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# **KAIROS MINERALS LIMITED**

## **ANNUAL REPORT 2022**

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# Chairman's Report

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Dear Shareholders,

As one of the largest land-holders in the Pilbara of Western Australia, Kairos has positioned itself as one of the premier exploration companies on the ASX today. Through its commitment to 'boots-on-the-ground' exploration, Kairos has now entered the exclusive Million Ounce Gold Club with its flagship Mt York Gold Project, neighbouring companies like De Grey Mining (ASX:DEG) with their 10.6 Mozs Hemi Gold Project.

The new Board of which I lead, welcomes Mark Calderwood to its ranks, a seasoned director who has led major companies like Perseus Mining from a junior explorer to a significant gold producer in a short period of time and who provided the leadership to bring the Bald Hill Lithium Mine into production. Phil Coulson and Zane Lewis were appointed Directors of your company earlier in the year and were instrumental in driving the company's ambitions to fast-track lithium and gold discovery on the large tenement portfolio across the Pilbara and Eastern Goldfields tenement portfolio.

Dr Peter Turner joined the company in May as the Managing Director and along with the new exploration management team headed by Mark Falconer, have together completed a successful technical review of Kairos's mineral projects, the results of which were released to the market in early July.

Kairos has already seen the benefits of the review and new aggressive exploration strategy with the Mt York Gold Project increasing to over 1.1 million ounces of gold and the discovery of nearby spodumene-bearing pegmatites during routine earthworks. Both projects are currently being drilled as I write.

With over 40 years of experience of discovering, developing and reviewing gold projects around the World, the exploration leadership team see obvious potential to significantly increase gold resources further at Mt York simply due to the fact that the flagship project is constrained by drilling in all areas of the resource along the entire 3,000m strike length. The pit shells generated during mining optimisation studies that the company completed in July bottomed-out on drilling in most cases suggesting that further drilling was required at depth along the whole Main Trend. This is excellent news and we look forward to the next round of drilling into this deposit that is shaping up to be a top-shelf gold resource.

Indeed, the 14,988m of RC drilling completed at Mt York in 2021 were some of the best intercepts ever recorded at the project in terms of both widths of mineralisation and importantly grade. The strategic review that is supported by your Board shows a compelling argument to complete a +20,000m drill programme which will drive a new mineral resource estimate in the new year and provide all the necessary information for the Company to complete a pre-feasibility study. This drilling is underway, as is the building of an exploration camp where our geological team will live safely during the programmes of field work and where all our valuable core samples will be processed and stored securely. The Company will make announcements of all results of all drilling programmes, notwithstanding the significant delays that we continue to see at the laboratories in Perth.

The discovery of lithium at Mt York and at our Roe Hills Project in the Eastern Goldfields is exciting news for all shareholders. Whilst the drilling at Lucky Sump near Mt York is underway at the time of writing, the company is keen to expedite the drilling of the 2.4 km long Black Cat Li-Cs-Rb coincident soil anomaly at Roe Hills, some 100km east of Kalgoorlie. The Roe Hills area has become a premier spodumene pegmatite camp with the discovery of the Manna Lithium Deposit (ASX:GL1 80%, ASX:BRB 20%) some 12 km to the north.

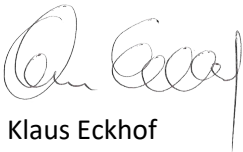
## Chairman's Report

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Kairos has a bright future in the Pilbara and a pipeline of exciting lithium and gold projects in both the Pilbara and at Roe Hills in the Eastern Goldfields.

The company plans to continue the field work over the enlarged land position in the Pilbara and concentrate on a number of projects that are highly prospective, considering their structural and geological context. Kairos is well-funded with \$7.0m in the bank at the end of June 2022 and will make financially disciplined decisions to drive value for shareholders going forward.

Lastly, I would like to invite you all in coming weeks to jump onto our new-look website ([kairosminerals.com.au](http://kairosminerals.com.au)) to click on new images and project profiles we have. Although still in it's development stage, we are committed to giving all shareholders and prospective new shareholders a look at the quality assets we have and the people that run them. Thank you for your continued support through 2022 and beyond.



Klaus Eckhof  
Chairman

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# Directors' Report

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The Board of Directors of Kairos Minerals Limited and its subsidiaries ('the Consolidated Entity') present their report for the year ended 30 June 2022.

## Review of Operations

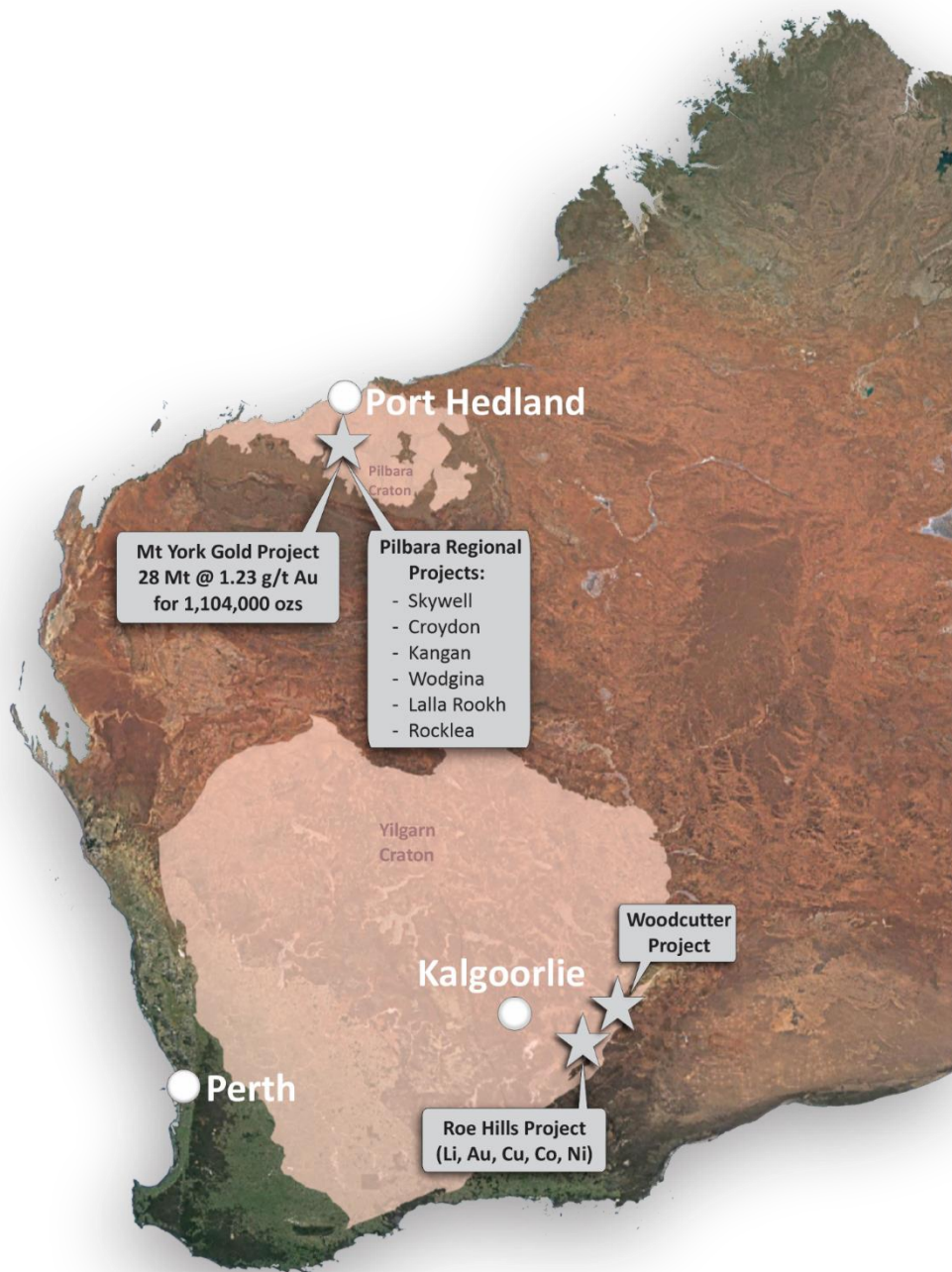
### Highlights

- 95 RC drill holes for 14,988m completed at the Mount York Gold Project in 2021 that have been incorporated into the updated mineral resource estimate announced 30 August 2022.
- Approximately 1,455m completed in five diamond drill holes of a 20,000m programme of extensional drilling (7% complete).
- Drill results announced during the year continue to show good widths and grades including:
  - 49m @ 1.75g/t Au from 135m in KMYC196 (The Gap), including:
    - 38m @ 2.06g/t Au from 146m, including:
    - 19m @ 3.29g/t Au from 153m
  - 40m @ 1.92g/t Au from 160m in KMYC197 (The Gap), including:
    - 32m @ 2.28g/t Au from 168m, including:
    - 8m @ 6.16g/t Au from 172m
  - 24m @ 3.14g/t Au from 100m in KMYC198 (The Gap), including:
    - 14m @ 4.30g/t Au from 104m, including:
    - 6m @ 5.39g/t Au from 111m
  - 60m @ 1.05g/t Au from 148m in KMYC200 (The Gap), including:
    - 5m @ 3.40g/t Au from 149m, including:
    - 5m @ 1.82g/t Au from 172m, including:
    - 4m @ 2.14g/t Au from 194m
- Wide, high-grade drilling results returned from a new prospect called 'The Gap' between Main Hill and Breccia Hill that were outside of the previous resource estimate.
- New mineral resource estimate for the Mt York Gold Project of 28.01 MT @ 1.23 g/t Au for 1,104,000 ozs at a 0.7 g/t Au cutoff.
- +20,000m of diamond and RC drilling programme underway at the Mt York Gold Project targeting previously unrecognised shallow-east-plunging, high-grade shoots.
- Discovery of spodumene-bearing pegmatites grading up to 1.91% Li<sub>2</sub>O in samples uncovered during routine earthworks at 'Lucky Sump' – drilling underway to test an interpreted dyke swarm in the area.
- 2.4km long coincident Li-Cs-Ta soil anomaly discovered at Black Cat prospect, Roe Hills Project in the Eastern Goldfields.
- Strong pipeline of high-quality gold and lithium targets across its enlarged exploration portfolio in Tier 1 jurisdictions.

### Corporate

- Newly appointed Board of Directors to drive growth and value for shareholders
- Cash reserves at 30 June 2022 of \$7.0M

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*Kairos Projects Location Map. Yilgarn and Pilbara Cratons are shown as pink shading in the south-central and northern areas of WA respectively.*



# Directors' Report

## PILBARA GOLD PROJECTS, PILBARA REGION (KAI: 100%)

### MT YORK GOLD PROJECT

Kairos' flagship asset in the Pilbara of WA is the advanced Mt York deposit, located ~100km south-east of Port Hedland (**Figure 1**). Together with the nearby Iron Stirrup and Old Faithful deposits, this forms the cornerstone of the Company's Pilbara Gold Projects.

Since acquiring the project in early 2016, Kairos has rapidly established a substantial JORC compliant Mineral Resource inventory totalling **28.01 MT @ 1.23 g/t Au for 1,104,000 ounces** (comprising Indicated Resources of 13.93 Mt at 1.3 g/t for 581,000oz and Inferred Resources of 14.08 Mt at 1.15 g/t for 523,000oz) from a previous resource estimated in 2020 of 20.9Mt at 1.30g/t Au for 873,500 ounces (comprising Indicated Resources of 8.5Mt at 1.33g/t for 366,000oz and Inferred Resources of 12.3Mt at 1.28g/t for 507,500oz). The new mineral resource estimate represents a 26% increase in contained gold at about the same grade.

Lynas Gold NL mined approximately 125,000oz between 1994 and 1998.

Kairos also holds 1,235 square kilometres of tenure in the Pilbara, including the Mt York tenements. The regional projects have been targeted based on their structural and geological contexts and are considered highly prospective for gold, lithium and copper.

