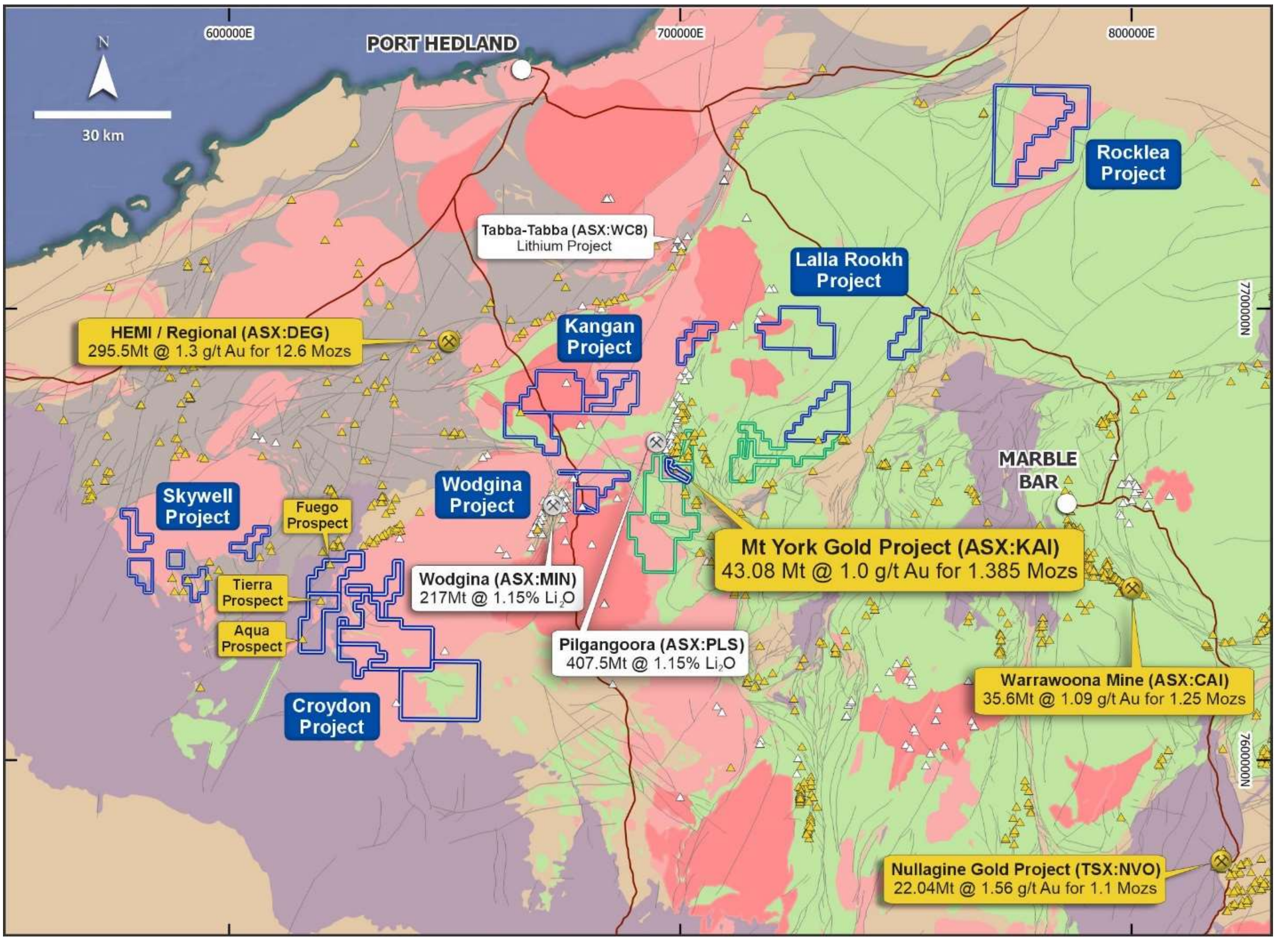

Figure 11. KAI 100% Pilbara Licence holding. Tenements in green are held by Pilbara Minerals, Kairos owning the mineral rights to all elements except lithium and tantalum.

Directors

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

Mr Zane Lewis	**Non-Executive Chairman**
First appointed to the Board	23 March 2022
Experience	Mr Lewis is a principal and founder of corporate advisory firm SmallCap Corporate, which specialises in corporate advice to public companies and is managing director of Golden Triangle Capital which connects listed entities with a community of professional and sophisticated investors, providing funding for all stages in strategic development.
Qualification	Bachelor of Economics, Fellow of the Governance Institute of Australia
Interests held	13,888,607 ordinary shares. 18,611,111 unlisted options
Directorships held in other listed entities	Odessa Minerals Ltd (current) Lion Energy Limited (current) Vital Minerals Limited (current)

Dr Peter Turner	**Managing Director**
First appointed to the Board	23 May 2022
Experience	Dr Turner is an experienced exploration and development geologist with over 25 years in the resources sector, including in Western Australia, Africa, the Middle East and SE Asia. In particular, Dr Turner is recognised as leading exploration teams in the discovery of the Tarra gold deposit near Awak Mas in Sulawesi, Indonesia, the acquisition and successful exploration of the Houndé gold deposit in Burkina Faso, West Africa and the resource development and scoping study on the Telimélé iron ore deposit in Guinea. Dr Turner has an in-depth knowledge of worldwide gold deposits working in specialist technical teams in companies such as Perseus Mining Ltd, Placer Dome Asia Pacific, Delta Gold NL and Goldbelt Resources Ltd. During this time, he developed techniques for targeting new deposits and extensions to existing mineralisation.
Qualification	BSc (Honors) in Applied Geology PhD in West African geology Member of Australian Institute of Geoscientists (MAIG)
Interests held	10,635,443 ordinary shares 444,444 unlisted options 15,000,000 performance rights
Directorships held in other listed entities	N/A

Mr Mark Calderwood	**Non-Executive Director**
First appointed to the Board	25 May 2022
Experience	Mr Calderwood has over 30 years' experience in exploration and production management and has played a key role in the discovery of several world-class gold deposits including Edikan (Perseus), Kibali (Barrick-AGA) and Tarmoola (King of the Hills) in Western Australia. His previous roles include Chief Executive of Perseus Mining, where he led the Company from a micro-cap explorer to a $1.6B, ASX-100 gold producer. Mr Calderwood has significant

	experience with LCT pegmatites, lithium exploration and mine development and is co-author of a guidebook to the pegmatites of Western Australia.
Qualification	Member of the Australasian Institute of Mining and Metallurgy (AusIMM)
Interests held	885,443 ordinary shares. 10,444,444 unlisted options
Directorships held in other listed entities	Midas Minerals Limited (current) Eastern Resources Limited (current)

Mr Philip Coulson	**Non-Executive Director**
First appointed to the Board	23 March 2022
Experience	Phil has over 20 years corporate advisory experience, having held senior advisory positions at Montagu Stockbrokers and Patersons Securities Limited. He has promoted and advised numerous companies in the identification and acquisition of technology and resource projects. Currently a private investor and corporate consultant, he holds debt and equity positions in a number of public and private companies. Most recently, Phil facilitated the transformation of Vital Metals Ltd (ASX:VML) into a rare earths business. Prior to this he facilitated the reverse takeover of ResApp Diagnostics Pty Ltd by Narhex Life Sciences Limited (ASX: RAP) and also the reverse takeover of Alcidion Group Limited by Naracoota Resources Limited (ASX: ALC).
Qualification	Bachelor of Economics
Interests held	88,073,867 ordinary shares. 48,055,556 unlisted options
Directorships held in other listed entities	Odessa Minerals Ltd (resigned 17 January 2022)

