

Via e-lodgement

9 May 2017

## Placement and Underwritten Share Purchase Plan

Kairos Minerals ("KAI") (ASX: KAI) is pleased to announce it has received commitments from sophisticated and institutional investors for a Placement which has raised \$1,000,000 via the issue of 47.619 million new fully paid ordinary shares at \$0.021 (2.1 cents) per share ("Placement").

KAI is also providing to eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") at the same price of 2.1 cents per share to raise \$1,000,000. Under the SPP, eligible shareholders will be able to apply for up to \$15,000 parcels of shares (714,286 shares).

The SPP will be fully underwritten by Patersons Securities Limited ("Patersons"), subject to shareholder approval (described below). Patersons and CPS Securities Limited acted as Joint Lead Manager to the Placement and SPP.

The funds raised by the Placement and the SPP will be applied primarily to further exploration works at the Company's Roe Hills Gold Project where early stage results indicate potential for a large-scale gold system along a largely untested strike length of circa 40kms. Funds will also be used to advance the Mt York gold project, along with working capital purposes.

KAI also intends to issue a Notice of Meeting in the coming days to refresh its placement capacity under Chapter 7 of ASX Listing Rules and to issue any SPP shortfall shares to Patersons under Chapter 7 of ASX Listing Rules. The ratification of the placement is a procedural matter and the Board has no plans at this point in time to undertake further placements.

### SHARE PURCHASE PLAN (SPP)

Eligible shareholders who are recorded on the register as at 7.00pm on 8 May 2017 ("Record Date") with a registered address in Australia and New Zealand will be eligible to participate in the SPP. Each eligible shareholder will be entitled to apply for a parcel of shares ranging from \$2,000 up to \$15,000 without incurring brokerage or transaction costs. The issue price will be \$0.021 (2.1 cents) per share, the same price as the Placement. Shares under the SPP will be issued to eligible shareholders on a first come, first served basis. An entitlement to participate in the SPP is non-renounceable and will not be tradeable on ASX or otherwise transferable. Further details of the SPP including acceptance forms will be contained in the SPP Offer document that is being prepared for mailing to shareholders (expected to be delivered on or around 11 May 2017). Eligible

shareholders should read the SPP Offer document before deciding whether to participate in the SPP. The SPP is anticipated to close on 26 May 2017.

***KAI Managing Director, Joshua Wellisch, commented: "The Placement and SPP will provide an important source of funds necessary for the Company to further develop the Company's Roe Hills and Mt York projects in Western Australia. This will underpin our exploration with drilling to commence at Roe Hills in the coming weeks".***

***ENDS***