

ASX ANNOUNCEMENT

23 October 2024

QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2024

Kairos receives \$10M from sale of non-core ground with another \$10m to come

Mt York Gold Project scoping study progressing well and drill planning underway to grow the 1.4Moz resource

Highlights

Mt York Gold Project, Pilbara

- First \$10M has been received from Pilbara Minerals Ltd (ASX:PLS) following completion of the \$20M sale agreement announced on August 1, 2024
- A further \$10M in PLS shares or cash to be received following grant of M45/1307 application or other agreed tenure over the same area
- Negotiation underway with PLS to consummate a full-form exploration agreement for gold and base metal mineral rights over 367sqkm of neighbouring exploration tenements that were part of the Sale Agreement
- Importantly, Kairos will have access to a 1.4km mineralised extension to its 1.4Moz Main Trend subject to completion of the full-form exploration agreement. This remains the highest priority gold target with historic results including 16m @ 2.43 g/t Au & 8m @ 2.41 g/t Au
- Heritage survey scheduled ahead of resource drilling; Negotiation commenced with the Native Title holders, Nyamal Aboriginal Corporation, with view to complete a mining agreement as part of the process of mining lease grant
- Water drilling planned at Kangan to assess supply of water for Mt York processing facility

Cash

- Cash of \$13.49M at 30 September 2024.

Kairos Managing Director, Dr Peter Turner said: **“Our \$20m agreement with Pilbara Minerals has re-positioned our Company, putting us in a very robust financial position from where we can unlock the full value of our assets.**”

“As part of the deal, we have secured the gold and base metal rights over 367sqkm of highly prospective ground adjoining our flagship Mt York Gold Deposit (subject to successfully negotiating a full-form exploration agreement, which has commenced).

“We are eagerly looking forward to aggressively drilling the 1.4km of mineralised strike extension to our Mt York Gold Deposit with the aim of growing the 1.4Moz resource.

“This is clearly the highest priority target and greatest opportunity we have to increase the resource base to the next logical project milestone of 2 Moz.

“Some of the drilling conducted by PLS along the strike extension of Main Trend returned results such as 16m @ 2.43 g/t Au (MYRC007), 4m @ 3.32 g/t Au (MYRC008) and 8m @ 2.41 g/t Au (MYRC011), suggesting higher grade mineralisation occurs along-strike within the same mine stratigraphy we see at Mt York. We want to drill and evaluate this as part of our resource growth strategy.

“We have also been working on heritage negotiations with the traditional owners – representatives of the Nyamal Aboriginal Corporation – and water exploration at our Kangan licence for potential future processing plant requirements.

“In the coming quarter, Kairos will focus on drill planning for further resource growth exploration for nearby water completion, heritage negotiation with Nyamal Aboriginal Corporation and completion of the scoping study”.

Mt York Gold Project, Pilbara

As at 4 September 2024 (“Completion Date”), there was a change of ownership of the prospecting licences holding the resources to Iron Stirrup and Old Faithful, and these mineral resources containing only 14% of the previous total resource inventory of the Mt York Gold Project 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 and are located 5km and 7km respectively from the Mt York Main Trend (**Figure 1**).

The new resource inventory comprises a single orebody called ‘**Main Trend**’ that occurs on mining lease application M45/1306 that Kairos Minerals retains 100% ownership of (**Figure 1**).

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*'.

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

Table 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.