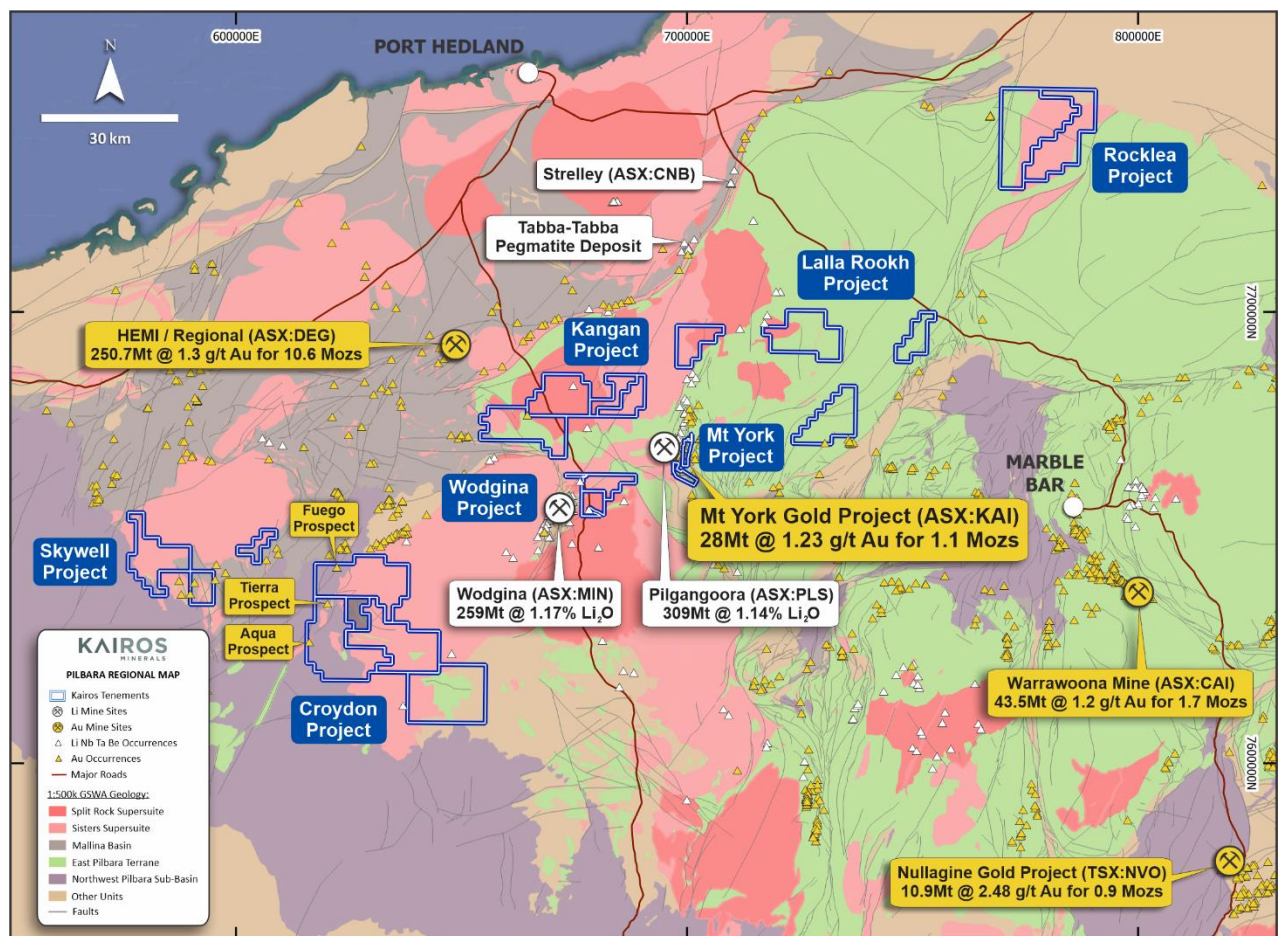


Figure 1- Pilbara Gold Project and the Mt York Deposit locations

# Directors' Report

## RC Drilling Program – Mt York Project (completed in H2, 2021)

During the year, final results from the 2021 RC drilling program comprising of 95 drill holes were received and announced. The program concentrated on the Main Hill, The Gap, Breccia Hill and Gossan Hill but also included drilling the satellite deposits of Old Faithful, Green Creek, Iron Stirrup, Zakanaka and Batavia.

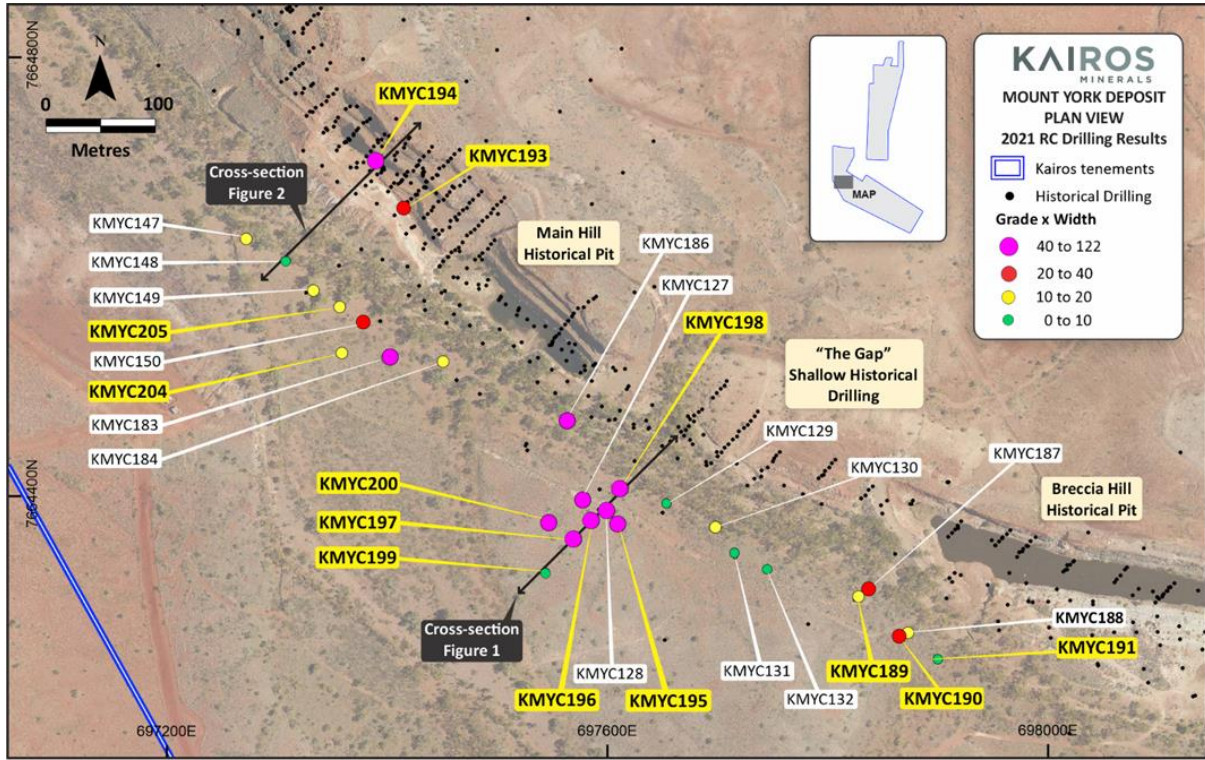
Prospect	Drill Holes	Total Meters
Old Faithful	16	2,403
Greek Creek	5	400
Iron stirrup North	6	752
Iron Stirrup	7	1,337
Zakanaka	10	1,293
Mt York (Main Trend)	49	8,555
Batavia	2	248
<b>Total</b>	<b>95</b>	<b>14,988</b>

Table 1 - RC drill holes completed during Q4, 2021 Drill Programme

The results were outstanding, especially at the new 'GAP' and Main Hill Prospects, with the highlights reported in an announcement dated 25 May 2022 and shown below:

- **32m @ 0.62g/t Au from 92m in KMYC190 (Breccia Hill), including:**
  - **4m @ 2.01g/t Au from 100m**
- **28m @ 1.35g/t Au from 0m in KMYC193 (Main Hill), including:**
  - **8m @ 2.16g/t Au from 0m**
- **28m @ 1.66g/t Au from 32m in KMYC194 (Main Hill), including:**
  - **12m @ 3.26g/t Au from 32m**
- **49m @ 1.75g/t Au from 135m in KMYC196 (The Gap), including:**
  - **38m @ 2.06g/t Au from 146m, including:**
  - **19m @ 3.29g/t Au from 153m**
- **40m @ 1.92g/t Au from 160m in KMYC197 (The Gap), including:**
  - **32m @ 2.28g/t Au from 168m, including:**
  - **8m @ 6.16g/t Au from 172m**
- **24m @ 3.14g/t Au from 100m in KMYC198 (The Gap), including:**
  - **14m @ 4.30g/t Au from 104m, including:**
  - **6m @ 5.39g/t Au from 111m**
- **60m @ 1.05g/t Au from 148m in KMYC200 (The Gap), including:**
  - **5m @ 3.40g/t Au from 149m, including:**
  - **5m @ 1.82g/t Au from 172m, including:**
  - **4m @ 2.14g/t Au from 194m**



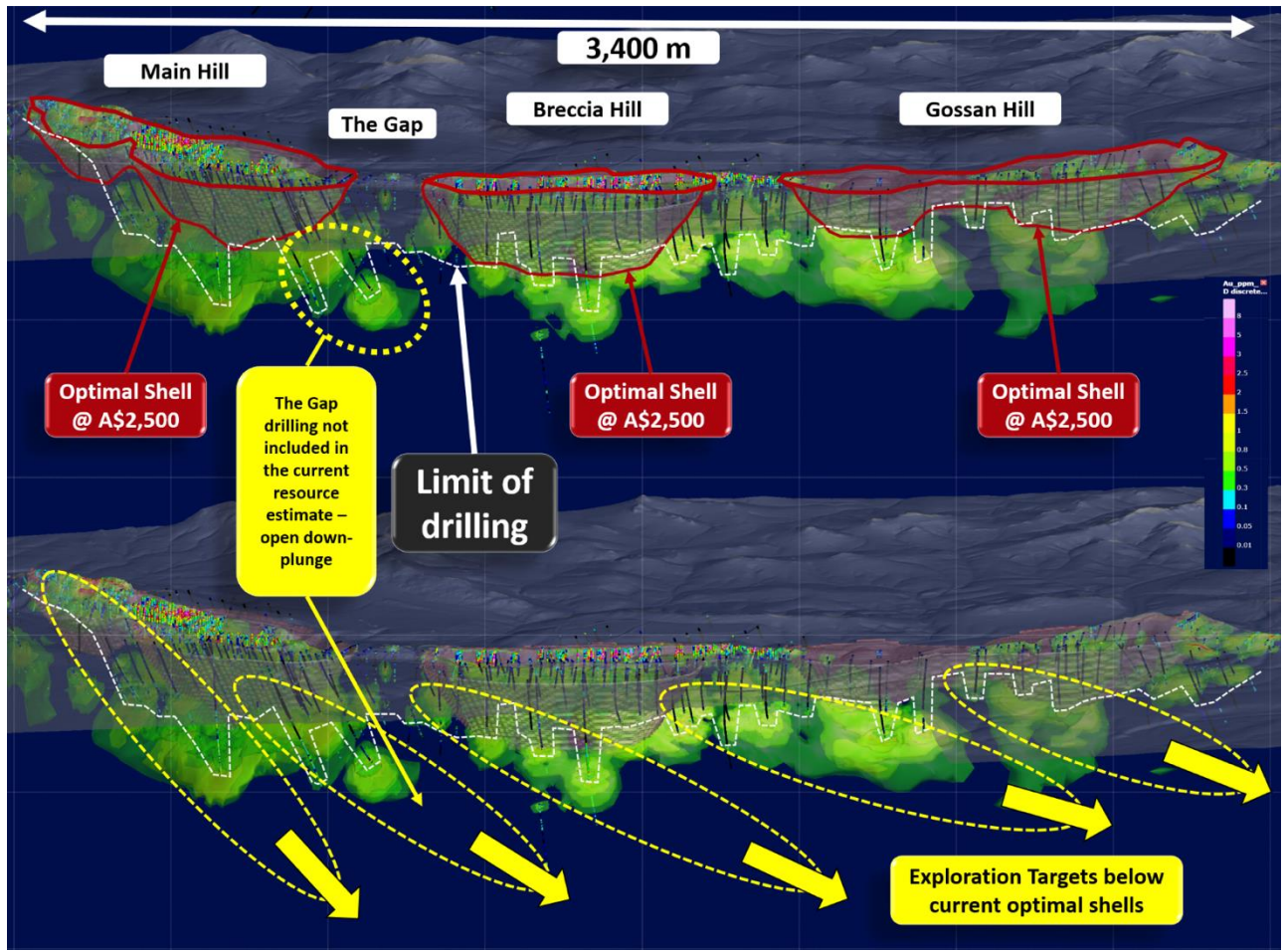


**Figure 2** - Plan view showing the drill holes with the latest assay results as grade x width (note: grade x width calculation not undertaken for historic drilling).

The results at the new prospect called 'The Gap' (between Main Hill and Breccia Hill prospects) were not captured in previous drilling programmes and sit outside the current resource model. The intercepts indicate wide and high-grade mineralisation. Stellar results received toward the end of the year including 49m @ 1.75 gpt Au from 135m including 19m @ 3.29 gpt Au from 153m (KMYC196) were the final results received by the Company for this programme and have now been incorporated into the database and used in the new mineral resource estimated.

The findings of the Technical Review of Mt York Gold Project were announced to the ASX on July 4 2022. The review found evidence that wide, high-grade and shallow east-plunging shoots were present and these are currently being targeted in the +20,000m drill programme that is underway.

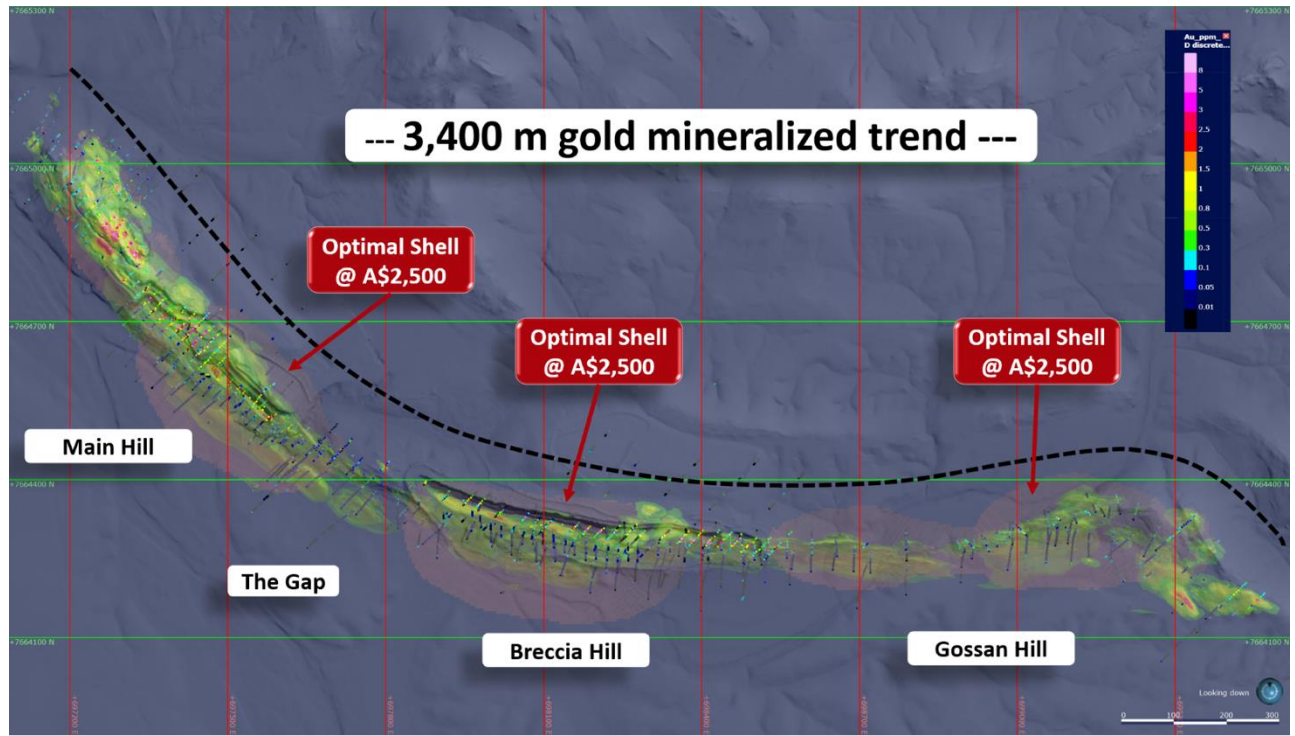
The review found the deposit was constrained only by drilling within the individual deposits and at depth, not by geological or mineralisation factors (**Figure 3**).