Mr Robert Klug	**Non-Executive Director**
First appointed to the Board	4 June 2024
Experience	Mr Klug is a highly regarded resources and corporate lawyer with a strong background in finance. He has an impressive track record of working with startup and mid-tier resources companies across copper, nickel, lithium, rare earths and gold. Mr Klug has played senior leadership roles in corporate growth strategies over his +30-year career with well-regarded ASX-listed companies, including involvement in early-stage startups through to large-scale mergers and acquisitions. His previous roles include Chief Commercial Officer and General Counsel for Sandfire Resources (ASX: SFR). In this position, Mr Klug played a key role helping Sandfire grow to become a mid-tier copper producer with multiple operating mines and development projects in Australia, Africa, Europe and North America.
Qualification	Bachelor of Commerce Bachelor of Laws
Interests held	800,000 ordinary shares
Directorships held in other listed entities	Noronex Limited (current) West Cobar Metals Limited (resigned 28 March 2024)

Mr Klaus Eckhof	Non-Executive Director
First appointed to the Board	12 May 2022
Resigned	5 February 2024
Experience	Mr Eckhof is a geologist with more than 25 years experience identifying, exploring and developing mineral deposits around the world. Mr Eckhof worked for Mount Edon Gold Mines Ltd as Business Development Manager before it was acquired by Canadian mining company, Teck. In 1994, he founded Spinifex Gold Ltd and Lafayette Mining Ltd, both of which successfully delineated gold and base metal deposits. Mr. Eckhof has spent numerous years developing contacts within the DRC with several mining deals being very successfully executed. In late 2003, Mr Eckhof founded Moto Goldmines, which acquired the Moto Gold Project in the DRC. There Mr Eckhof and his team raised over $100 million and delineated more than 12Moz of gold and delivered a feasibility study within four years from the commencement of exploration. Moto Goldmines was subsequently acquired by Randgold Resources for $488m, who poured first gold in September 2013. The resource now stands at some 22Moz of gold.
Qualification	Dip. Geol. TU, AusIMM
Interests held	40,625,312 ordinary shares 35,333,333 unlisted options
Directorships held in other listed entities	Amani Gold Ltd (10 March 2023)

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

Joint Company Secretary's

Sebastian Andre

Mr Sebastian Andre is a Chartered Secretary with over 10 years' experience in corporate advisory, governance and risk services. He has previously acted as an adviser at the ASX and has a thorough understanding of the ASX Listing Rules, specialising in providing advice to companies and their boards in respect to capital raisings, IPOs, backdoor listings, corporate compliance and governance matters. He has held the position of Company Secretary from 5 May 2022.

Robbie Featherby

Mr Robbie Featherby was appointed as Joint Company Secretary of the Company on 15 March 2023. Robbie Featherby is a Corporate Advisory Executive who holds a Bachelor of Commerce Degree majoring in Finance and Economics. Mr Featherby has an extensive number of years' experience in the financial services industry, more recently spending 4 years in London working at a leading investment research provider in the private equity sector.

Mr Featherby now provides company secretary services for a number of private and public companies.

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 2024 financial year.

Earnings per Share

Basic loss per share: 0.05 cents (2023: 0.078 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

The Company announced on 1 August 2024 that it had entered into an agreement to sell non-core Mt York ground (being prospecting licences P45/2988, P45/2992, P45/2993, P45/2995, P45/2997 and P45/2998 and the overlying mining lease application (M45/1307) to Pilbara Minerals (ASX:PLS) for a total consideration of $20m and a 2% royalty on gold, lithium and tantalum sales. As of the date of this report, $10m of cash has been received from Pilbara Minerals under the agreement.

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 $1,326,815 (2023: $1,526,257). 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, 6 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Mr Klaus Eckof	2	4
Dr Peter Turner	6	6
Mr Zane Lewis	6	6
Mr Phillip Coulson	6	6
Mr Mark Calderwood	6	6
Mr Robert Klug	0	0

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 30 June 2024, the unissued ordinary shares of Kairos Minerals Limited under option are as follows:

ASX Code	Number under option	Date of Expiry	Exercise Price
Unlisted	335,606,233	1 May 2026	$0.05
Unlisted	18,000,000	1 May 2025	$0.05

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 2024, there were no exercises of options (2023: nil).

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 2024 (2023: 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 2024 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 Klaus Eckof	Non-Executive Chairman	Appointed 12th May 2022, resigned 5 February 2024
Dr Peter Turner	Managing Director	Appointed 23rd May 2022
Mr Zane Lewis	Non-Executive Director	Appointed 23rd March 2022
Mr Phillip Coulson	Non-Executive Director	Appointed 23rd March 2022
Mr Mark Calderwood	Non-Executive Director	Appointed 25th May 2022

Mr Robert Klug	Non-Executive Director	Appointed 4 June 2024

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 29 November 2023 Annual General Meeting ("AGM")

The Company received 98.44% of "for" votes in relation to its remuneration report for the year ended 30 June 2023.

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 2024:

Loss financial year ended 2024	($1,331,104)
Loss financial year ended 2023	($1,526,257)
Loss financial year ended 2022	($4,146,553)
Loss financial year ended 2021	($3,939,501)
Loss financial year ended 2020	($1,322,026)

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

	2024	2023	2022	2021	2020
Share price at financial year end ($)	$0.01	0.017	0.017	0.031	0.043
Basic earnings per share (cents per share)	(0.051)	(0.078)	(0.23)	(0.24)	(0.13)

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.

Section B: Details of Remuneration

Employment Contracts of Executive Directors

The Group has entered into contract with its Managing Director, Mr Peter Turner. The key terms of the agreement are as follows:

Key Terms of Employment Agreement with Dr Turner are as follows:

- Salary: $341,250 plus statutory superannuation.
- Equity Incentive: 25,000,000 Performance rights with vesting conditions as follows:
  - 5 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces a drill intercept on the Company's Lithium Assets of 10 metres or greater @ 1% Li_2O (containing Spodumene);
  - 10 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces an inferred Lithium resource of 10MT @1% Li_2O or more that has independent metallurgical test work confirming that the resource has the potential to produce a low-impurity spodumene concentrate of more than 5% Li_2O; and
  - 10 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces an inferred or indicated gold resource of 1 million ounces at a grade of 1/gt au or better.
  - All unvested Performance Rights will expire automatically on the date which is 5 years from their date of issue.
- Termination: The agreement may be termination by the Company providing 6 months notice or Dr Turner providing 3 months notice.