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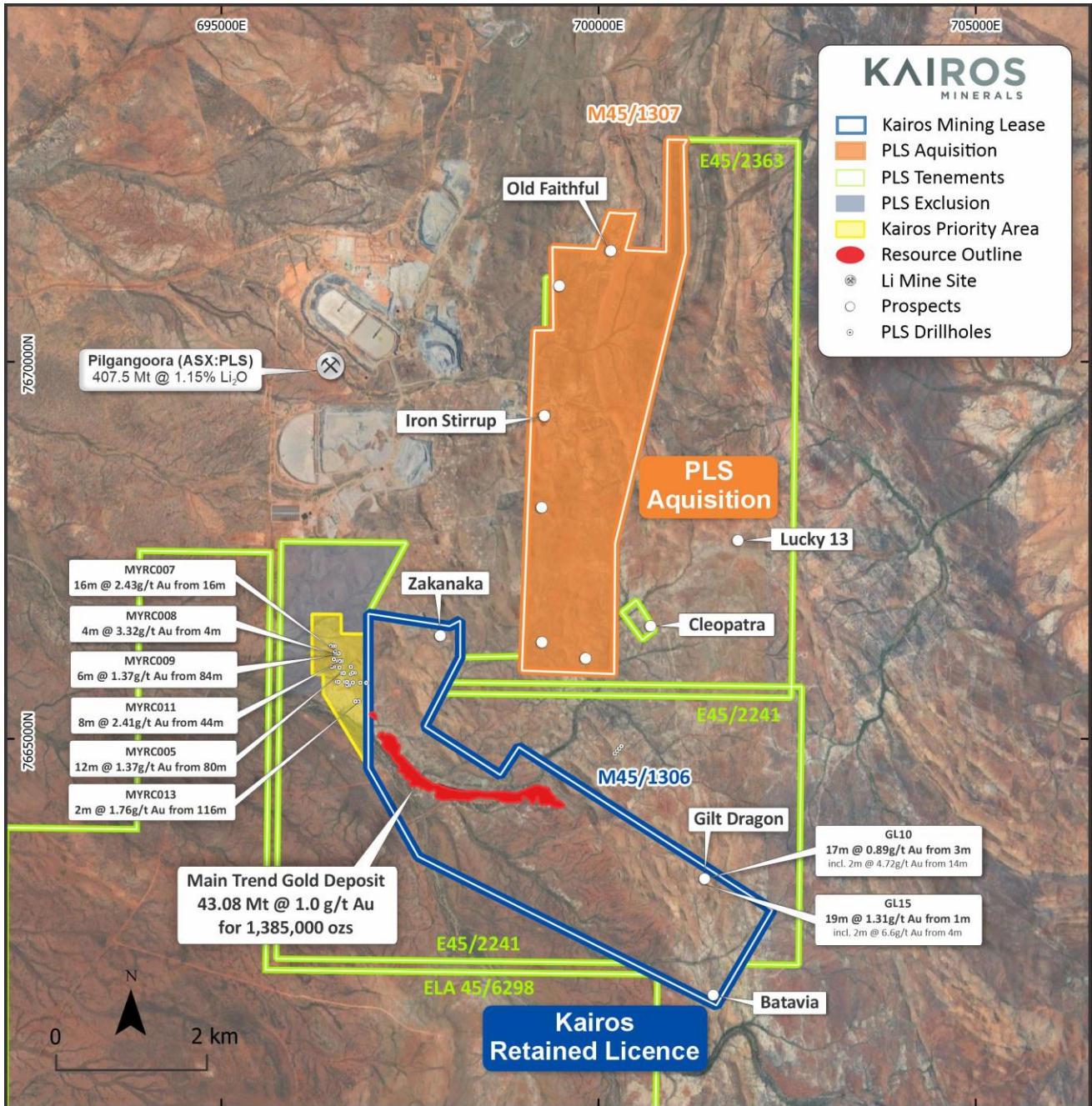


Figure 1. The Mt York Main Trend Gold Deposit (red) showing the 1,400m extension of the deposit towards the northwest on E45/2241. Kairos will have priority access to the yellow area once a full agreement is entered into in relation to the Gold Tenements.

Mining Lease Applications (MLAs)

The process to address objections to Kairos' two Mining Lease Applications are on-going and are routinely remedied through the negotiation and execution of access agreements. Communications and negotiations are ongoing with various government departments and stakeholders to advance the process through to MLA granting.

Negotiations have begun with the Nyamal Aboriginal Corporation (**NAC**), the traditional owners and custodians of the land where the project is located, towards a mining agreement.