**Figure 3** - Leapfrog™ generated image showing the main >3,400m trend at Mt York Gold Project looking north showing a series of grade shells from 0.5 gpt Au wireframes (green outer shells) to >8 gpt Au (see legend for colour coding). The limit of effective current drilling is shown as a white dashed line and emphasises that the base of drilling is often at, or above the A\$2,500 optimal pit shells generated in 2020 meaning that more drilling is required. Further drilling has occurred since the last mineral estimate in 2020 particularly at 'The Gap' Prospect which is anticipated to grow the resource in the next estimate. See **Figure 4** for a plan view of the mineralised trend. Upper view emphasising the grade shells, optimal pit outlines and limit of drilling whilst the lower image eccentuates the exploration upside of the trend.

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**Figure 4** - Leapfrog™ generated plan view of the drill holes coloured on gold values for the Main Mt York Trend only. The mineralisation occurs over 3,400m, is open at both the NW and SE strike extents and at depth along the entire trend. The Prospects are shown as are the newly generated Leapfrog™ grade shells (all grade shells above 0.5 gpt Au are shown with varying levels of transparency. Leapfrog grade shells are not interpreted to be mineralised wireframes and may vary from the final wireframes that will be generated for the next mineral resource estimate. They are provided as a guide to possible mineralised trends using implicit modelling algorithms to enhance possible structural trends.

During the Technical Review completed earlier in the year, it is believed that there are no technical factors impeding the project and the Company supports the recommendation that an extensive drilling programme with a large proportion of diamond drilling is necessary to drive continued resource growth beyond the current resource estimation.

Kairos is planning to pursue a path of development of the Mt York Gold Deposit with aggressive exploration drilling, targeting under-drilled areas of the resource specifically in areas where wide, high-grade plunging shoots are interpreted. Kairos believes that the Mt York Gold Project will experience significant resource growth and is following the strategy of organic growth to create shareholder value.

### Mt York Mineral Resource Estimate (2022)

A new, JORC-compliant mineral resource estimate (MRE) was announced to the market on 30 August 2022. The resource heralded a significant milestone for the Company in reaching >1 million ounces of gold at Mt York.

The current resource estimate was completed by Christopher Speedy of Encompass Mining Consultants using wireframes built by Kairos's technical team and based on a 0.3 g/t Au envelope of mineralisation. The resource includes an additional 14,988m of drilling at all prospects in late 2021 by the company. The resource includes the continuous and contiguous deposits of Main Hill, The Gap, Breccia Hill and Gossan Hill that form an arcuate form with mineralisation dipping moderately to steeply to the south to south-west, herein referred to as **The Main Trend** (see **Figures 4, 5**).

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# Directors' Report

Project	Resource Category	Tonnes (Mt)	Grade Au g/t	Ounces (Kozs)
Main Hill	Indicated	2.55	1.15	97
	Inferred	7.93	1.1	280
	<b>Indicated + Inferred</b>	<b>10.48</b>	<b>1.12</b>	<b>377</b>
The Gap	Indicated	1.81	1.22	71
	Inferred	1.15	0.94	35
	<b>Indicated + Inferred</b>	<b>2.96</b>	<b>1.11</b>	<b>106</b>
Breccia Hill	Indicated	4.83	1.31	203
	Inferred	2.78	1.34	120
	<b>Indicated + Inferred</b>	<b>7.61</b>	<b>1.32</b>	<b>323</b>
Gossan Hill	Indicated	1.82	1.27	74
	Inferred	0.4	1.34	17
	<b>Indicated + Inferred</b>	<b>2.22</b>	<b>1.28</b>	<b>92</b>
Iron Stirrup	Indicated	1.18	1.81	69
	Inferred	0.63	1.66	34
	<b>Indicated + Inferred</b>	<b>1.81</b>	<b>1.76</b>	<b>102</b>
Old Faithful	Indicated	1.73	1.19	66
	Inferred	1.19	0.96	38
	<b>Indicated + Inferred</b>	<b>2.93</b>	<b>1.1</b>	<b>103</b>
Totals	Indicated	13.93	1.3	581
	Inferred	14.08	1.15	523
	<b>Indicated + Inferred</b>	<b>28.01</b>	<b>1.23</b>	<b>1,104</b>

**Table 2.** Mineral Resource Estimate for the Mt York Gold Project using a 0.7 g/t lower cutoff. The deposits of Main Hill, The Gap, Breccia Hill and Gossan Hill are contiguous orebodies with Iron Stirrup and Old Faithful being satellite deposits 4.5km and 6.5km to the north respectively (see Figure 5).

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# Directors' Report

Mt York Global									
Grade Cut Off (>)	Indicated			Inferred			Total		
	Tonnes (Mt)	Au g/t	Ounces (Kozs)	Tonnes (Mt)	Au g/t	Ounces (Kozs)	Tonnes (Mt)	Au g/t	Ounces (Kozs)
0.1	23.52	0.97	733	27.10	0.84	729	50.62	0.90	1,462
0.2	23.39	0.97	732	26.87	0.84	728	50.27	0.90	1,460
0.3	22.94	0.99	728	26.16	0.86	722	49.10	0.92	1,450
0.4	21.14	1.04	709	23.90	0.91	697	45.04	0.97	1,405
<b>0.5</b>	<b>18.96</b>	<b>1.11</b>	<b>677</b>	<b>20.87</b>	<b>0.97</b>	<b>653</b>	<b>39.82</b>	<b>1.04</b>	<b>1,330</b>
0.6	16.22	1.21	629	17.57	1.05	595	33.79	1.13	1,224
<b>0.7</b>	<b>13.93</b>	<b>1.30</b>	<b>581</b>	<b>14.08</b>	<b>1.15</b>	<b>523</b>	<b>28.01</b>	<b>1.23</b>	<b>1,104</b>
0.8	11.99	1.39	535	11.23	1.26	455	23.22	1.33	990
0.9	10.10	1.49	484	8.77	1.38	388	18.87	1.44	872
1.0	8.31	1.61	430	6.47	1.53	318	14.78	1.57	748
1.1	6.83	1.73	380	5.18	1.65	275	12.01	1.70	655
1.2	5.75	1.84	340	4.16	1.78	238	9.91	1.81	578
1.3	4.96	1.93	308	3.33	1.91	205	8.29	1.92	513
1.4	4.10	2.06	272	2.83	2.01	183	6.94	2.04	455
1.5	3.56	2.15	246	2.41	2.11	164	5.97	2.14	410
1.6	3.01	2.26	219	1.99	2.23	143	5.00	2.25	362
1.7	2.65	2.34	200	1.75	2.31	130	4.40	2.33	330
1.8	2.27	2.44	178	1.45	2.43	114	3.72	2.44	292
1.9	1.86	2.58	154	1.17	2.58	97	3.03	2.58	251
2.0	1.66	2.65	142	1.00	2.68	86	2.66	2.66	228
2.1	1.42	2.76	126	0.80	2.83	73	2.22	2.79	199
2.2	1.17	2.89	109	0.71	2.92	67	1.88	2.90	176
2.3	1.02	2.99	98	0.67	2.97	64	1.68	2.98	161
2.4	0.85	3.12	85	0.59	3.06	58	1.44	3.09	143
2.5	0.75	3.20	78	0.55	3.10	55	1.31	3.16	133
2.6	0.66	3.29	70	0.52	3.14	52	1.18	3.22	122
2.7	0.60	3.36	65	0.48	3.17	49	1.08	3.28	114
2.8	0.48	3.51	54	0.33	3.35	36	0.81	3.45	90
2.9	0.44	3.57	51	0.26	3.48	29	0.71	3.54	80
3.0	0.39	3.66	45	0.22	3.57	26	0.61	3.63	71

**Table 3.** Grade-tonnage table using different lower grade resource cutoffs for all gold deposits at Mt York. The reported resource estimations for 0.5 and 0.7 g/t Au lower cutoffs are discussed in the release.

The resource estimation method applied was ordinary kriging that is considered a robust method for grade interpolation where geological and mineralisation control is well constrained. The resource estimate by resource category is shown in **Table 1** above and constrained by a 0.7 g/t Au cutoff grade. For a 0.5 g/t lower cutoff grade, the resource estimate increases **52%** to **1.33 Mozs (39.82 MT @ 1.04 g/t Au for 1,329,000 ounces)**. Detailed resource investigations looking at the lower cutoff grades will be investigated during the pre-feasibility study when all mining & processing costs are reviewed.



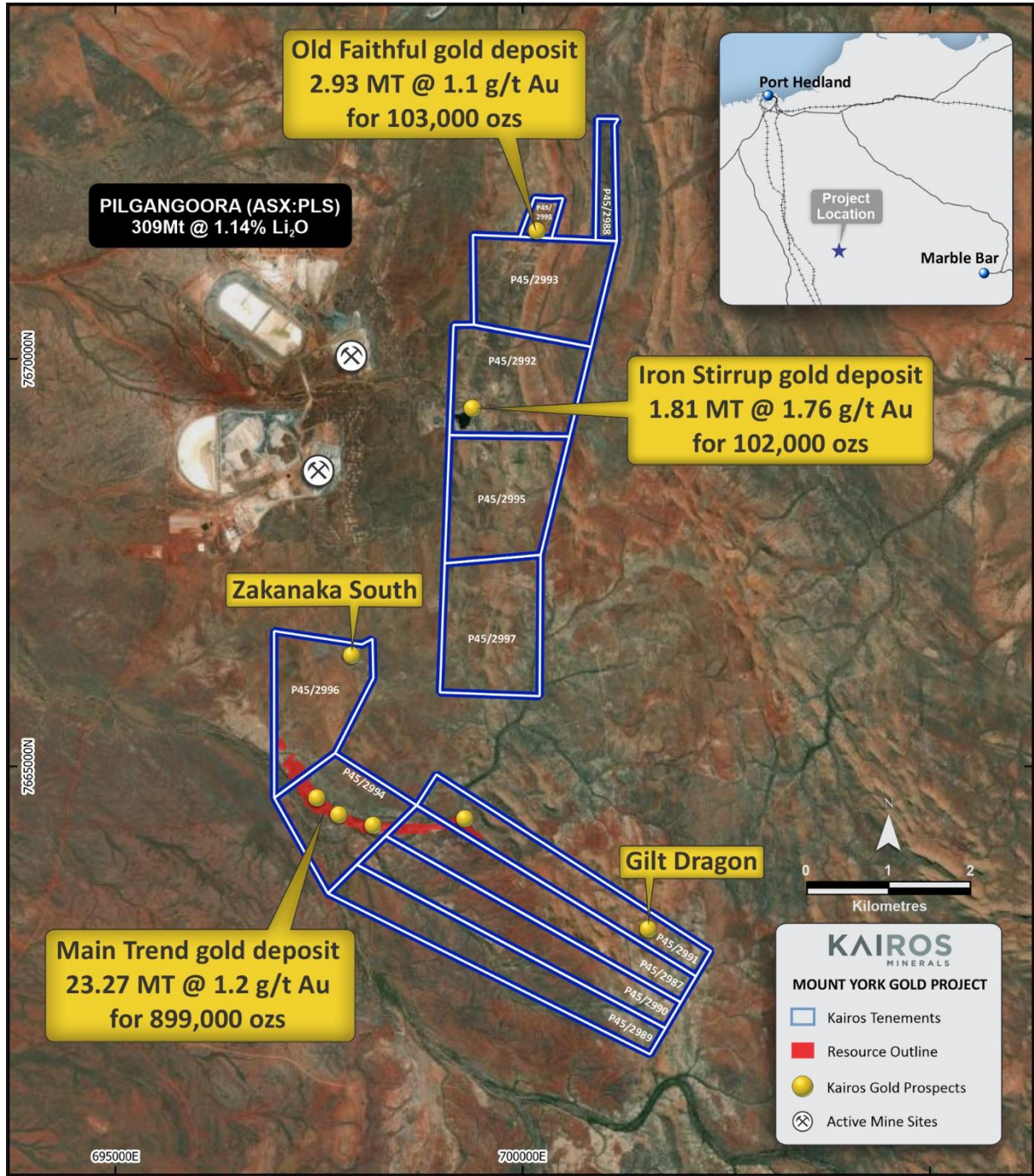
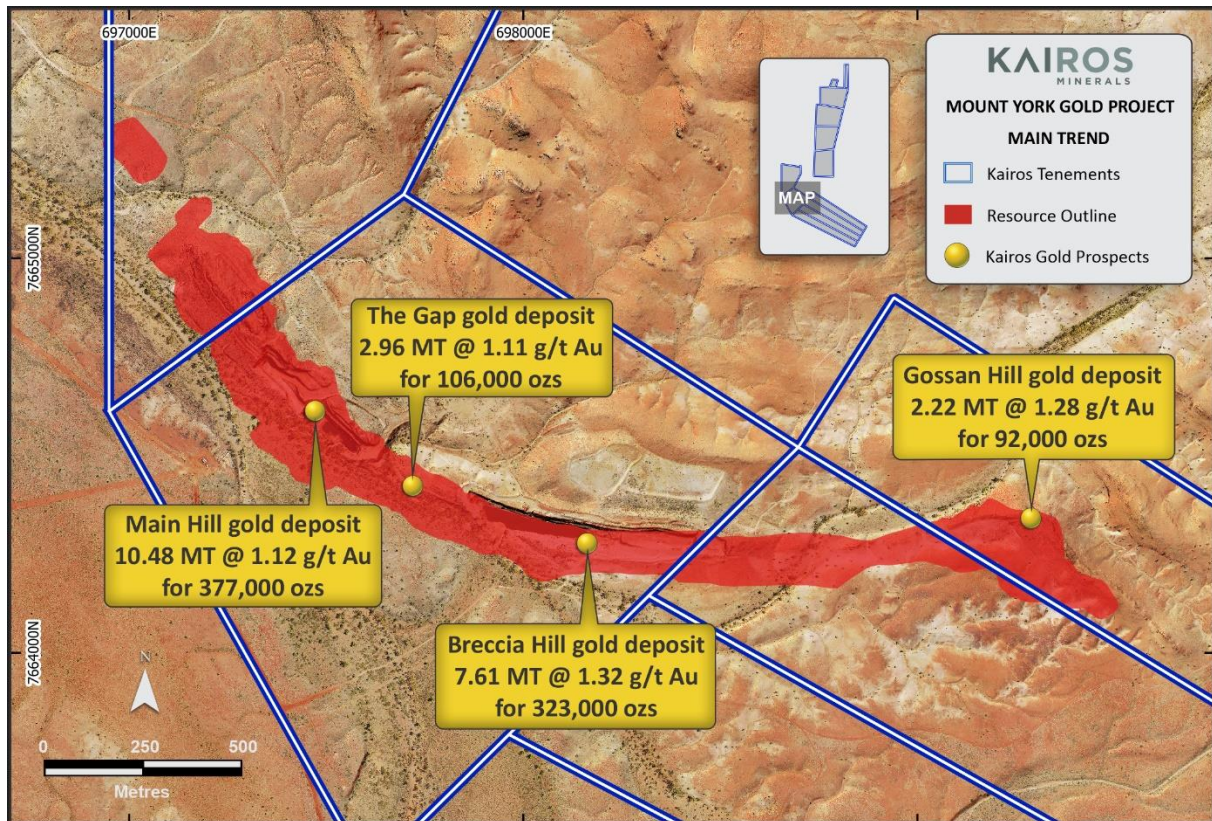