Details of Remuneration for the year ended 30 June 2024

	Short-term employee benefits		Post-employment benefits		Share-based payments		
	Director's Fee, Salary and other $	Non-monetary benefits $	Superannuation Contribution $	Termination benefits $	Equity-settled $	Total $	Performance Related Remun-eration %
Klaus Eckof	43,750	-	-	-	-	43,750	-
Peter Turner	338,542	27,500	-	-	-	366,042	-
Zane Lewis	55,371	-	-	-	-	55,371	-
Phillip Coulson	42,667	-	-	-	-	42,667	-
Mark Calderwood	49,324	-	-	-	-	49,324	-
Robert Klug	3,559	-	-	-	-	3,559	-
	533,213	**27,500**	-	-	-	**560,713**	-

Details of Remuneration for the year ended 30 June 2023

	Short-term employee benefits		Post-employment benefits		Share-based payments		
	Director's Fee, Salary and other $	Non-monetary benefits $	Superannuation Contribution $	Termination benefits $	Equity-settled $	Total $	Performance Related Remun-eration %
Klaus Eckof	75,000	-	-	-	-	75,000	-
Peter Turner	325,000	-	27,500	-	-	325,500	-
Zane Lewis	42,000	-	-	-	210,074	252,074	83%
Phillip Coulson	42,000	-	-	-	390,137	432,137	90%
Mark Calderwood	50,000	-	-	-	-	50,000	-
	534,000	-	**27,500**	-	**600,211**	**1,161,711**	

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.

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	Net change other	Balance at the end of the year/ resignation date
2024					
Klaus Eckof	27,500,000	-	-	13,125,312	40,625,312
Peter Turner	-	-	-	635,443	635,443
Zane Lewis	10,250,000	-	-	3,638,607	13,888,607
Phillip Coulson	54,861,145	-	-	33,212,722	88,073,867
Mark Calderwood	250,000	-	-	635,443	885,443
Robert Klug	800,000	-	-	-	800,000
	93,661,145	**-**	**-**	**51,247,527**	**144,908,672**

Details of Options Held

The number of Options over ordinary 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	Received as compensation	Options Exercised No.	Options Lapsed No.	Net change other (1)	Balance at the end of the year/ resignation date
2024						
Klaus Eckof	33,600,000	-	-	(3,600,000)	5,333,333	35,333,333
Peter Turner	-	-	-	-	444,444	444,444
Zane Lewis	17,625,000	-	-	(125,000)	1,111,111	18,611,111
Phillip Coulson	41,300,000	-	-	(8,800,000)	15,555,556	48,055,556
Mark Calderwood	10,000,000	-	-	-	444,444	10,444,444
Robert Klug	-	-	-	-	-	-
	102,525,000	-	**-**	**(12,525,000)**	**22,888,888**	**112,888,888**

(1) As approved by shareholders on 13 October 2023, the directors have sub-underwritten the non-renounceable rights issue announced on 27 June 2023. As part of the fees of the sub-underwriting, the directors received sub-underwriter options with an exercise price of $0.05 and an expiry date of 1 May 2026 as follows:

Director	Sub-underwritten amount	No. of options	Value $
Klaus Eckoff	$240,000	5,333,333	34,797
Phillip Coulson	$700,000	15,555,556	104,492
Zane Lewis	$50,000	1,111,111	7,249
Mark Calderwood	$20,000	444,444	2,900
Peter Turner	$20,000	444,444	2,900

The options were valued using a Black-Scholes valuation model taking into account the terms, the underlying values of the shares, the exercise price, the impact of dilution and the risk-free interest rate. A summary of the inputs used in the valuation of the options is listed below.

	5c expiring 1 May 2026
Expiry Date	1-5-2026
Exercise Price	$0.05
Fair Value per Option	$0.0065
Share Price at date of issue	$0.02
Expected Volatility	87.60
Risk Free Interest Rate	3.98%

In addition to the sub-underwriter options, the Director received a 1% cash fee from the Joint Underwriters (Canaccord Genuity (Australia) Limited and Argonaut Securities Pty Limited.

Details of Performance Rights Held

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/appoint-ment date	Received as compensation	Performance Rights Exercised No.	Performance RIghts Lapsed No.	Net change other **	Balance at the end of the year/ resignation date
2024						
Klaus Eckof	-	-	-	-	-	-
Peter Turner	25,000,000	-	-	-	-	25,000,000
Zane Lewis	-	-	-	-	-	-
Phillip Coulson	-	-	-	-	-	-
Mark Calderwood	-	-	-	-	-	-
	25,000,000	**-**	**-**	**-**	**-**	**25,000,000**

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 other transactions with Key Management Personnel not disclosed above or in Note 23.

End of Remuneration Report (Audited).

Material Business Risks

The proposed future activities of the Consolidated Entity are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the directors and management of the Company and cannot be mitigated. An investment in the Company is not risk free and should be considered speculative.

This section provides a non-exhaustive list of the risks faced by the Consolidated Entity or by investors in the Company. The risks should be considered in connection with forward looking statements in this Annual Report. Actual events may be materially different to those described and may therefore affect the Consolidated Entity in a different way.

Investors should be aware that the performance of the Consolidated Entity may be affected by these risk factors and the value of its Shares may rise or fall over any given period. None of the directors or any person associated with the Consolidated Entity guarantee the Consolidated Entity's performance.

Business risks	Mitigating actions
Exploration and evaluation	
- Geological, exploration and development: The exploration, development and mining of mineral resources is a high risk, high-cost exercise with no certainty of confirming economic viability of projects with high risk of project delays and unforeseen geological challenges. - Market Volatility, there are risks associated with fluctuations in rare earth element prices, market demand and global economic conditions. These	- Mineral exploration and development is a speculative undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things; discovery and proving-up an economically recoverable resource or reserve, access to adequate capital throughout the project development phases, securing and maintaining

Business risks	Mitigating actions
factors could impact the Company's financial performance and stability.	title to mineral exploration projects, obtaining required development consents and approvals and accessing the necessary experienced operational staff, the financial management, skilled contractors, consultants and employees. - The Company is entirely dependent upon the Projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Group, its business, prospects, results of operations and financial condition.
Human Resources and Occupational Health and Safety - New operational commodity and lack of experience: The Company's success is to a large extent dependent upon the retention of key personnel. - Hazardous activities: The Company's exploration and evaluation activities may be hazardous, with potential to cause illness or injury.	- Strong human resources and employee relations framework. - Competitive remuneration structure focused on attracting diverse, engaged and suitably qualified employees and consultants. - Industry standard safety management system. - Embedded safety culture. - Regular review of safety management system.
Finance - The need to fund exploration and evaluation activities. - Future funding risk: Continued exploration and evaluation is dependent on the Company being able to secure future funding from equity markets. The successful development of a mining project will depend on the capacity to raise funds from equity and debt markets. - The Company notes that the Company's recent sale of non-core assets to Pilbara Minerals Limited (ASX: PLS) includes $10m of consideration (in PLS shares or cash) that is receivable to the Company on the grant of M45/1307 application or other agreed tenure over the same area. If mining lease application is not granted, the consideration from PLS may not eventuate.	- The Company will need to source equity funding for continued exploration and evaluation prior to accessing equity and debt markets to undertake development funding. Any additional equity financing may be dilutive to Shareholders, as pricing of the Company's shares are dependent on endogenous and exogenous outcomes. - There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.
Regulatory Approvals and Social Licence to Operate - The Company's exploration activities and major projects depend on receipt of regulatory approvals (e.g. tenure, environmental licences and permits, heritage approvals, etc). There is a risk that required approvals may be delayed or declined. - Maintenance of positive relationships with stakeholders and the community, particularly traditional owners, is important in ensuring The Company retains its social licence to operate.	- The Company will engage expert consultants to undertake required baseline environmental assessments and to prepare major approval application documents to ensure it meets regulatory requirements. The Company considers potential environmental impacts as a key factor in it project design and evaluation and will ensure impacts are reduced to as low as reasonably practicable.