An Aboriginal heritage survey is planned this quarter at Mt York in preparation for the resource drilling at Main Trend and its northwest extension on to E45/2241 owned by Pilbara Minerals (**Figure 1**).

Scoping Study

During the quarter, the Company appointed GR Engineering Services to manage and deliver a scoping study on the Mt York Gold Project. The study is progressing well and it is expected that it will be completed in the 4th quarter of 2024.

Pilbara Regional Tenements

Kangan Project (100%)

Water Potential

Kairos has identified that the project may contain water resources in a palaeochannel system that cuts licence E45/4740. During the quarter, planning for an extensive water drilling programme has been completed to cover parts of the palaeochannel that hold the highest probability to provide meaningful water yields.

Previous aircore drilling by the company in 2021¹ over parts of the interpreted palaeochannel have been reviewed and planning is underway to drill up to 20 sites. This will be done with a dedicated water drilling rig over the channel where heritage clearance has been completed.

This drilling is scheduled to commence in November ahead of the Pilbara Summer and supervised by specialist hydrologists.

It is expected mineral exploration drilling will occur concurrently with the water drilling over gold and lithium targets identified in the 2021 aircore drilling.

¹ See Press Announcement dated November 16, 2021 entitled 'Anomalous gold and lithium intersected in maiden aircore drilling at Kangan Project'