Figure 5. Location of Main Trend, Iron Stirrup and Old Faithful gold deposits

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**Figure 6.** Extent of the Main Trend (Main Hill-The Gap-Breccia Hill-Gossan Hill) mineralisation (red polygon) extending for a continuous 2,800m.

There is an obvious lack of drilling below **150m** along the whole Main Trend. Much of the resource below **150m** at Main Hill, The Gap and Breccia Hill is either inferred or unclassified. Unclassified resources are not included in the mineral resource estimate but qualify as obvious targets to increase the resource inventory along the base of the entire Main Trend.

The mineral resource estimate is not constrained at depth. The pit optimisation work by Intermine Engineering Consultants (see section called 'Pit Optimisations') has resulted in a series of pit shells that, on inspection, show that the current base of pit shells do not extend deeper than the drilling in most cases along the entire Main Trend (and at Iron Stirrup and Old Faithful). This indicates that further drilling below the optimal pit shell is required. At this stage there is not enough deeper drilling into the estimated and reported resource in indicated and inferred categories to determine the lower limit of likely economic extraction by open pit methods. The recommendation by both Encompass and Intermine is that further, deeper drilling is required to find the natural depth limit of mineralisation that can likely be economically extracted.

## Pit Optimisation

Intermine Engineering Consultants completed pit optimisation work on the updated mineral resource models for the Main Trend (Main Hill-The Gap-Breccia Hill-Gossan Hill), Iron Stirrup and Old Faithful deposits. Pit optimisations are often used to define the most profitable pit shell for a given set of economic parameters like gold price, mining and administration costs, processing costs, pit wall angles, ore recoveries, ore production through-put rates etc. In the case of Mt York, Kairos has used optimal pit shells with realistic costs and inputs in the past to:

- 1) Determine possible economic zones of mineralisation;
- 2) Determine approximate grades and tonnages of in-pit resources;

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## Directors' Report

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- 3) Determine whether drilling campaigns have been successful in capturing new mineralised zones in-pit;
- 4) Guide the next drilling campaign.

Intermine completed a series of pit optimisations using up-to-date mining and administration costs and inputs for a gold mine based in the Pilbara. All pit shells developed have been examined in 3D software against all drilling across all mineralised zones and enabled the Kairos team to plan the next round of significant drilling, placing the emphasis on core drilling, to gain maximum geological and metallurgical information. Although some of the planned drill holes may change slightly due to accessibility, the +20,000m drill programme is targeting a significant increase in resources below and between all pits and to increase the confidence of inferred resources to the indicated category in preparation for the next round of resource estimation and pre-feasibility study.

### Drill Campaign

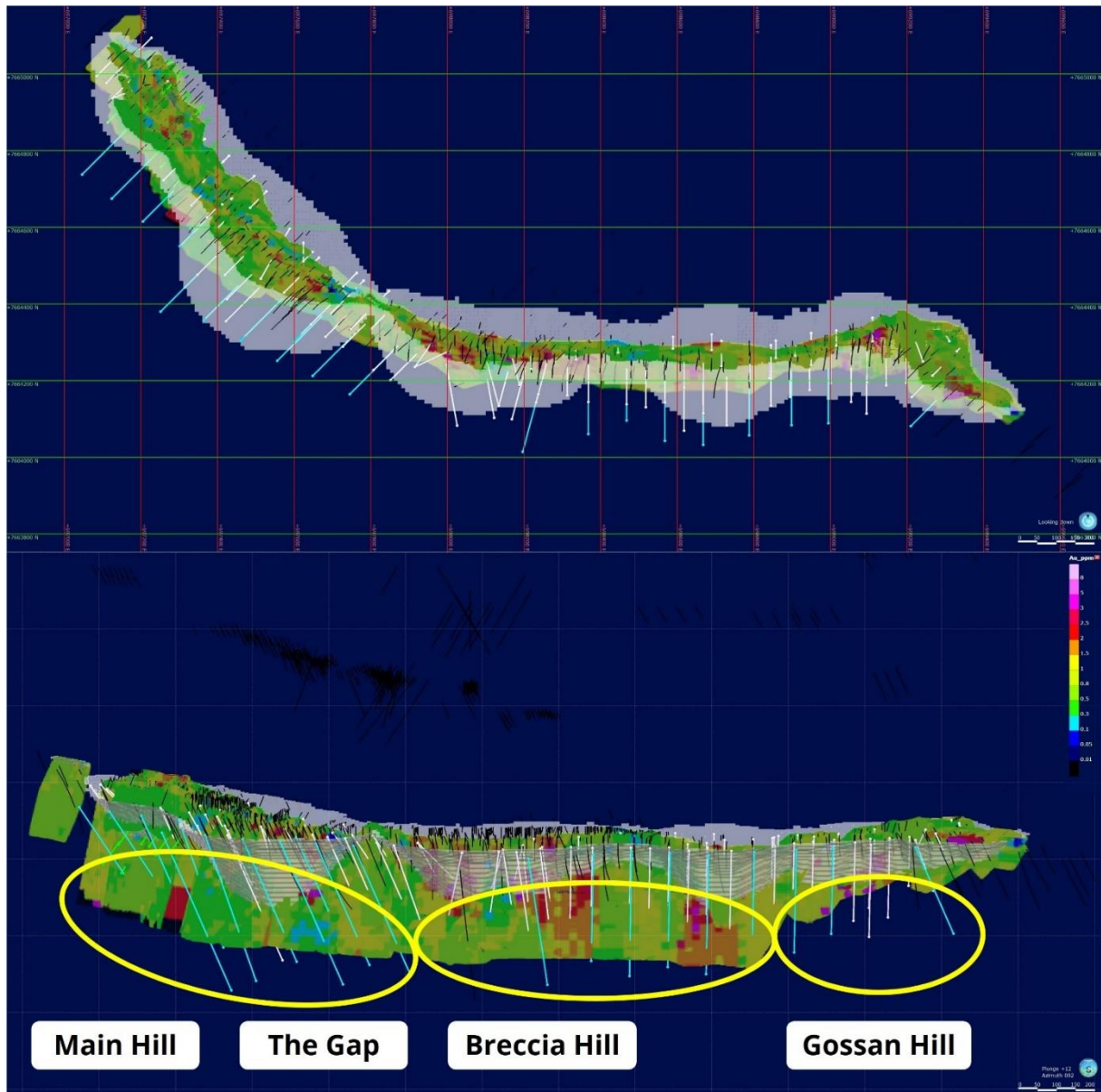
A contract to drill +20,000m (nominally 7,000m of RC and 13,000m of NQ/HQ core) was signed with Orlando Drilling. Drilling is set to commence in the first week of September or earlier and is targeting a significant increase in the global resource including all higher-grade plunging shoots that remain open at depth (see **Figure 7**) and increasing confidence in all categories of resource (conversion of inferred to indicated and unclassified to inferred resource categories) (**Figure 8**) in preparation for a pre-feasibility study. It has been designed to acquire all geotechnical information required by the geotechnical engineers for open pit design and for all metallurgical samples for ore process studies and design.

The drilling will be undertaken by two diamond drill rigs working double-shift and a single RC rig working on day shift only.

The programme is expected to be completed by early December with assay results announced to the market continuously throughout the programme.

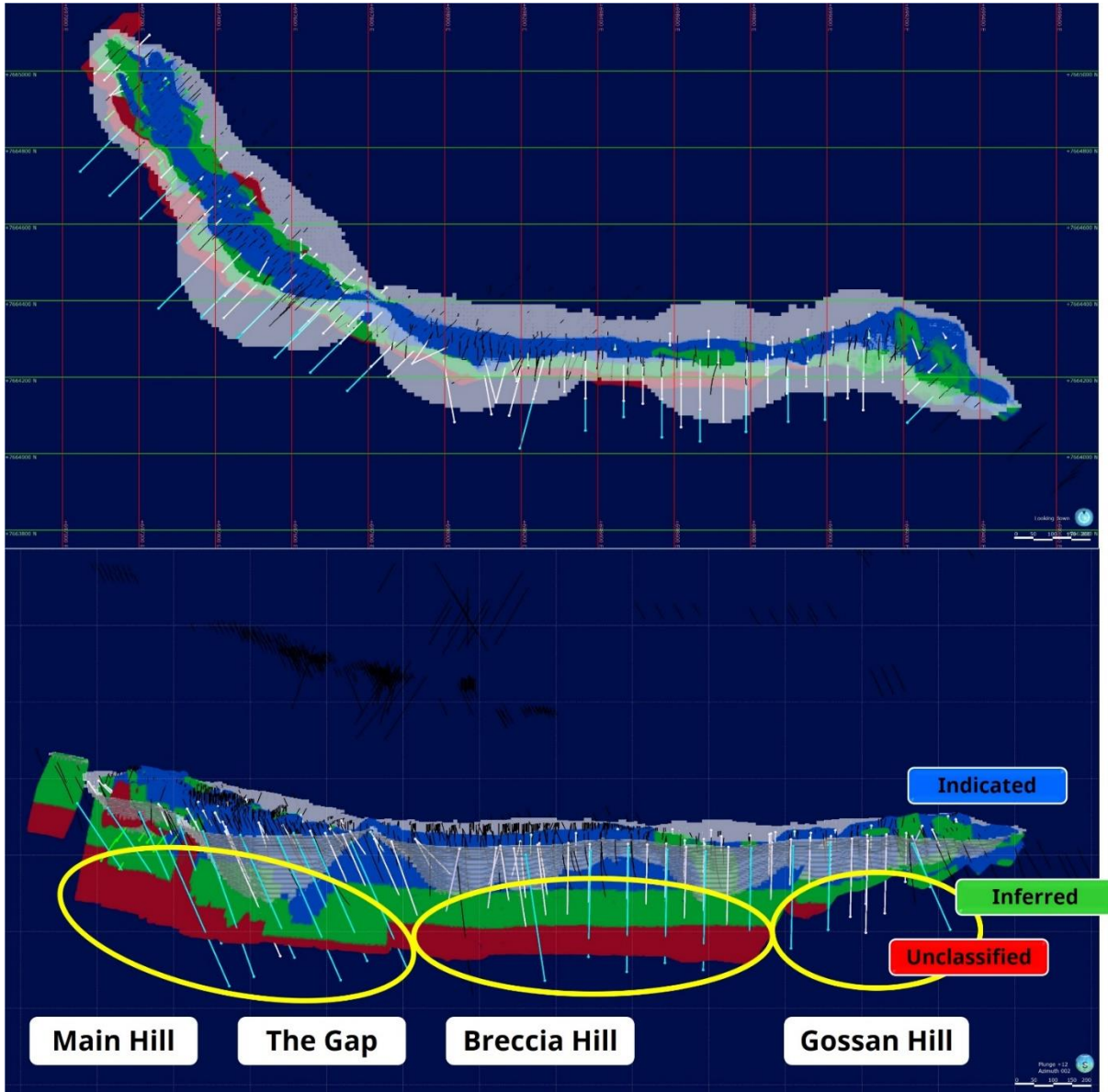
Planned drill holes are shown in **Figures 7 and 8**. Drilling the Main Trend only will be undertaken as it represents the largest single deposit and is considered to yield the highest and most significant resource increases.