Business risks	Mitigating actions
- Potential risks arising from changes in government regulations, policies, or environmental standards that may affect the extraction, processing or export of rare earth elements. Such changes may impact the Company's operations, costs or market access.	- The Company has engaged legal support and specialised services for the negotiation and preparation of Land Access Agreements with Traditional Owners, to ensure we obtain prior and informed consent for our activities. - The Company will develop and implement a Stakeholder Engagement Plan to enable positive engagement with our stakeholders to ensure we retain our social licence to operate.
Changes in Federal and State Regulations - Changes in Federal or State Government policies or legislation may impact royalties, tenure, land access and labour relations.	- The Board regularly assesses developments in State and Federal legislation and policies and regularly engages with Government Departments.

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

Dr Peter Turner
Managing Director

Dated: 27th September 2024

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the audit of the financial statements of Kairos Minerals Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 27th day of September 2024
Perth, Western Australia

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2024

	Note	30 June 2024 $	30 June 2023 $
REVENUE			
Interest revenue from external parties	2	95,278	28,813
Other	2	1,862	642,448
TOTAL REVENUE		**97,140**	**671,261**
EXPENSES			
Audit fees	6	(48,471)	(37,656)
Depreciation	11	(97,701)	(156,140)
Depreciation – right-of-use asset	12	(46,449)	(56,968)
Directors' remuneration		(308,018)	(312,878)
Directors share-based payments	3	-	(600,211)
Travel and marketing		(132,031)	(285,350)
Professional fees	3	(327,580)	(296,624)
Equity settled share-based payments	3	(30,607)	(30,440)
Occupancy expenses		(50,903)	(57,783)
Administration and other expenses		(374,309)	(350,471)
Finance costs	12	(7,886)	(12,997)
TOTAL EXPENSES		**(1,423,955)**	**(2,197,518)**
Loss before income tax		**(1,326,815)**	**(1,526,257)**
Income tax expense	4	-	-
Loss for the year after income tax		**(1,326,815)**	**(1,526,257)**
Other comprehensive income			
Exchange differences on translating foreign operations		**(4,289)**	-
Total comprehensive loss for the year		**(1,331,104)**	**(1,526,257)**
Loss attributable to:			
Owners of Kairos Minerals Ltd		**(1,331,104)**	**(1,526,257)**
Non-controlling interests		-	-
		(1,331,104)	**(1,526,257)**
Total comprehensive loss attributable to:			
Owners of Kairos Minerals Ltd		**(1,331,104)**	**(1,526,257)**
Non-controlling interests		-	-
		(1,331,104)	**(1,526,257)**
Loss per share for the year attributable to the members of Kairos Minerals Limited:			
Basic (loss) per share (cents per share)	7	(0.051)	(0.078)
Diluted (loss) per share (cents per share)	7	(0.051)	(0.078)

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 2024

	Note	30 June 2024 $	30 June 2023 $
ASSETS			
Current assets			
Cash and cash equivalents	8	4,703,805	4,140,068
Trade and other receivables	9	87,086	113,104
Other assets	10	31,381	45,737
Total Current Assets		**4,822,272**	**4,298,909**
Non-current assets			
Plant and equipment	11	259,856	311,872
Right-of-use asset	12	133,513	9,676
Exploration and evaluation expenditure	14	31,691,292	27,857,726
Other assets		26,501	20,498
Total Non-current Assets		**32,111,162**	**28,199,772**
TOTAL ASSETS		**36,933,434**	**32,498,681**
LIABILITES			
Current liabilities			
Trade and other payables	15	276,023	694,816
Lease Liability	16	65,012	11,257
Provisions	17	37,661	38,399
Total Current Liabilities		**378,696**	**744,472**
Non-current liabilities			
Lease Liability	16	77,610	-
Total Non-current Liabilities		**77,610**	**-**
TOTAL LIABILITES		**456,306**	**744,472**
NET ASSETS		**36,477,128**	**31,754,209**
EQUITY			
Contributed equity	18	100,504,845	95,783,706
Performance Right/Option fair value reserve	19	8,494,306	7,165,711
Accumulated losses		(72,520,912)	(71,194,097)
Parent interests		**36,478,239**	**31,755,320**
Non-controlling interests		(1,111)	(1,111)
TOTAL EQUITY		**36,477,128**	**31,754,209**

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 2024

Consolidated Entity	Contributed Equity $	Financial assets at fair value reserve through other comprehensive income $	Performance Rights reserve/Option Fair Value Reserve $	Accumulated losses $	Non-controlling interests $	Total $
Balance at 1 July 2022	**92,077,736**	**-**	**6,535,060**	**(69,667,840)**	**(1,111)**	**28,943,845**
Loss for the year	-	-	-	(1,526,257)	-	(1,526,257)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) for the year	**-**	**-**	**-**	**(1,526,257)**	**-**	**(1,526,257)**
Transactions with owners in their capacity as owners:						
Issue of share capital (net of transaction costs)	3,705,970	-	-	-	-	3,705,970
Share based payments	-	-	630,651	-	-	630,651
Balance at 30 June 2023	**95,783,706**	**-**	**7,165,711**	**(71,194,097)**	**(1,111)**	**31,754,209**
Loss for the year				(1,326,815)		(1,326,815)
Other comprehensive income	-	(4,289)	-	-	-	(4,289)
Total comprehensive (loss) for the year	**-**	**(4,289)**	**-**	**(1,326,815)**	**-**	**(1,331,104)**
Transactions with owners in their capacity as owners:						
Issue of share capital (net of transaction costs)	4,721,139	-	-	-	-	4,721,139
Share based payments	-	-	1,332,884	-	-	1,332,884
Balance at 30 June 2024	**100,504,845**	**(4,289)**	**8,498,595**	**(72,520,912)**	**(1,111)**	**36,477,128**

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 2024

	Note	30 June 2024 $	30 June 2023 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,272,555)	(1,132,765)
R&D Incentive		-	952,668
Other Income		-	41,810
Interest received		95,278	28,716
Net cash flows used in operating activities	22	**(1,177,277)**	**(109,571))**
Cash flows from investing activities			
Payments for purchases of plant and equipment		(37,779)	(173,237)
Payments for exploration and evaluation expenditure		(4,014,409)	(6,375,582)
Net cash flows used in investing activities		**(4,052,188)**	**(6,548,819)**
Cash flows related to financing activities			
Proceeds from issues of securities		6,552,280	3,960,000
Capital raising costs		(711,978)	(96,833)
Payment of lease liabilities		(47,100)	(62,781)
Net cash flows from financing activities		**5,793,202**	**3,800,386**
Net increase in cash and cash equivalents		**563,737**	**(2,858,004)**
Cash and cash equivalents at the beginning of the year		4,140,068	6,998,072
Cash and cash equivalents at the end of the financial year	8	**4,703,805**	**4,140,068**

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 2024 was authorised for issue in accordance with a resolution of the Directors.