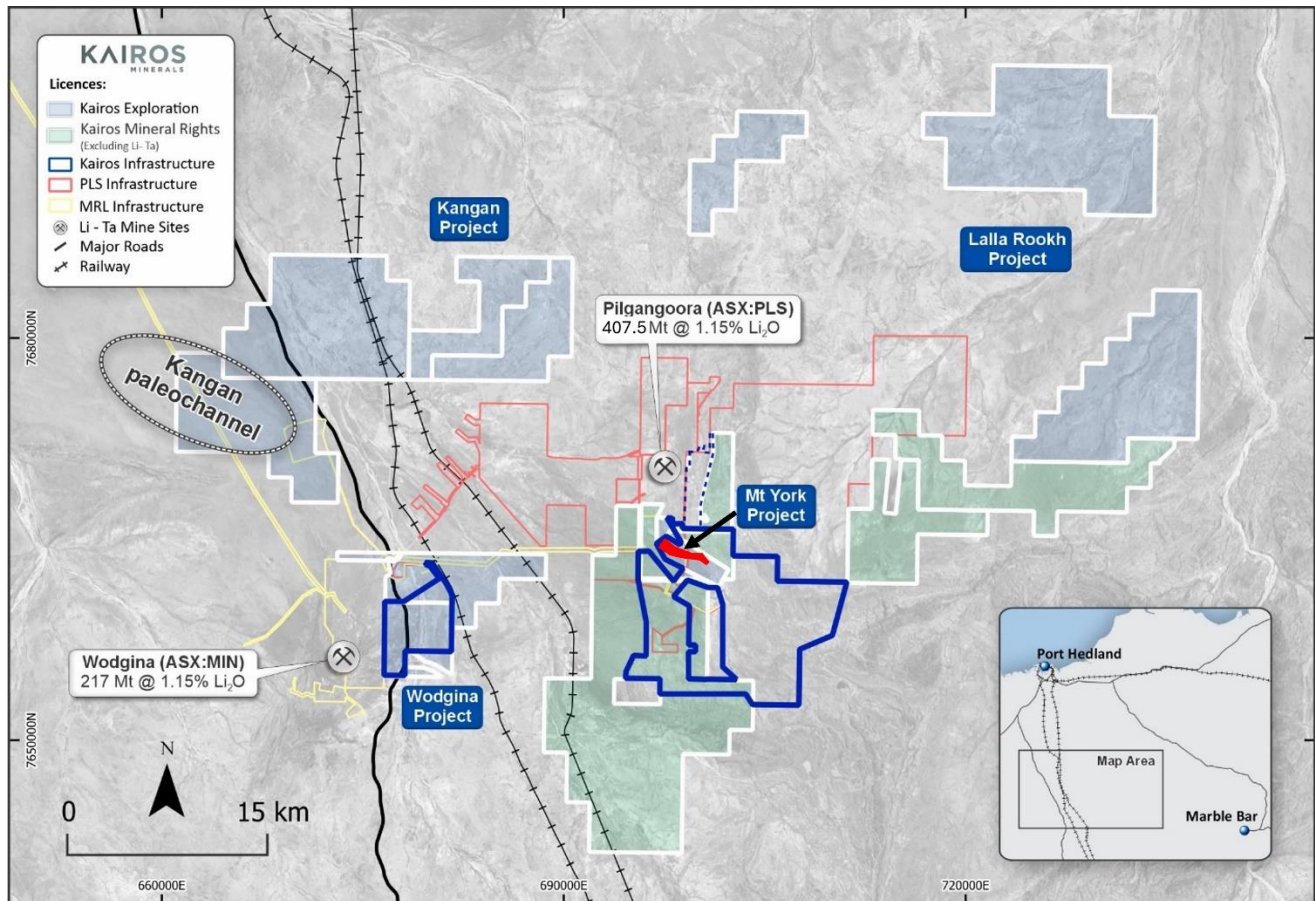


Figure 2. Kairos miscellaneous search for groundwater licences and applications (blue outline) shown in relation to Kairos’s 100% owned exploration licences (white outlines, blue fill) and Kairos’s mineral rights (gold & base metals) over PLS tenements and applications (white outline, green fill) subject to successful full-form agreement negotiations. Approximate location of the Kagan palaeochannel is shown.

Lalla Rookh (100%)

A total 1,193 samples were collected from the easternmost Lalla Rookh Licence (**Figures 3 & 4**), targeting greenstone belt rocks on the border of an interpreted granitic body to the northwest.

Multi-element geochemical results have been received and routine quality control-quality assurance (QC-QA) checks have raised some issues that require discussion with the laboratory.

It is anticipated that results will be announced to the market once the QC-QA checks have been completed and the exploration team are confident of their quality.