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**Figure 7.** Plan view (top) and oblique longsection (bottom) of the Main Trend of the Mt York Gold Project with planned RC and DDH holes shown in white, light blue and green. The coloured dataset is the ordinary kriged resource model coloured on gold grade (see key top right). The optimal pit shells shown are based on a gold price of \$2,500/oz and a mill throughput rate of 3 MTPA. The planned drilling targets high-grade shoots below the current pit shell bases along the entire 2,800m mineralised trend and to convert the resources to a higher level of confidence (inferred to indicated, unclassified to inferred, see **Figure 8**).





**Figure 8.** Plan view (top) and oblique longsection (bottom) of the Main Trend of the Mt York Gold Project with planned RC and DDH holes shown in white, light blue and green. The coloured dataset is the ordinary kriged resource model coloured on resource category (blue is indicated, green is inferred, red is unclassified). The optimal pit shells shown are based on a gold price of \$2,500/oz and a mill throughput rate of 3 MTPA. The planned drilling targets high-grade shoots below the current pit shell bases along the entire 2,800m mineralised trend (see **Figure 7**) and to convert the resources to a higher level of confidence (inferred to indicated, unclassified to inferred).

## Steamboat Prospect

The first-stage geochemistry sampling program conducted by Kairos geologists and contractors identified a new target area in the year called Steamboat, located approximately 500m south-east of the Old Faithful deposit, with anomalous rock chip samples of up to 1.1g/t Au coincident with an arsenic-in-soils anomaly trend (see ASX announcement 24 September 2021). The anomalous gold results were returned from brecciated cherts and BIFs.

The Company followed up the initial results with a drone survey, rock chip sampling and a heritage survey. Kairos has received initial results from the second-stage rock chip sampling program, with assays of up to 4.6g/t Au confirming and extending the target area. The high-resolution drone survey

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# Directors' Report

assisted the field mapping (Figure 9), and a digital terrain modelling (DTM) was generated. Critical geological features were observed from the drone survey and will assist with further mapping and drill-hole planning.

A heritage survey was conducted over the target area late last year in order to obtain access clearances for drilling.

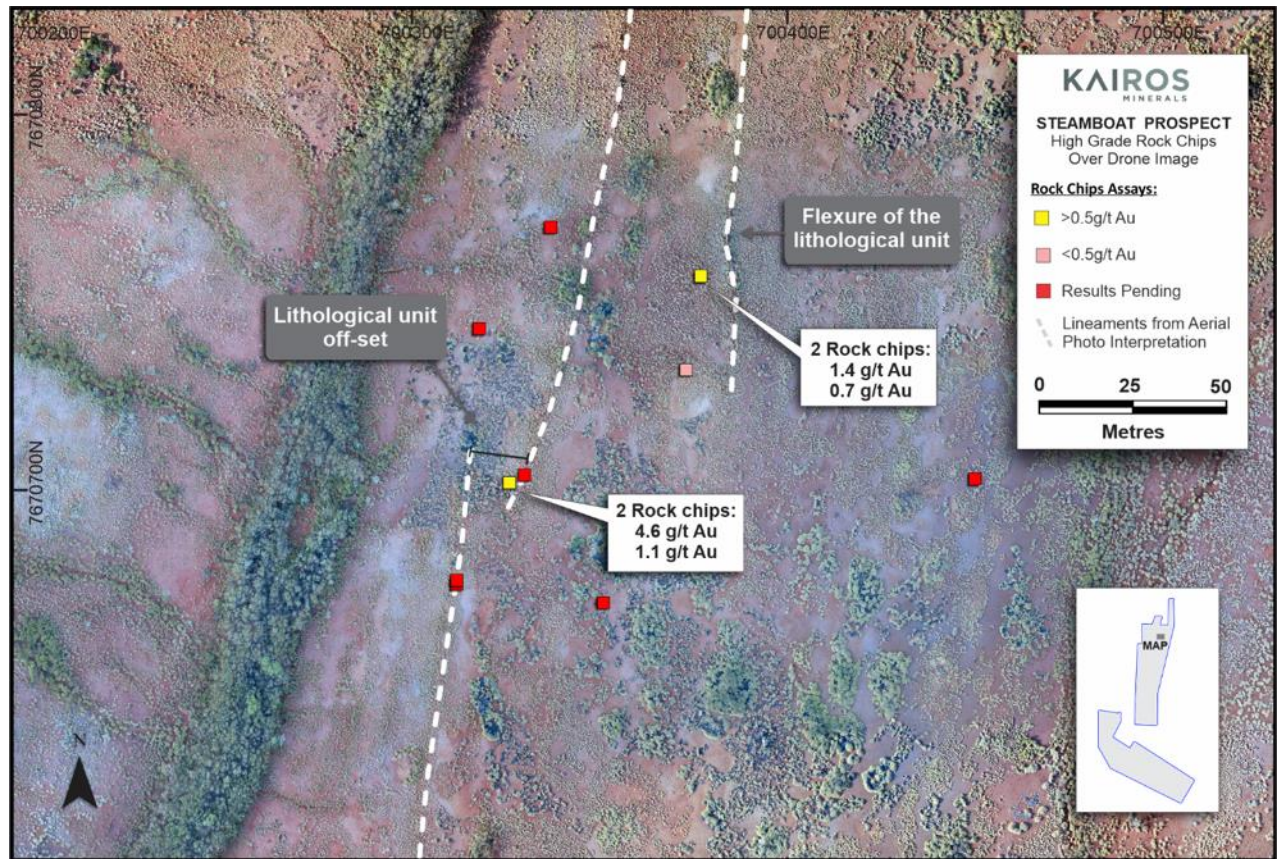


Figure 9 - Steamboat prospect drone survey image and rock chip sample location.

## Other significant results from Mt York Regional Targets

**Zakanaka Prospect:** Soil samples collected 38m east of the current drilling program area returned 497ppb Au and 222ppm As. A follow up in-fill soil sampling program is planned.

**Gilt Dragon Prospect:** Coherent and robust gold-arsenic anomalies were outlined from soil and rock chip samples from an area to the south of the Gilt Dragon prospect. Approximately 250m west of the previously drilled area, rock chip sample MYR056 returned 1,598ppm arsenic. Follow-up exploration is planned for this prospect area, including an in-fill and extension soil sampling program, rock chip sampling and mapping. In addition, Kairos has surveyed and cleared five pads for RC drilling to be conducted in the next phase of the drilling program.

**Old Faithful South Extension:** A ~1km long anomaly associated with elevated arsenic-in-soils was defined to the south of the Old Faithful deposit, with peaks of 992ppm arsenic and 1,104ppb gold. Three drill holes are planned to test these anomalies in the next phase of the drilling program.

**Green Creek Prospect:** A gold-in-soils anomaly was outlined approximately 400m north of the previous drilling area, where a historical hole recorded 3m @ 11.7g/t Au from 13m. The anomaly was identified



## Directors' Report

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by samples collected at the end of a sampling line, with further sampling planned. There is one remaining RC hole to be drilled in the current drilling program, with additional drilling to be designed.

**Iron Stirrup South-east:** A soil anomaly of up to 228ppb gold and 732ppm arsenic was outlined from a target area previously named "The Kink", which is interpreted as a possible extension of the Iron Stirrup mineralisation. Two RC holes are planned to test this anomaly with a further geochemical sampling program to be conducted over the target area.

### **MT YORK LITHIUM PROJECT (spodumene-bearing pegmatites)**

During the year, the Kairos Geological Team discovered spodumene-bearing pegmatites in a recent spoil heap that was generated as part of routine earthmoving activities for drill-pad construction (**Figure 10**). Five samples (MYR393, MYR396, MYR397, MYR401, MYR402) were collected from the newly named 'Lucky Sump' Prospect for analysis in Perth (**Figure 11**). They are thought to be from pegmatites that form a dyke swarm in the area (**Figure 12**).



*Figure 10. Kairos Geologist Campbell Watts holding a piece of spodumene-bearing pegmatite (MYR393 – 1.91% Li<sub>2</sub>O) discovered at 'Lucky Sump' during routine earth moving activities.*

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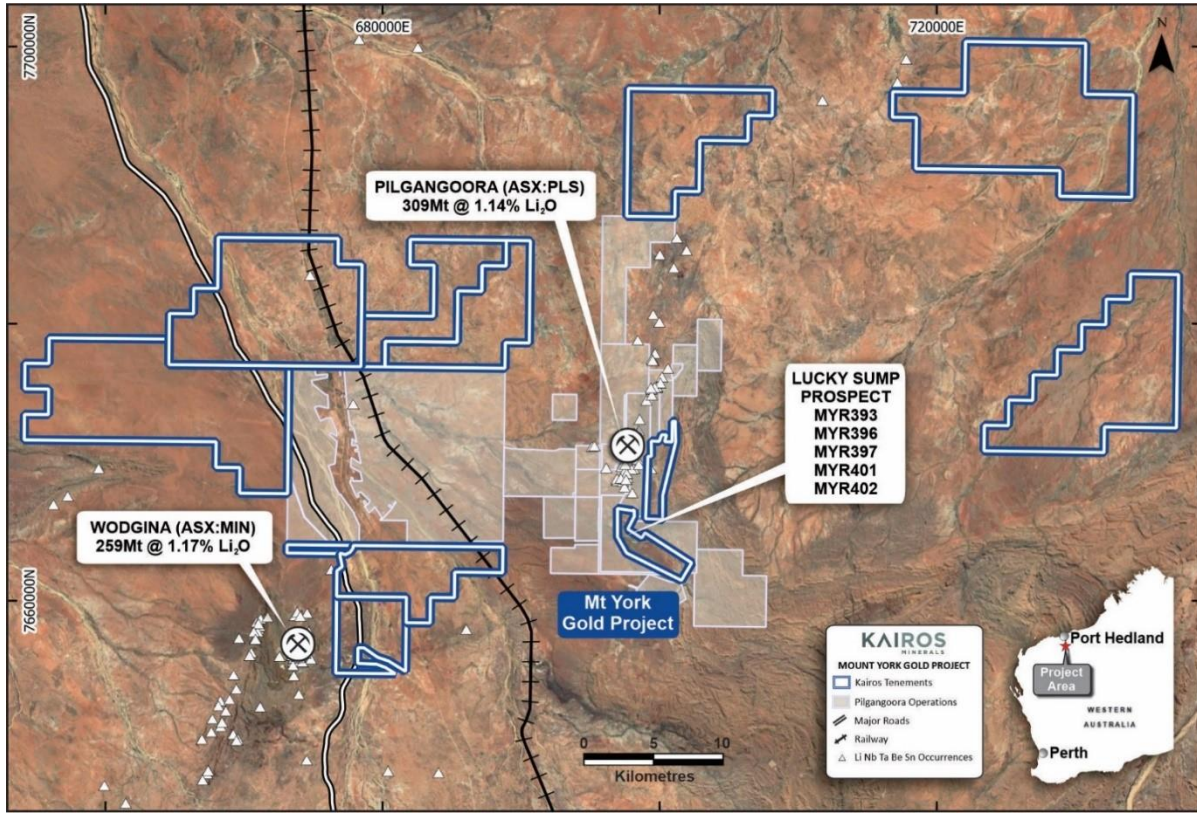


Figure 11 - Location of the Lucky Sump Prospect in relation to Pilbara Minerals' Pilgangoora Lithium Mine.

Spodumene is a lithium pyroxene mineral with chemical formula  $\text{LiAl}(\text{SiO}_3)_2$ . It is a critical raw material that is highly sought-after in the production of Lithium-ion batteries used in the manufacturer of rechargeable batteries for Electric Vehicles (EVs).

Kairos confirmed that the samples contain spodumene by a combination of methods, including VNIR-SWIR (**Visible & Near-Infrared – Short-Wave Infrared**), LWIR (**Long-Wave Infrared**) hyperspectral methods and X-Ray Diffraction (XRD).

The samples were sent to NAGROM Laboratories in Perth for chemical analysis. The results are shown in **Table 3**.

	Li	Li <sub>2</sub> O	Rb	Cs	Be	Mn	Fe	Ti	Ta
Method	ICP005		ICP005	ICP005	ICP005	ICP005	ICP005	ICP005	ICP005
Units	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm
MYR393	8850	1.91	386	18	13	1060	600	<100	103
MYR396	2700	0.58	499	15	20	910	400	<100	167
MYR397	180	0.04	560	16	53	970	300	<100	169
MYR401	7240	1.56	348	17	87	700	200	<100	115
MYR402	720	0.16	528	16	28	1180	1800	<100	166

**Table 3.** Assay results from NAGROM Laboratory, Perth. Conversion of Li ppm results to Li<sub>2</sub>O involves a two-step process to divide the Li ppm result by 10,000 (conversion to Li %) and multiplying Li % by 2.153 to obtain the Li<sub>2</sub>O equivalent. Method ICP005 refers to NAGROM's Inductively coupled plasma mass spectrometry analysis code.