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.

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 Black-Scholes simulation model after taking into account the terms and conditions upon which the instruments were granted.

- 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.

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 $1,331,104 for the year ended 30 June 2024 (2023: $1,526,257) and had net cash outflows from operating and investing activities of $5,229,465 (2023: $6,658,390). At 30 June 2024, the Consolidated Entity had cash and cash equivalents of $4,703,805 (2023: $4,140,068) and had working capital, being current assets less current liabilities, of $4,443,576 (2023: $3,554,437).

Subsequent to year end, the Company announced on 1 August 2024 that it had entered into an agreement to sell non-core Mt York ground (being prospecting licences P45/2988, P45/2992, P45/2993, P45/2995, P45/2997 and P45/2998 and the overlying mining lease application (M45/1307) to Pilbara Minerals (ASX:PLS) for a total consideration of $20m and a 2% royalty on gold, lithium and tantalum sales.

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.

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 for the next 12 months from the date of this report.

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.

New and Amended Standards Adopted by the Group
The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period. There is no implementation of new standard on the financial performance or position of the Group.

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 13 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.

<u>Financial assets at fair value through other comprehensive income</u>

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.

<u>Impairment of financial assets</u>

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) Lease

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e., a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

h) 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.

i) 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).

j) 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.

k) 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.

l) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

m) 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.

n) Share-based payments

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

Equity-settled transactions are award 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.

o) 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.

p) 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.

q) 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.

r) 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.

s) 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 26.

NOTE 2: REVENUE

	30 June 2024 $	30 June 2023 $
Interest revenue from external parties	95,278	28,813
R&D rebate	1,862	600,638
Sundry Revenue	-	41,810
Total revenue	**97,140**	**671,261**

NOTE 3: EXPENDITURE

	30 June 2024 $	30 June 2023 $
Professional fees		
Legal fees	29,835	10,017
Company secretarial	75,300	72,000
Accounting and consultants	222,445	214,607
Professional fees	**327,580**	**296,624**
Equity settled share-based payments expenses		
Directors' share-based payments	-	600,211
ESOP and professional share-based payments	30,607	30,440
Equity settled share-based payments expenses	**30,607**	**630,651**

NOTE 4: INCOME TAX EXPENSE

		30 June 2024 $	30 June 2023 $
a)	**The components of tax expense comprise**		
	Current income tax benefit	379,696	276,989
	Deferred tax income	1,067,145	1,508,809
	Tax losses not recognised	(1,446,841)	(1,785,798)
		-	-
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 25% (2023: 25%)		
	- Consolidated Entity	331,704	381,564
	Add:		
	Tax effect of:		
	- Capital raising costs	66,956	56,099
	Less:		
	Tax effect of:		
	- right-of-use asset	(3,853)	(179)
	- share based payments	(7,652)	(157,663)
	- entertainment/other	(7,459)	(2,832)
		379,696	**276,989**
	Tax effect of losses and temporary differences not recognised as deferred tax assets	(379,696)	(276,989)
	Income tax expense attributes	-	-
c)	**Unrecognised deferred tax balances**		
	Deferred tax liabilities		
	Deferred exploration & evaluation costs	31,691,292	27,857,726
	Other	(31,383)	(45,737)
		31,659,909	**27,811,989**
	Tax effect @ 25% (2023: 25%)	**7,914,977**	**6,952,997**
	Deferred tax assets		
	Investments	178,159	178,159
	Other	5,161,006	4,029,546
	Tax losses **	72,509,730	66,874,197
		77,848,895	**71,081,902**
	Tax effect @ 25% (2023: 25%)	**19,462,224**	**17,770,476**
	Net deferred tax asset not recognised	11,547,247	10,817,478

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 $63,192,298. 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

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 2024 $	30 June 2023 $
Short-term employee benefits	533,213	534,000
Post-employment benefits	27,500	27,500
Termination benefits	-	-
Share based payment – equity settled	-	600,211
Total key management personnel compensation	**560,713**	**1,161,711**

NOTE 6: AUDITORS' REMUNERATION

	30 June 2024 $	30 June 2023 $
Remuneration of the auditor of the parent entity for:		
- Audit and review fees	48,471	37,656
	48,471	**37,656**

NOTE 7: EARNING PER SHARE

		30 June 2024	30 June 2023
Basic (loss) per share (cents)		(0.051)	(0.078)
Diluted (loss) per share (cents)		(0.051)	(0.078)
a)	Net (loss) used in the calculation of basic and diluted loss per share	(1,326,815)	(1,526,257)
b)	Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	2,589,881,352	1,965,645,404

NOTE 8: CASH AND CASH EQUIVALENTS

	30 June 2024 $	30 June 2023 $
Cash at bank	4,703,805	4,130,068
Term deposits	-	10,000
	4,703,805	**4,140,068**

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	4,703,805	4,140,068
	4,703,805	**4,140,068**

NOTE 9: TRADE AND OTHER RECEIVABLES

	30 June 2024 $	30 June 2023 $
Current		
Sundry receivables	4,485	64,686
R&D refund receivable	35,699	-
Good and services tax receivable due	46,902	48,418
	87,086	**113,104**

NOTE 10: OTHER ASSETS

	30 June 2024 $	30 June 2023 $
Current		
Prepayments	31,381	45,737
	31,381	**45,737**

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	30 June 2024 $	30 June 2023 $
Plant and equipment		
At cost	621,561	575,876
Accumulated depreciation	(507,674)	(409,973)
Total plant and equipment	**113,887**	**165,903**
Camp under construction		
At cost	145,969	145,969
Accumulated depreciation	-	-
Total Camp under construction	**145,969**	**145,969**
Total Property, Plant and Equipment	**259,856**	**311,872**

Movements in carrying amounts

Movements in carrying amounts for each class of plant and equipment for the financial year:

	30 June 2024 $	30 June 2023 $
Balance at the beginning of year	311,872	310,503
Additions	45,685	157,509
Depreciation expense	(97,701)	(156,140)
Carrying amount at the end of the year	**259,856**	**311,872**

NOTE 12: RIGHT-OF-USE ASSET

	30 June 2024 $	30 June 2023 $
At cost	179,405	174,171
Accumulated depreciation	(45,892)	(164,495)
Total right-of-use asset	**133,513**	**9,676**

Movements in carrying amounts

Movements in carrying amounts for right-of-use asset between the beginning and the end of the current financial year:

Balance at the beginning of year	9,676	237,372
Additions	170,286	-
Depreciation expense	(46,449)	(56,968)
Adjustment due to re-measurement of lease liability	-	(170,728)
Carrying amount at the end of the year	**133,513**	**9,676**

The Company recognised its premises lease's as a right-of use asset and a corresponding liability at the date which the leased premises is available for use by the Company. The right-of-use asset reflects the lease liability and is depreciated over the term of the lease. The lease liability was measured at the present value basis, discounted using the borrowing rate of 7.9%

Amounts recognised in the statement of Profit or Loss and Other Comprehensive Income:

Depreciation	46,449	56,968
Interest expense	7,886	8,495

NOTE 13: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%) 2024	Percentage Owned (%) 2023
Horizon Energy Pty Ltd	Australia	100.00	96.86
Golden Mount Pty Ltd	Australia	100.00	96.86
Westside Nickel Pty Ltd	Australia	100.00	100.00
Mt York Operations Pty Ltd	Australia	100.00	100.00
Pilbara Regional Exploration Pty Ltd	Australia	100.00	100.00
Wodgina Minerals Pty Ltd	Australia	100.00	100.00
Kairos Minerals Africa Limited	United Kingdom	100.00	-
Kairos Minerals Burundi Surl	Burundi	100.00	-

NOTE 14: EXPLORATION AND EVALUATION ASSETS

	30 June 2024 ($)	30 June 2023 ($)
Balance at the start of the year	**27,857,726**	**21,456,758**
Exploration expenditure capitalised	3,833,566	6,400,968
Total capitalised exploration expenditure	**31,691,292**	**27,857,726**

Refer to note 1 (d) and note 1 (f) for details in relation to the classification and measurement, and impairment assessment for the carrying value of exploration and evaluation assets respectively.

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 2024 $	30 June 2023 $
Current		
Trade payables	164,537	309,564
Sundry payables and accrued expenses	111,486	385,252
	276,023	**694,816**

NOTE 16: LEASE LIABILITIES

	30 June 2024 $	30 June 2023 $
Current	65,012	11,257
Non-current	77,610	-
Total lease liabilities	**142,622**	**11,257**

NOTE 17: PROVISIONS

	30 June 2024 $	30 June 2023 $
Employee Benefit obligations	37,661	38,399
Total Provisions	**37,661**	**38,399**

NOTE 18: CONTRIBUTED EQUITY

	Note	30 June 2024 $	30 June 2023 $
Ordinary shares fully paid	18 (a)	100,504,845	95,783,706
		100,504,845	**95,783,706**

	30 June 2024 No.	30 June 2024 $	30 June 2023 No.	30 June 2023 $
18 (a) Ordinary Shares				
At the beginning of reporting period – shares on issue	2,184,093,491	95,783,706	1,962,093,491	92,077,736
Shares issued during year				
- Placement	436,818,698	6,552,280	220,000,000	3,960,000
- Issue of shares as settlement	-	-	2,000,000	50,000
Transaction costs relating to share issues		(1,831,141)	-	(304,030)
At reporting date	**2,620,912,189**	**100,504,845**	**2,184,093,491**	**95,783,706**

NOTE 19: RESERVES

	Note	30 June 2024 $	30 June 2023 $
Option Fair Value Reserve	19a)	8,161,095	6,828,211
Performance Rights Fair Value Reserve	19b)	337,500	337,500
Foreign Currency Translation Reserve	19c)	(4,289)	-
		8,494,306	**7,165,711**

	30 June 2024 No.	30 June 2024 $	30 June 2023 No.	30 June 2023 $
19 a) Option Fair Value Reserve				
At the beginning of reporting period	296,400,000	6,828,211	440,000,000	6,197,560
Options movements during year				
Issue of options	-	-	62,000,000	630,651
Vesting of previously issued options	-	30,607	-	-
Lead manager options	50,000,000	352,269	-	-
Underwriter options	145,606,233	950,008	-	-
Expiry of options	(138,400,000)	-	(205,600,000)	-
At reporting date	**353,606,233**	**8,161,095**	**296,400,000**	**6,828,211**

(1) During the year, the Company issued 50,000,000 options to joint lead manager of the Company's non-renounceable entitlement offer completed on 26 July 2023. The fair value of options issued ($352,269) was estimated at the date of grant using a Black-Scholes valuation model taking into account the terms, the underlying values of the shares, the exercise price, the impact of dilution and the risk-free interest rate. A summary of the inputs used in the valuation of the options is listed below. This amount was recognised as a capital raising cost.

Unlisted Options issued to Lead Manager	5c expiring 1 May 2026
Expiry Date	1-5-2026
Exercise Price	$0.05
Fair Value per Option	$0.007
Share Price at date of issue	$0.02
Expected Volatility	88.10
Risk Free Interest Rate	3.98%

(2) During the year, the Company issued 145,606,233 options to underwriters of the Company's non-renounceable entitlement offer completed on 26 July 2023. The fair value of options issued ($950,008) was estimated at the date of grant using a Black-Scholes valuation model taking into account the terms, the underlying values of the shares, the exercise price, the impact of dilution and the risk-free interest rate. A summary of the inputs used in the valuation of the options is listed below. This amount was recognised as a capital raising cost.

Unlisted Options issued to Underwriters	5c expiring 1 May 2026
Expiry Date	1-5-2026
Exercise Price	$0.05
Fair Value per Option	$0.0065
Share Price at date of issue	$0.02
Expected Volatility	87.60
Risk Free Interest Rate	3.98%

	30 June 2024		30 June 2023	
	No.	$	No.	$
19 b) Performance Rights Value Reserve				
At the beginning of reporting period	25,000,000	337,500	25,000,000	337,500
At reporting date	25,000,000	337,500	25,000,000	337,500

Performance rights reserve reflects the fair value of performance rights issued and valued.

The performance rights were issued on 11 May 2022 to Mr Peter Turner as part of his employment agreement with vesting conditions as follows:

- **Tranche 1:** 5 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces a drill intercept on the Company's Lithium Assets of 10 metres or greater @ 1% Li2 O (containing Spodumene);
- **Tranche 2:** 10 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces an inferred Lithium resource of 10MT @1% Li2 O or more that has independent metallurgical test work confirming that the resource has the potential to produce a low-impurity spodumene concentrate of more than 5% Li 2 O; and
- **Tranche 3:** 10 million Performance Rights (which convert on a 1:1 basis in to Shares) after the Company announces an inferred or indicated gold resource of 1 million ounces at a grade of 1/gt au or better.

The share price at the date of granting was $0.027. As at 30 June 2024 Tranche 1 has been assigned a 50% probability, Tranche 2 a Nil% and Tranche 3 a 100% of being achieved. The probability % will get assessed at every reporting period. All unvested Performance Rights will expire automatically on the date which is 5 years from their date of issue.

	30 June 2024 $	30 June 2023 $
19 c) Foreign Currency Translation Reserve		
At the beginning of reporting period	-	-
Movements during year		
Exchange differences of translating foreign operations	(4,289)	-
At reporting date	**(4,289)**	**-**

The foreign currency translation reserve was used to record the exchange differences arising from the translation of functional currencies to the presentation currency.

NOTE 20: COMMITMENTS AND CONTINGENCIES

	30 June 2024 $	30 June 2023 $
Exploration expenditure commitments:		
Within one year	1,429,803	1,088,277
Two to five years	2,171,416	2,435,739
More than five years	-	-
Total	**3,601,219**	**3,524,016**

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.