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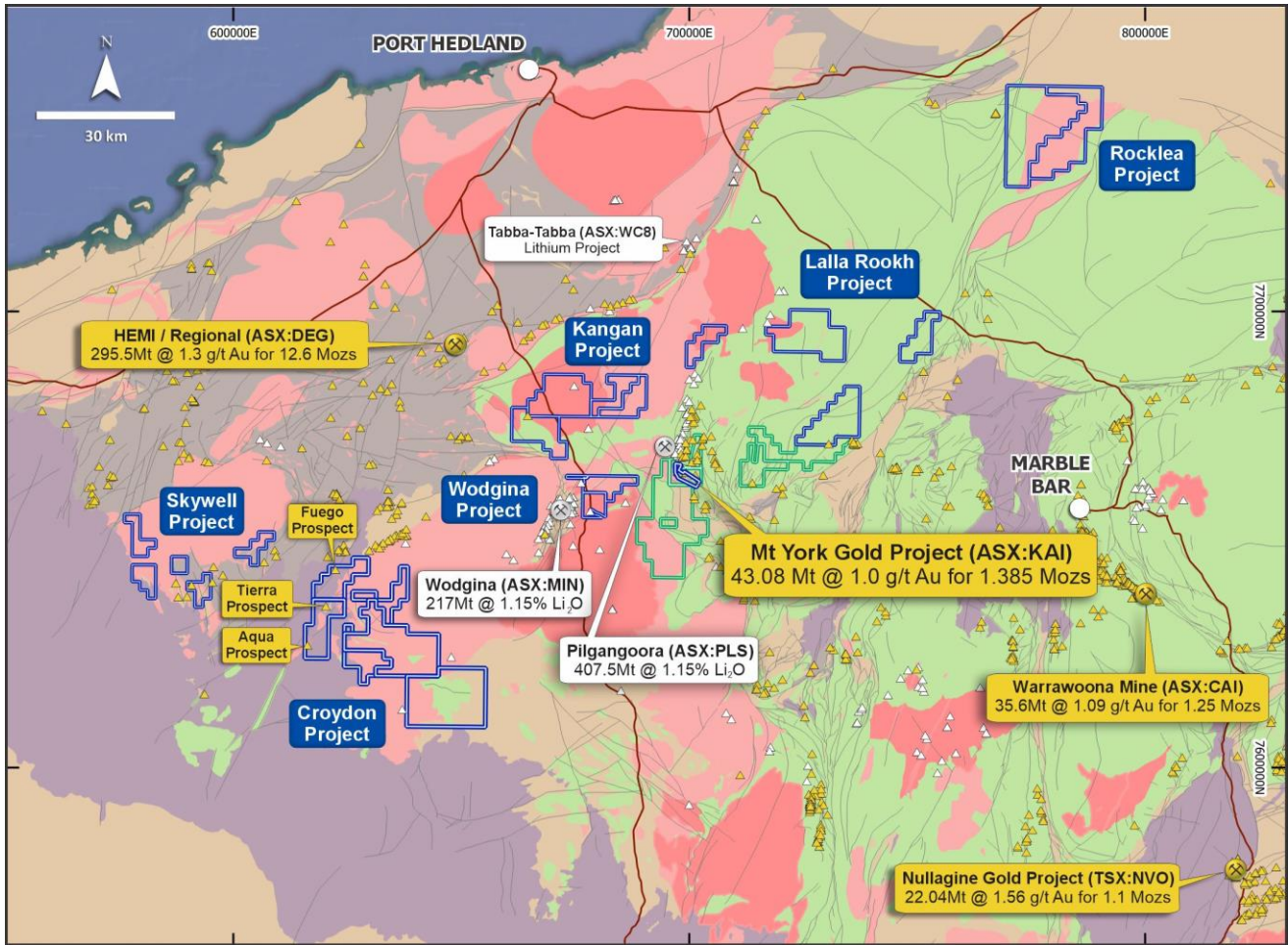


Figure 3. Kairos' 100% owned Pilbara exploration tenements (blue outlines) and Pilbara Minerals' exploration tenements and application (shown in green) that will form part of the mineral rights agreement between the two parties. All gold occurrences and mines shown.