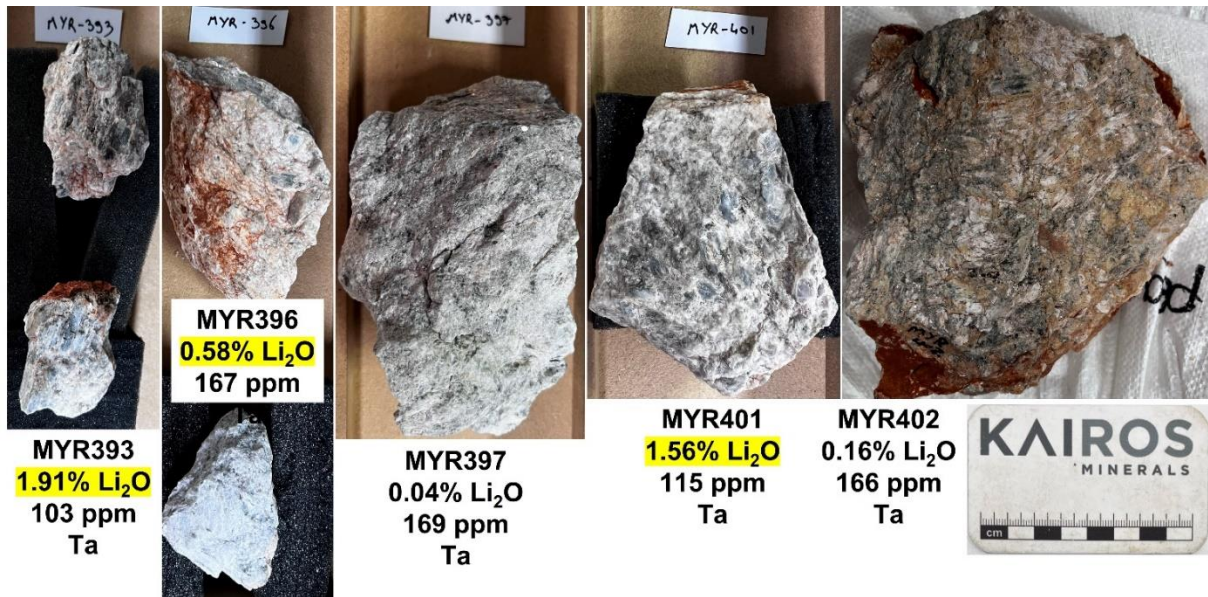


Figure 12. Lucky Sump pegmatite samples showing lithium and tantalum results.

Kairos believes that these samples may be part of a larger pegmatite dyke swarm that is largely under cover.

Spodumene pegmatites are rare in Australia and this discovery indicates that the tenements are well-positioned in a fertile Lithium-Caesium-Tantalum (LCT) district with potentially significant upside. RC drilling of 16 holes on three drill lines is underway at Lucky Sump at the time of writing.

## CAMP CONSTRUCTION

The Board of Kairos has committed to build an exploration camp and covered core yard at Mt York. Clearing for the core yard and accommodation has been completed during the year and camp buildings including two 40 ft modified containers have been moved to site in preparation for their instalment (Figure 13).

Ablution blocks, dome shelters and generator sets have been purchased and are currently awaiting construction. Core will be processed on site and samples will be sent to Perth for analysis.





*Figure 13. Exploration camp construction underway with levelling and compaction of 70m x 70m area in preparation for dome-sheltered core yard, accommodation, ablution block, workshop and offices. The prominent hill in the background is the part of the Main Hill prospect. View looking south.*

### PILBARA REGIONAL GOLD PROJECTS

#### **LALLA ROOKH PROJECT**

During the year, the Company identified a series of significant large-scale Lithium-Caesium-Tantalum (LCT) pegmatite targets prospective for lithium mineralisation within its 100%-owned Lalla Rookh Project, located in the East Pilbara region of Western Australia (**Figure 1**).

The targets were identified as part of an ongoing review of the Company's exploration portfolio for lithium exploration opportunities. A review of regional datasets including satellite imagery, aeromagnetism, radiometrics and gravity data has highlighted numerous large-scale regional structures that represent priority targets for follow-up mapping and sampling.

The Lalla Rookh Project comprises one granted Exploration Licence (E45/4741) and four applications (ELAs 45/5486, 45/6018, 45/5960), covering a total area of 342km<sup>2</sup>.

The Project is located 75km south of Port Hedland, south of the Tabba-Tabba tantalum deposit and Strelley pegmatite site (42km), and 25km north of Pilbara Minerals' (ASX: PLS) world-class Pilgangoora Lithium Mining Centre (**Figure 14**).

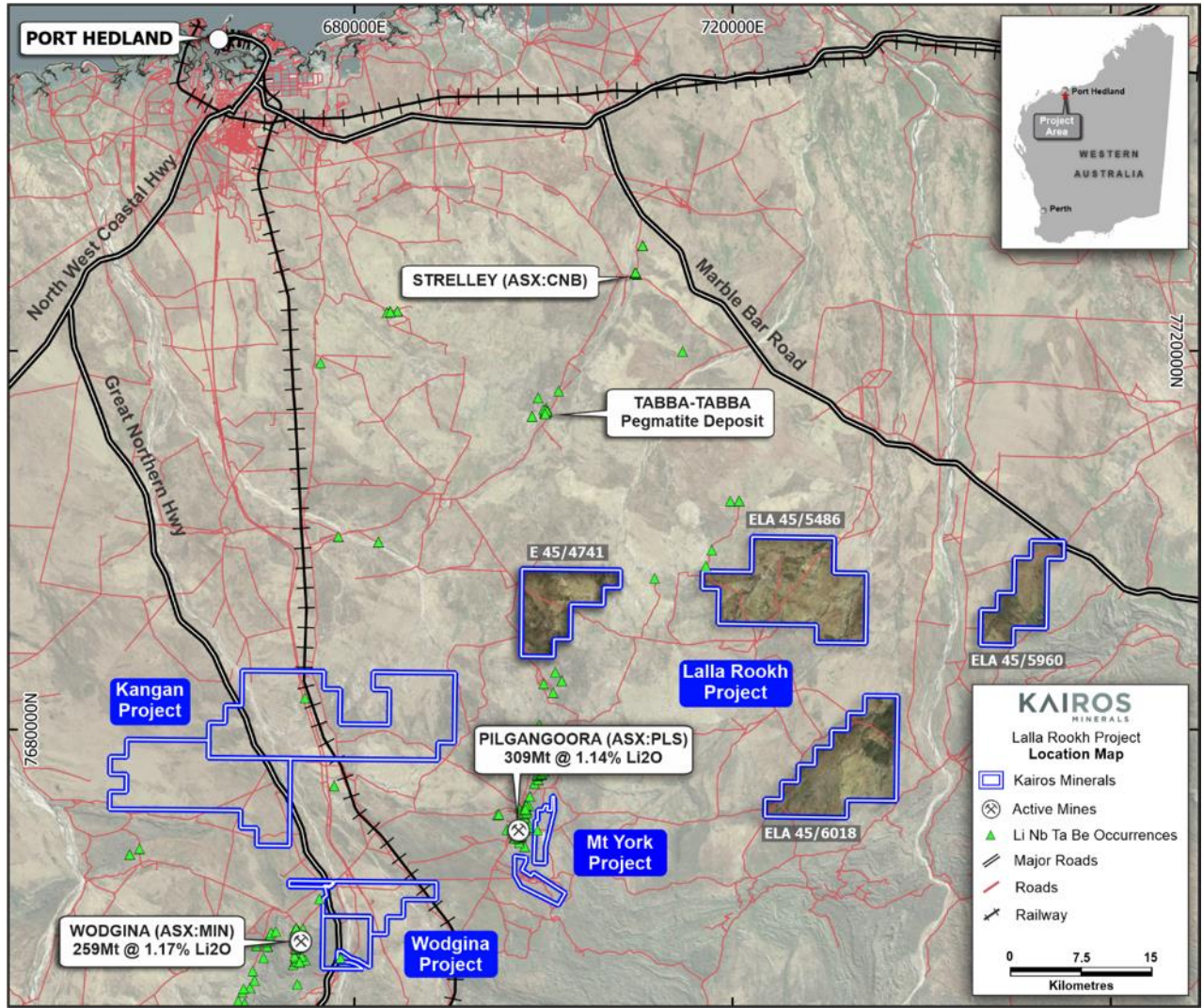


Figure 14 - Lalla Rookh Project Location

The Company has identified extensive new Lithium-Caesium-Tantalum (LCT) targets at the 100%-owned Lalla Rookh Project during the year. The tenement E45/4741 is notably prospective for LCT pegmatites.

The major lineaments in the region that extend into the E45/4741 tenement could act as a pathway for mineralised fluids enriched in elements such as lithium, caesium, tantalum, and beryllium, as has occurred in pegmatites in the surrounding areas.

This work has identified the extension of the structures observed in the magnetics survey (local and regional) Lalla Rookh associated with the pegmatites at Pilgangoora (~25km) and a historical beryl mine located ~4km to the south.

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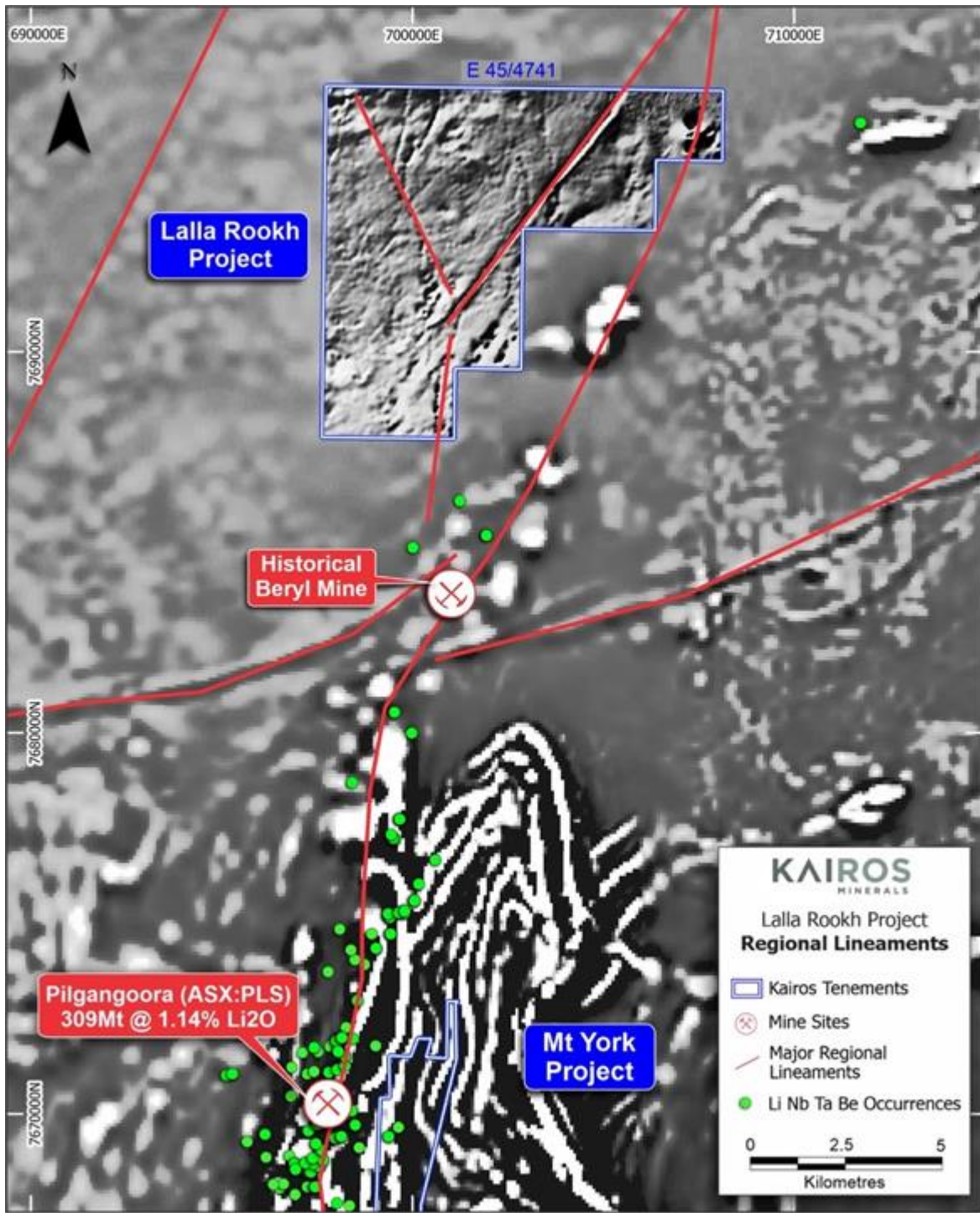


Figure 15 - Pegmatites-geochemistry over aeromagnetics

E45/4741 is mapped as predominantly granites of the Split Rock and Sisters Supersuite intrusions. The Split Rock Supersuite rocks in the area mainly consist of monzogranites that intrude older units of the Sisters Supersuite. The Split Rock unit is prospective for LCT pegmatites and intrusion-related gold mineralisation.

A review of satellite imagery has highlighted several regional scale structural targets and local offset features, which are extensions of major structures that host a historical beryl mine.

# Directors' Report

Pegmatite rock chip samples analysis from this site returned impressive results for  $\text{Li}_2\text{O}$  (0.57% and 0.30%) and pathfinder elements for LCT pegmatites' pathfinder elements (Rb, Cs, Be).