NOTE 21: 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 22: CASH FLOW INFORMATION

	30 June 2024 $	30 June 2023 $
Reconciliation of Cash Flow from Operations with Result after Income Tax:		
(Loss) for the Period	**(1,326,815)**	**(1,526,257)**
Add: depreciation expenses	144,150	213,108
Add: equity settled share-based payments expenses	30,607	630,651
Add: finance costs	-	12,997
(Increases)/Decreases in Accounts Receivable	225,943	465,410
(Decreases)/Increases in Trade Payables	(250,424)	116,567
(Decreases)/Increases in provision	(738)	(22,047)
Cash flow used in operations	**(1,177,277)**	**(109,571)**

NOTE 23: RELATED PARTY TRANSACTIONS

For the 30 June 2024 financial year, Smallcap Corporate Pty Ltd (an entity in which Mr Lewis has a beneficial interest) provided company secretary and financial accounting services to the Company. Total fees incurred to Smallcap Corporate Pty Ltd for the year was $179,854 (2023: $169,250). As at 30 June 2024, the amount owing to Smallcap Corporate Pty Ltd was $22,475 (2023: $26,694).

As approved by shareholders on 13 October 2023, the directors have sub-underwritten the non-renounceable rights issue announced on 27 June 2023. As part of the fees of the sub-underwriting, the directors received sub-underwriter options with an exercise price of $0.05 and an expiry date of 1 May 2026 as follows:

Director	Sub-underwritten amount	No. of options	Value $
Klaus Eckoff	$240,000	5,333,333	34,797
Phillip Coulson	$700,000	15,555,556	104,492
Zane Lewis	$50,000	1,111,111	7,249
Mark Calderwood	$20,000	444,444	2,900
Peter Turner	$20,000	444,444	2,900

The options were valued using a Black-Scholes valuation model taking into account the terms, the underlying values of the shares, the exercise price, the impact of dilution and the risk-free interest rate. A summary of the inputs used in the valuation of the options is listed below.

	5c expiring 1 May 2026
Expiry Date	1-5-2026
Exercise Price	$0.05
Fair Value per Option	$0.0065
Share Price at date of issue	$0.02
Expected Volatility	87.60
Risk Free Interest Rate	3.98%

In addition to the sub-underwriter options, the Director received a 1% cash fee from the Joint Underwriters (Canaccord Genuity (Australia) Limited and Argonaut Securities Pty Limited.

NOTE 24: 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 2024 $	30 June 2023 $
Cash and cash equivalents	4,703,805	4,140,068
Trade and other receivables[1]	118,468	110,423
Trade and other payables	276,023	694,816

[1] Excludes statutory receivables relating to GST

The Consolidated Entity does not have any derivative instruments at 30 June 2024 (30 June 2023: 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.

Cash at bank balances of $4,703,805 (2023: $4,140,068) 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 2024 $	30 June 2023 $
1% (2023: +1.00%)	47,038	41,401
-1% (2023: -1.00%)	(47,038)	(41,401)

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 (2023: nil). 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	1 year	2 - 5 years	Total
2024							
Trade and other payables							
- Trade and other payables	239,023	-	-	-	-	-	239,023
- Accrued expenses	37,000	-	-	-	-	-	37,000
Lease liability							
- Office premises	-	-	-	-	65,012	-	65,012
	276,023	**-**	**-**	**-**	**65,012**	**-**	**341,035**
2023							
Trade and other payables							
- Trade and other payables	372,624	-	-	-	-	-	372,624
- Accrued expenses	322,192	-	-	-	-	-	322,192
Lease liability							
- Office premises	-	-	-	-	11,257	-	11,257
	694,816	**-**	**-**	**-**	**11,257**	**-**	**706,073**

NOTE 25: 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	
STATEMENT OF FINANCIAL POSITION	**30 June 2024 $**	**30 June 2023 $**
Assets		
Current assets	4,819,149	4,285,782
Non-current assets	29,722,271	26,357,578
Total assets	**34,541,420**	**30,643,360**
Liabilities		
Current liabilities	456,306	744,473
Non-current liabilities	-	-
Total liabilities	**456,306**	**744,473**
Net assets	**34,085,114**	**29,898,887**
Equity		
Issued capital	100,504,845	95,783,706
Reserves	8,498,595	7,165,711
Accumulated losses	(74,918,326)	(73,050,530)
Total equity	**34,085,114**	**29,898,887**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	**(3,043,020)**	**(2,692,938)**
Total Comprehensive Loss	**(3,043,020)**	**(2,692,938)**

NOTE 26: EVENTS OCCURRING AFTER THE REPORTING DATE

The Company announced on 1 August 2024 that it had entered into an agreement to sell non-core Mt York ground (being prospecting licences P45/2988, P45/2992, P45/2993, P45/2995, P45/2997 and P45/2998 and the overlying mining lease application (M45/1307) to Pilbara Minerals (ASX:PLS) for a total consideration of $20m and a 2% royalty on gold, lithium and tantalum sales. As of the date of this report, $10m of cash has been received from Pilbara Minerals under the agreement.

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 27: CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2024.

NOTE 28: COMPANY DETAILS

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

Suite 12, Level 1, 100 Railway Road, Daglish, WA 6008

Consolidated Entity Disclosure Statement

As at 30 June 2024

	Entity type	Trustee, partner, or participant in joint venture	Country of Incorporation	% of share capital	Australian or foreign tax resident	Foreign jurisdiction of foreign residents
Horizon Energy Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Golden Mount Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Westside Nickel Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Mt York Operations Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Pilbara Regional Exploration Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Wodgina Minerals Pty Ltd	Body Corporate	N/A	Australia	100.00	Australia	N/A
Kairos Minerals Africa Limited	Body Corporate	N/A	United Kingdom	100.00	Foreign	United Kingdom
Kairos Minerals Burundi Surl	Body Corporate	N/A	Burundi	100.00	Foreign	Burundi

Directors' Declaration

For the Year Ended 30 June 2024

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 2024 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.

4. the information disclosed in the consolidated entity disclosure statement as set out on page 54 is in accordance with *Corporations Act 2001* and is true and correct as at 30 June 2024.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

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

Dr Peter Turner
Managing Director

Dated: 27th September 2024

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 Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2024, 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 statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

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 Consolidated Entity in accordance with the auditor independence requirements of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Key Audit Matter	How our audit addressed the Key Audit Matter

Exploration and Evaluation Expenditure
As disclosed in note 14 to the financial statements, the Group has incurred significant exploration and evaluation expenditures which have been capitalised in accordance with the requirement of Exploration for and Evaluation of Mineral Resources (AASB 6). As at 30 June 2024, the Group's capitalised exploration and evaluation costs are carried at $31,691,292.
 	
Exploration and Evaluation Expenditure is a focus area due to:
• The significance of the balance to the Consolidated Entity's financial position;
• The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources ("AASB 6")*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset; and
• The assessment of impairment of mineral exploration expenditure being inherently difficult.
	Our audit procedures included but were not limited to:
	• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 Exploration and Evaluation of Mineral Resources ("AASB 6");
	• Assessing the Consolidated Entity's rights to tenure for a sample of tenements;
	• By reviewing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the mineral exploration expenditure:
	  ◦ The licenses for the rights to explore expiring in the near future or are not expected to be renewed;
	  ◦ Substantive expenditure for further exploration in the area of interest is not budgeted or planned;
	  ◦ Decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
	  ◦ Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and
	  ◦ We also assessed the appropriateness of the related disclosures in note 14 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability 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 Consolidated Entity 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of Kairos Minerals Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 27th day of September 2024
Perth, Western Australia

Additional Information

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders. The information provided is current as of 16 September 2024.