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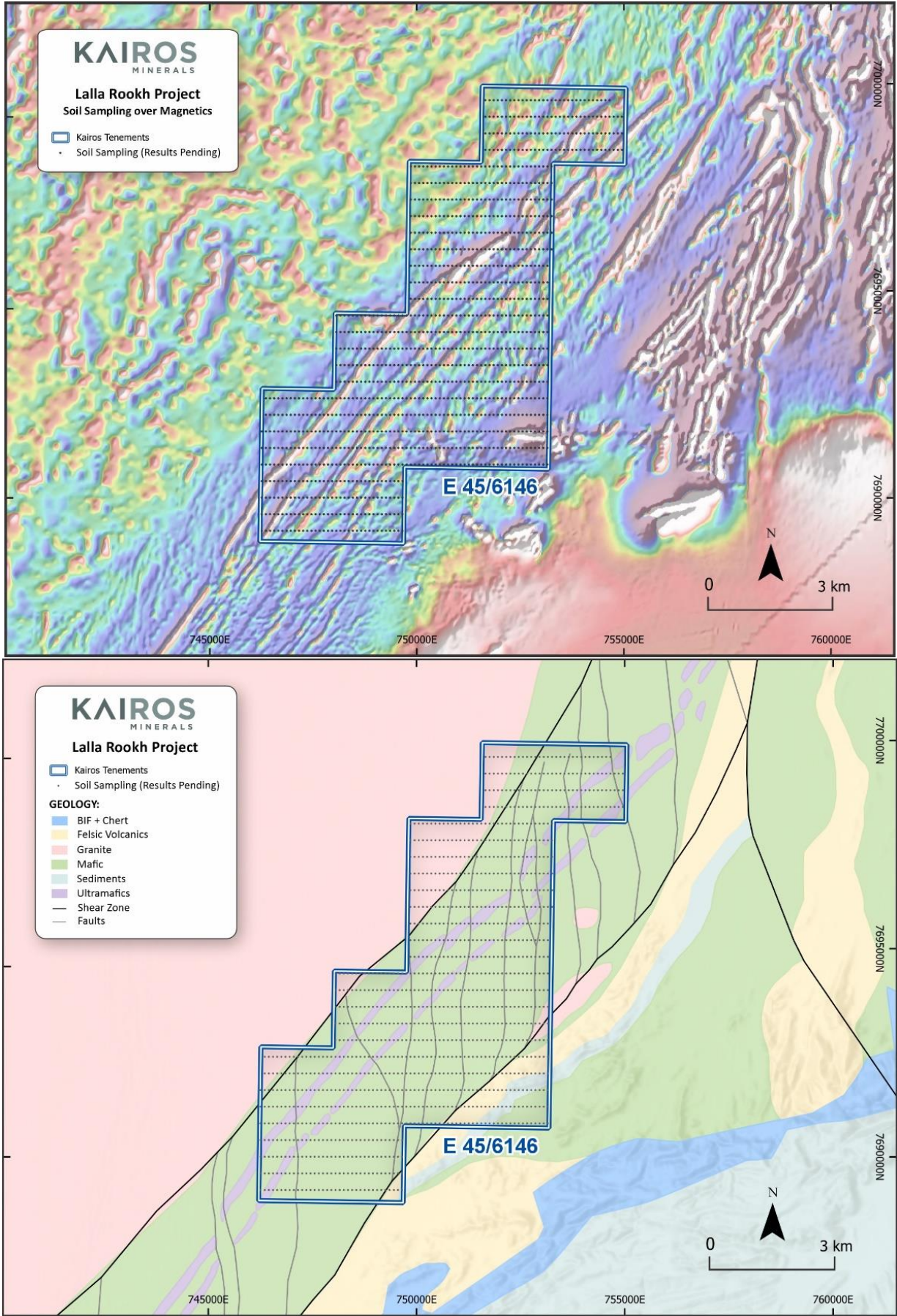


Figure 4. Lalla Rookh licence E45/6146 showing the sample points over a (top) magnetic image and an interpreted geological image (bottom).

Roe Hills Project, Eastern Goldfields WA

No field work activities were conducted at the Roe Hills project this quarter as the focus has been in the Pilbara of Western Australia, particularly the Mt York Gold Project.

Stage II metallurgical test work for Black Cat REE discovery

Stage II optimal metallurgical test work flow-sheet was developed with IMO Pty Ltd and external advisors last quarter. A decision was made to postpone the test work whilst looking at a value-add strategy for the rare earths project whilst conserving funds.

Next Steps

- Advance the full-form exploration agreement with Pilbara Minerals and gain access to the highest priority targets ahead of drilling
- Commence water drilling for process water for a potential future mining operation
- Complete drill planning and budgeting for staged resource expansion drilling at Mt York
- Heritage Surveying at Mt York in preparation for drill programming
- Continued negotiations with Nyamal Aboriginal Corporation to arrive at a mining agreement with the Traditional Owners of the Mt York Project area
- Continuation of negotiations with interested parties with respect to advancing the Mt York Gold Project
- Provide support to GR Engineering and Cube Consulting in the completion of the Mt York Scoping Study
- Receive, collate and review Lalla Rookh soil sample results
- Continuation of staged field mapping at the Pilbara regional projects following up on satellite imagery targets thought to be pegmatite swarms
- Continue to review new projects that are value-accretive for shareholders

CORPORATE

At the end of the quarter, the Company held cash and cash equivalents of \$13.49M. Cashflows relating to the quarter included \$593K spent on field exploration activities dominated by consulting and internal studies related to the Mt York Gold Project scoping studies and water exploration planning in the Pilbara.