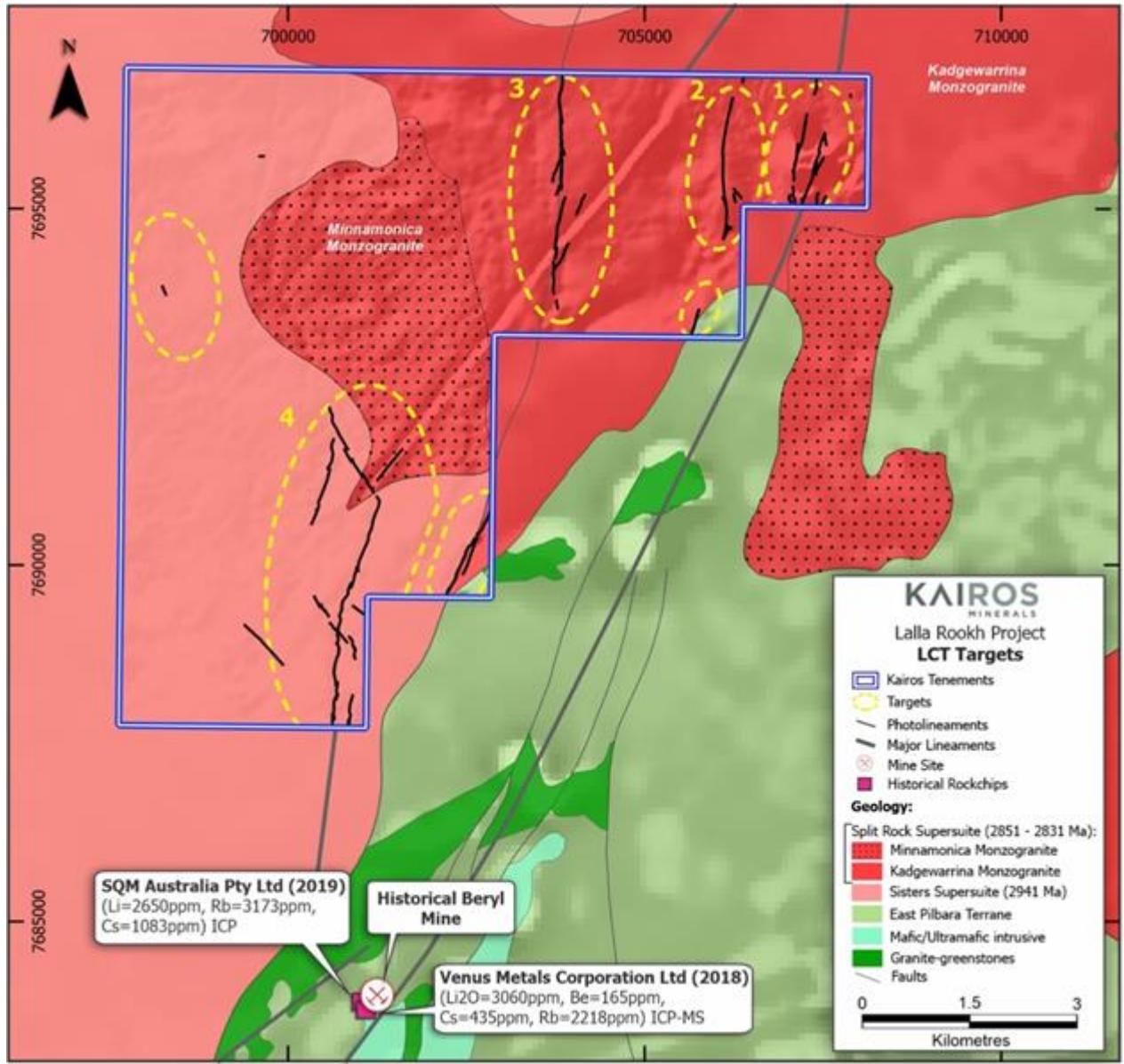


Figure 16 - Previous exploration and LCT pegmatites target area.

Four high-priority LCT targets defined in the tenement EL 45/4741 are extensions of major lineaments observed in aerial satellite images with up to ~4 km strike and trend N-NNE.

Figures 17 to 19 display aerial satellite images with the main targets in Lalla Rookh consisting of major regional structures and associated structural features.



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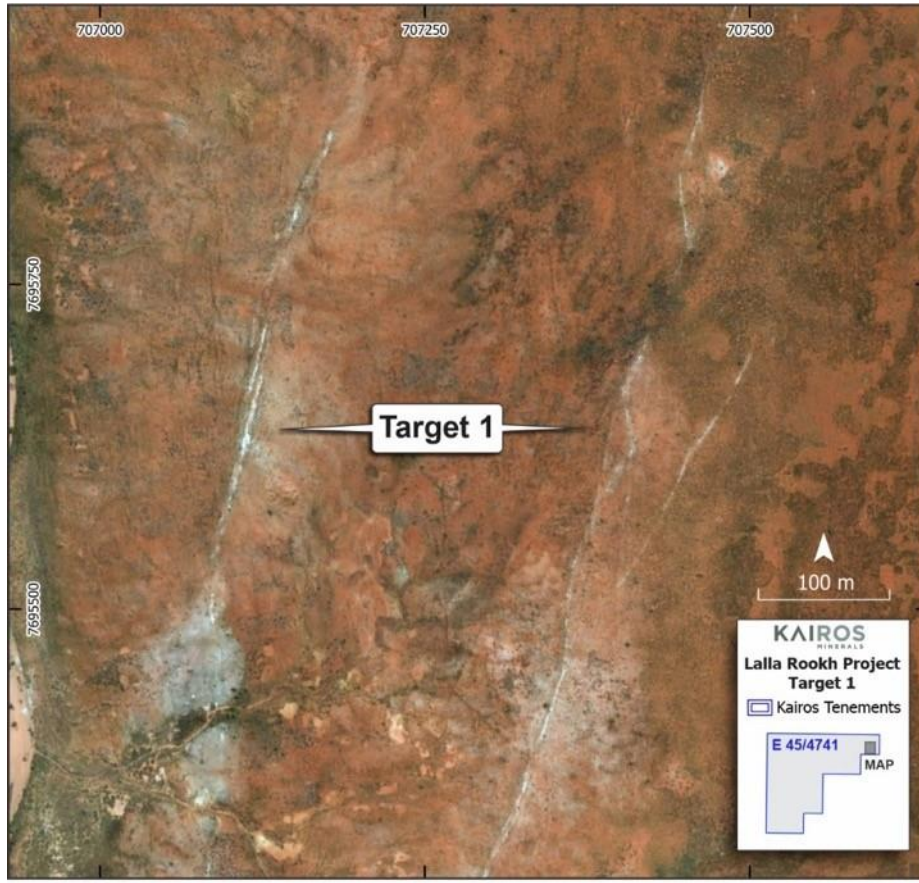


Figure 17 - Large regional structural target 1.

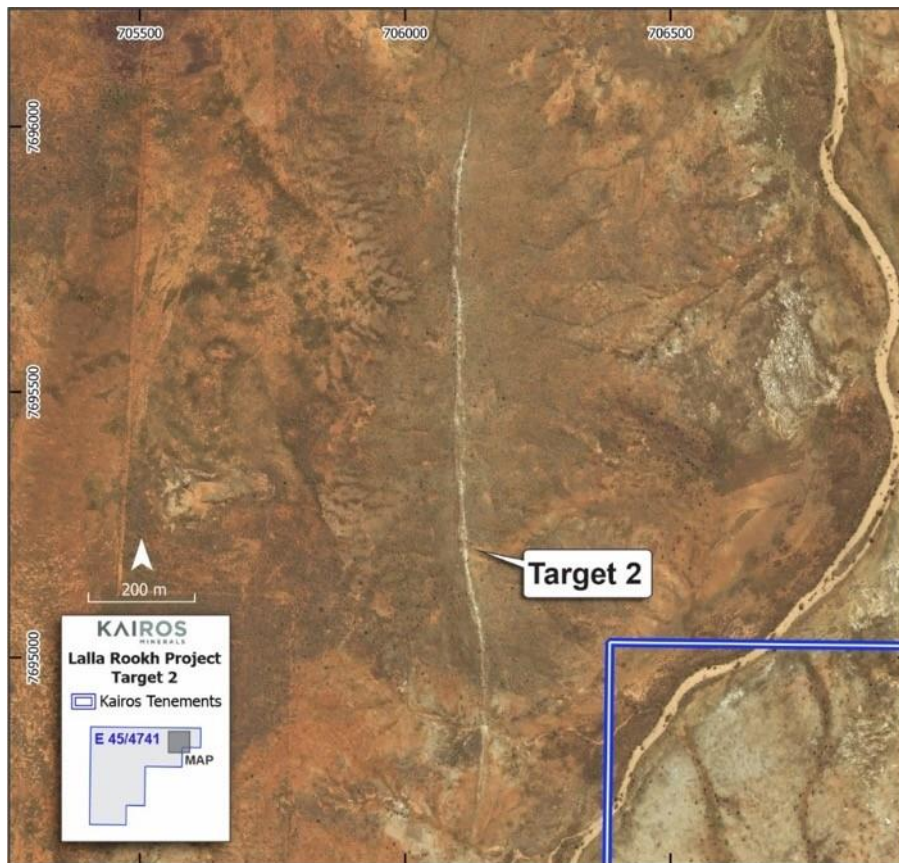


Figure 18 - Large regional structural target 2.

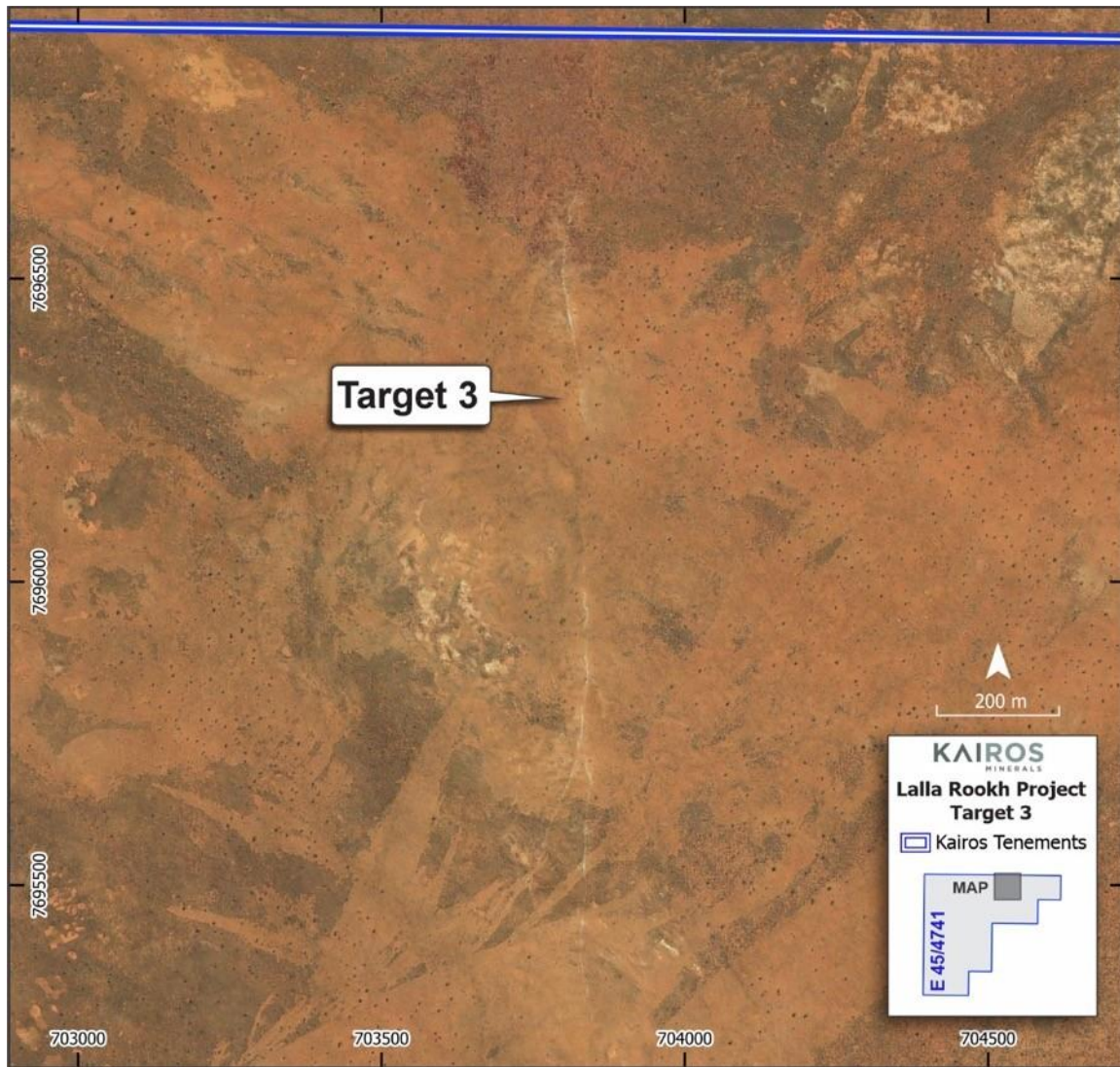


Figure 19 - Large regional structural target 3.

## Soil Geochemistry Program in Target 1

As part of the regional gold exploration program in the Pilbara tenements, Kairos Minerals carried out a soil geochemical survey in 2020 in structures identified in an airborne magnetic survey situated in the extreme north-east of the Lalla Rookh tenement (E45/4741).

A total of 175 soil samples were collected and submitted to Intertek Minerals Laboratory in Perth WA to be analysed using Aqua Regia 52 Elements method. Soil sampling was conducted on a 100m line spacing by 80m sample intervals to assess structures identified in the airborne magnetic survey.

A caesium grid image overlapped by lithium anomalies that extend over the elongated structures with a strike length of 1.3km. The highest lithium and caesium values are spatially related and aligned to the N-NNE features.