Equity Securities on Issue

Security Class	Number of Securities
Fully paid ordinary shares	2,620,912,189
Unquoted options exercisable at $0.05 on or before 1 May 2025	12,000,000
Unquoted options exercisable at $0.05 on or before 1 May 2026	341,606,233
Performance rights	15,000,000

For all ordinary shares, voting rights are one vote per member on a show of hands and one vote per share in a poll.

Distribution of Shareholders

	No. of Shareholders
1 – 1,000	156
1,001 – 5,000	54
5,001 – 10,000	54
10,001 – 100,000	2,858
100,001 –	2,385
Total number of shareholders	**5,507**
Unmarketable Parcels	1,819

Top 20 Shareholders

	Shareholders	Number	%
1	GLR AUSTRALIA INVESTMENTS PTY LTD	264,000,000	10.07%
2	CITICORP NOMINEES PTY LIMITED	257,336,581	9.82%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	72,726,026	2.77%
4	TROCA ENTERPRISES PTY LTD <COULSON SUPER A/C>	64,394,351	2.46%
5	MR VINH PHAN	37,530,000	1.43%
6	MS DANIELLE SHARON TUDEHOPE	36,000,000	1.37%
7	MR MARK GASSON	29,095,892	1.11%
8	TROCA ENTERPRISES PTY LTD <COULSON SUPER FUND A/C>	23,679,516	0.9%
9	MCNEIL NOMINEES PTY LIMITED	22,760,477	0.87%
10	MS LINLIN LI	22,560,919	0.86%
11	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	18,000,000	0.69%
12	MR KEVIN JOHN DAVIS	17,086,067	0.65%
12	MS AIPING ZHANG	15,353,164	0.59%
13	BRENNAN SUPER (WA) PTY LTD <BRENNAN SUPER FUND A/C>	15,000,000	0.57%
14	DYNAMIC PHOTOGRAPHY PTY LTD	15,000,000	0.57%
15	MR MARK FLOYD KEENAN C W M TRUSTEE COMPANY LIMITED <THE BARK BAY A/C>	14,500,000	0.55%
16	PENDEL PTY LTD	14,206,404	0.54%
17	ARGONAUT PARTNERS PTY LIMITED	13,654,053	0.52%
18	MR KAZUHIRO MASUDA	13,356,082	0.51%
19	OCEAN VIEW WA PTY LTD	12,386,067	0.47%
20	CHIN NOMINEES PTY LTD <CHIN NOMINEES NO 2 S/F A/C>		
		1,005,773,811	**38.23%**

Distribution of Unquoted Equity Securities

Number of Securities Held	Number of holders in each security class		
	options at exercisable at $0.05 on or before 1 May 2026	options exercisable at $0.05 on or before 1 May 2025	Performance Rights
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	1	-	-
100,001 - 999,999,999,999	50	1	1
TOTAL	**51**	**1**	**1**

Top 20 Unquoted Security Holders

Security Class	Holder Name	Holdings	%
Options exercisable at $0.05 on or before 1 May 2026	Corporate & Resource Consultants Pty Ltd	50,000,000	25.51%
Options exercisable at $0.05 on or before 1 May 2026	Troca Enterprises Pty Ltd	32,500,000	16.58%
Options exercisable at $0.05 on or before 1 May 2026	Mr Klaus Eckhof	30,000,000	15.31%
Performance Rights	Dr Peter Turner	15,000,000	100.00%

Electronic Communications

Kairos encourages shareholders to receive information electronically. Electronic communications allow Kairos to communicate with shareholders quickly and reduce the Company's paper usage.

Shareholders who currently receive information by post can log in online to provide their email address and elect to receive electronic communications at: https://investor.automic.com.au/#/signup

Kairos emails shareholders when important information becomes available such as financial results, notices of meeting, voting forms and annual reports.

Kairos will issue notices of annual and general meetings and the annual report electronically where a shareholder has provided a valid email address, unless the shareholder has elected to receive a paper copy of these documents.

Recent legislative changes to the Corporations Act 2001 (Cth) effective 1 April 2022 mean there are new options available to shareholders as to how they elect to receive their communications. An important notice regarding these rights is available on the Company's website at https://www.kairosminerals.com.au/right-to-receive-documents/

For further information, please contact the Kairos share registry, Automic at hello@automic.com.au

Interests in Mining Tenements as at 30 June 2024

Project Tenements	Location	Held
Roe Hills	WA	100%
E28/1935		
E28/2117		
E28/2118		
E28/2548		
E28/2585		
P28/1292		
P28/1293		
P28/1294		
P28/1295		
P28/1296		
P28/1297		
P28/1298		
P28/1299		
P28/1300		
E28/2594		
E28/2595		
E28/2696		
E28/2697		
L28/79		
L28/80		
L28/81		
L28/82		
Croydon Project	WA	100%
E47/3522		
E47/3523		
E47/4384		
E47/3385		
Sky Well Project	WA	100%
E47/3519		
E47/3520		
E47/3521		

Additional Information

Project Tenements	Location	Held
Mt York Project	WA	100%
P45/2987		
P45/2988		
P45/2989		
P45/2990		
P45/2991		
P45/2992		
P45/2993		
P45/2994		
P45/2995		
P45/2996		
P45/2997		
P45/2998		
L45/422		
L45/455		
L45/660		
L45/661		
M45/1306		
M45/1307		
Wodgina Project	WA	100%
E45/4715		
E45/4780		
L45/709		
Kangan Project	WA	100%
E45/4740		
E45/6160		
E45/6161		
E45/6162		
E45/6353		
Woodcutters Project	WA	100%
E28/2646		
E28/2647		

Lalla Rookh Project	WA	100%
E45/4741		
E45/6145		
E45/6146		
E45/6147		
E45/6309		
E45/6310		
E45/6311		
Rocklea Project	WA	100%
E45/6148		
E45/6149		
E45/6322		
E45/6323		

Corporate Directory

COMPANY
Kairos Minerals Limited
ACN 006 189 331

DIRECTORS

Dr Peter Turner	Managing Director
Mr Mark Calderwood	Non-Executive Director
Mr Zane Lewis	Non-Executive Chairman
Mr Philip Coulson	Non-Executive Director
Mr Robert Klug	Non-Executive Director

COMPANY SECRETARY
Mr Robbie Featherby
Mr Sebastian Andre

REGISTERED OFFICE
Suite 12, Level 1
100 Railway Road
Daglish WA 6008

Phone: +61 (0)8 6380 1904
Facsimile: +61 (0)3 9614 0550

SHARE REGISTRY
Automic Registry Services

Level 5, 191 St Georges Terrace
Perth WA 6000

Automic Registry Services

SECURITIES QUOTED
Australian Securities Exchange (ASX)
Shares – KAI

COMPANY WEBSITE
www.kairosminerals.com.au

SOLICITORS
Hamilton Locke
Central Park, Level 27
152-158 St Georges Terrace
Perth WA 6000

AUDITORS
Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road

Subiaco WA 6008

BANKERS
National Australia Bank
Melbourne, Victoria

Australia 3000