Business Development

The Company continues to explore options for the development or monetisation of existing projects in its portfolio and continues to explore new opportunities which the Company deems to be value-accretive for its shareholders.

About Kairos Minerals

Kairos Minerals (ASX:KAI) owns 100% of the flagship 1.4 Mozs **Mt York Gold Project** that was partially mined by Lynas Gold NL between 1994 and 1998. Kairos has recognised that the resource has significant potential to grow further from its current 1.4 Moz base with significant exploration potential existing within the Mt York project area. A scoping study is underway to incorporate all resource, metallurgical, geotechnical, mining and process engineering information to determine viability and optimal pathway to develop a sustainable, long-lived mining project. Current resources at a 0.5 g/t Au cutoff grade above 325m depth are shown in the table below.

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

Kairos's 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio where the Company's exploration work has confirmed a significant clay-hosted Rare Earth Element (REE) discovery called Black Cat.

This announcement has been authorised for release by the Board.

Peter Turner
Managing Director

Zane Lewis
Non Executive Chairman

For Investor Information please contact:

Paul Armstrong
 Read Corporate
 0421 619 084

Competent Person Statement:

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Dr Peter Turner, who is the Managing Director of Kairos Minerals Ltd and who is also a Member of the Australian Institute of Geoscientists (AIG). Dr Turner has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' (the JORC Code 2012). Dr Turner has consented to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Mineral Resources were first reported on 15 May 2023 (Announcement). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcement and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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Tenement Schedule

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Roe Hills	WA	100%			100%
E28/1935					
E28/2117					
E28/2118					
E28/2548					
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					
E28/3406					
E28/3408					
L28/79					
L28/80					
L28/81					
L28/82					
Croydon Project	WA	100%			100%
E47/3522					
E47/3523					
E47/4384					
E47/4385					

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Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Sky Well Project					
E47/3519	WA	100%			100%
E47/3520					
E47/3521					
Mt York Project					
P45/2987	WA	100%			100%
P45/2988	WA	100%		100%	0%
P45/2989	WA	100%			100%
P45/2990	WA	100%			100%
P45/2991	WA	100%			100%
P45/2992	WA	100%		100%	0%
P45/2993	WA	100%		100%	0%
P45/2994	WA	100%			100%
P45/2995	WA	100%		100%	0%
P45/2996	WA	100%			100%
P45/2997	WA	100%		100%	0%
P45/2998	WA	100%		100%	0%
L45/422	WA	100%			100%
L45/455	WA	100%			100%
L45/660	WA	100%			100%
L45/661	WA	100%			100%
M45/1306	WA	100%			100%
M45/1307	WA	100%		100%	0%
Wodgina Project					
E45/4715	WA	100%			100%
E45/4780					
L45/709					
Kangan Project					
E45/4740	WA	100%			100%
E45/6160					

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Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
E45/6161					
E45/6353					
Woodcutters Project					
E28/2646	WA	100%		100%	0%
E28/2647					
Lalla Rookh Project					
E45/4741	WA	100%			100%
E45/6145					
E45/6146					
E45/6147					
Rocklea Project					
E45/6322	WA	100%			100%
E45/6323					

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kairos Minerals Limited (ASX: KAI)

ABN

84 006 189 331

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(618)	(618)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	18	18
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(600)	(600)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(593)	(593)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	10,000	10,000
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	9,407	9,407

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Payment of lease liabilities)	(19)	(19)
3.10	Net cash from / (used in) financing activities	(19)	(19)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,702	4,702
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(600)	(600)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	9,407	9,407
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(19)	(19)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	13,490	13,490

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,490	4,702
5.2	Call deposits	12,000	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	13,490	4,702

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	124
6.2	Aggregate amount of payments to related parties and their associates included in item 2	38

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(600)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(593)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,193)
8.4 Cash and cash equivalents at quarter end (item 4.6)	13,490
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	13,490
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	11.31
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

Date:23 October 2024.....

Authorised by: Authorised for release by the Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.