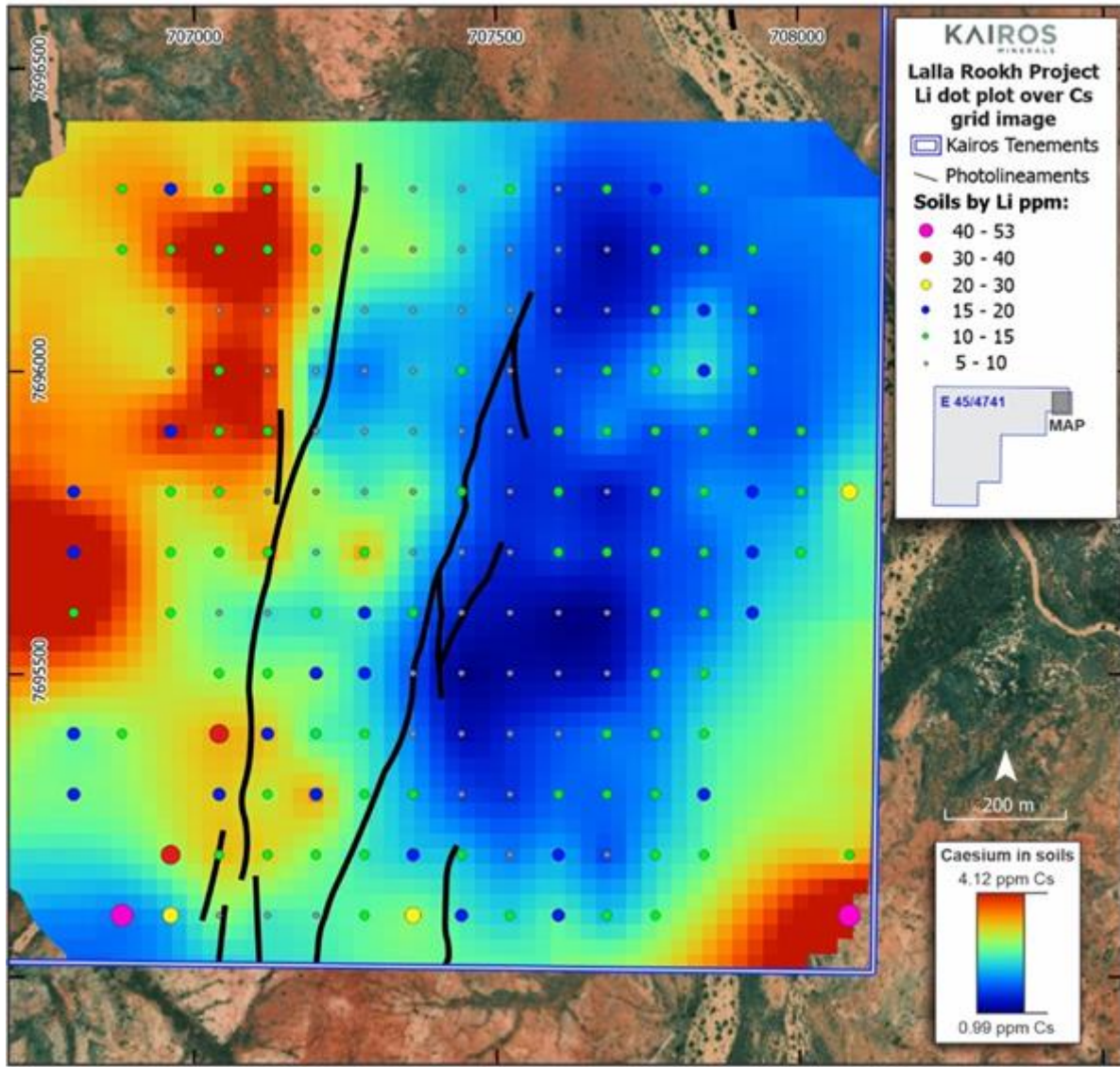


Figure 20 - Lithium and caesium anomalies grid.

The soil samples were submitted to re-assay using the Four Acid Lithium Package analysis for lithium-bearing lithologies with superior recovery for Li, Cs, Ta, Sn, and Nb. This previous work has highlighted broad regional anomalism which will require further detailed mapping and geochemistry.

**KANGAN PROJECT**

Kairos's drilling contractor, Bostech Drilling, completed an initial air-core (AC) drilling program at the Kangan Project, located approximately 70km south of Port Hedland. The program comprised 133 holes for 5,454m and was designed to test a sizeable anomalous gold target adjacent to major structures identified from aeromagnetic and soil geochemistry data.

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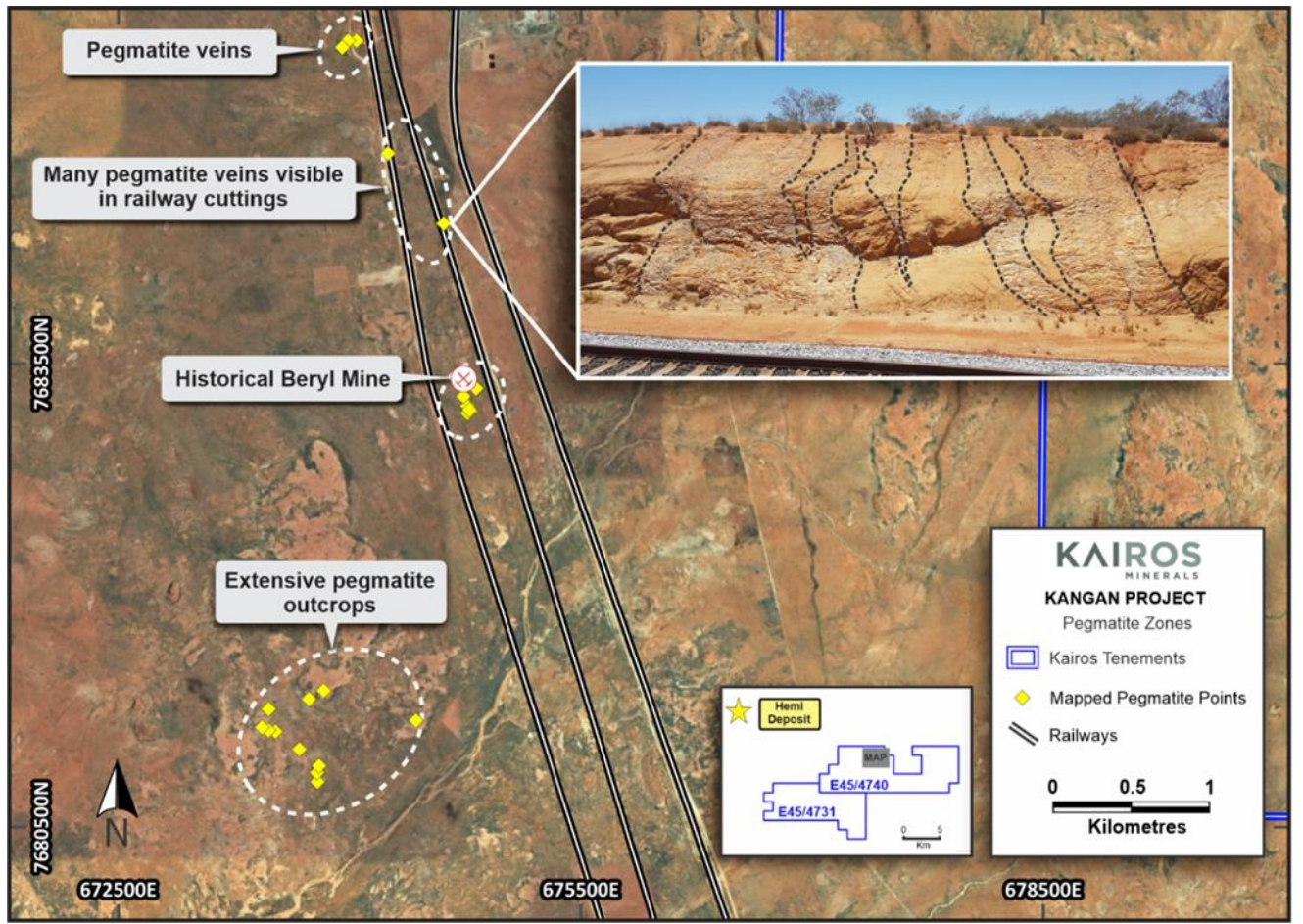


Figure 21 - Kangan pegmatite mapping.

## AC drilling results (gold)

The AC drilling program has been successful in identifying anomalous gold zones, with four holes returning gold values above 0.1g/t of gold. Three of these holes are located near the north-south structure interpreted from the airborne geophysical survey conducted by Kairos last year.

This structure is at least 3km long within the Kangan Project area and is similar to large regional structures adjacent to the Hemi Deposit of De Grey Mining with an orientation analogous to the Falcon intrusion.

Most of the assay results received are from four-metre composite samples with best intercepts (see Figure 22) including

- 4m @ 0.18g/t Au from 32m in KNAC011.
- 4m @ 0.13g/t Au from 28m in KNAC007.
- 4m @ 0.10g/t Au from 16m in KNAC052.
- 4m @ 0.10g/t Au from 16m in KNAC074.

Individual one-metre samples have now been submitted for gold and multi-element analysis from all anomalous four-metre composite samples, with assay results expected shortly.

Several mafic intrusions were observed in the drilling, adjacent to the large north-south regional structure and near the contact between the Split Rock and the Cleland intrusions.

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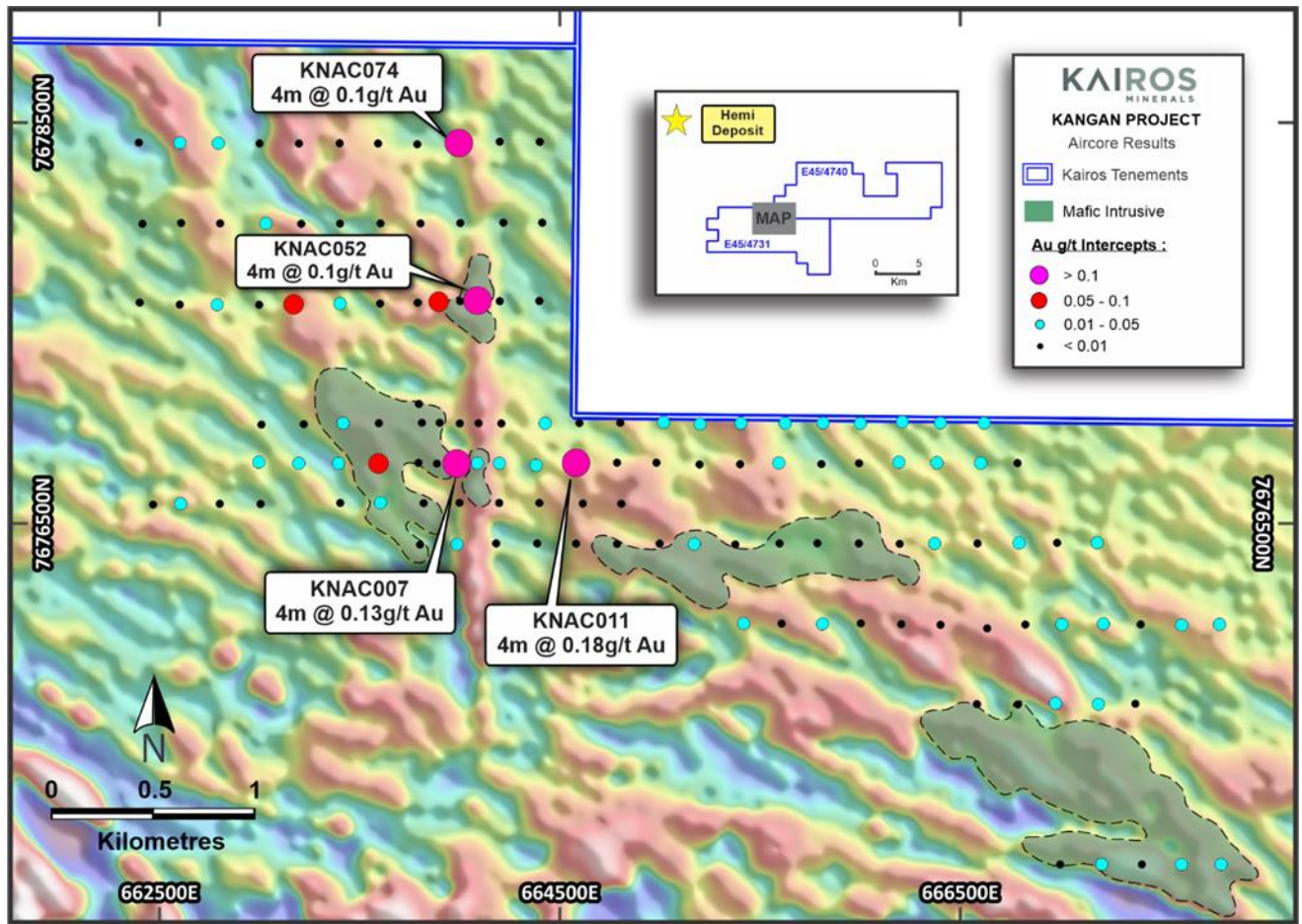


Figure 22 - Location of AC drill-holes over the airborne magnetic image.

### AC drilling results (lithium)

Five drill holes returned anomalous assay results for lithium, two times above the background value of 80ppm Li. The best lithium result was returned from hole KNAC097, 1m @ 275ppm Li from 32m (bottom-of-hole sample). This hole is located approximately 1km from the interpreted contact between the Cleland and Split Rock supersuites (Figure 23).

The pegmatites encountered in this drilling program could be associated with adjacent Split Rock magmatic event, of the Sisters Supersuite intrusion interpreted further west. In the Pilbara Craton, lithium-rich pegmatites have a spatial, geochemical and geochronological association with the post-tectonic Split Rock Supersuite. A similar spatial and temporal relationship has also been drawn between the granite suite and later stages of gold mineralisation.

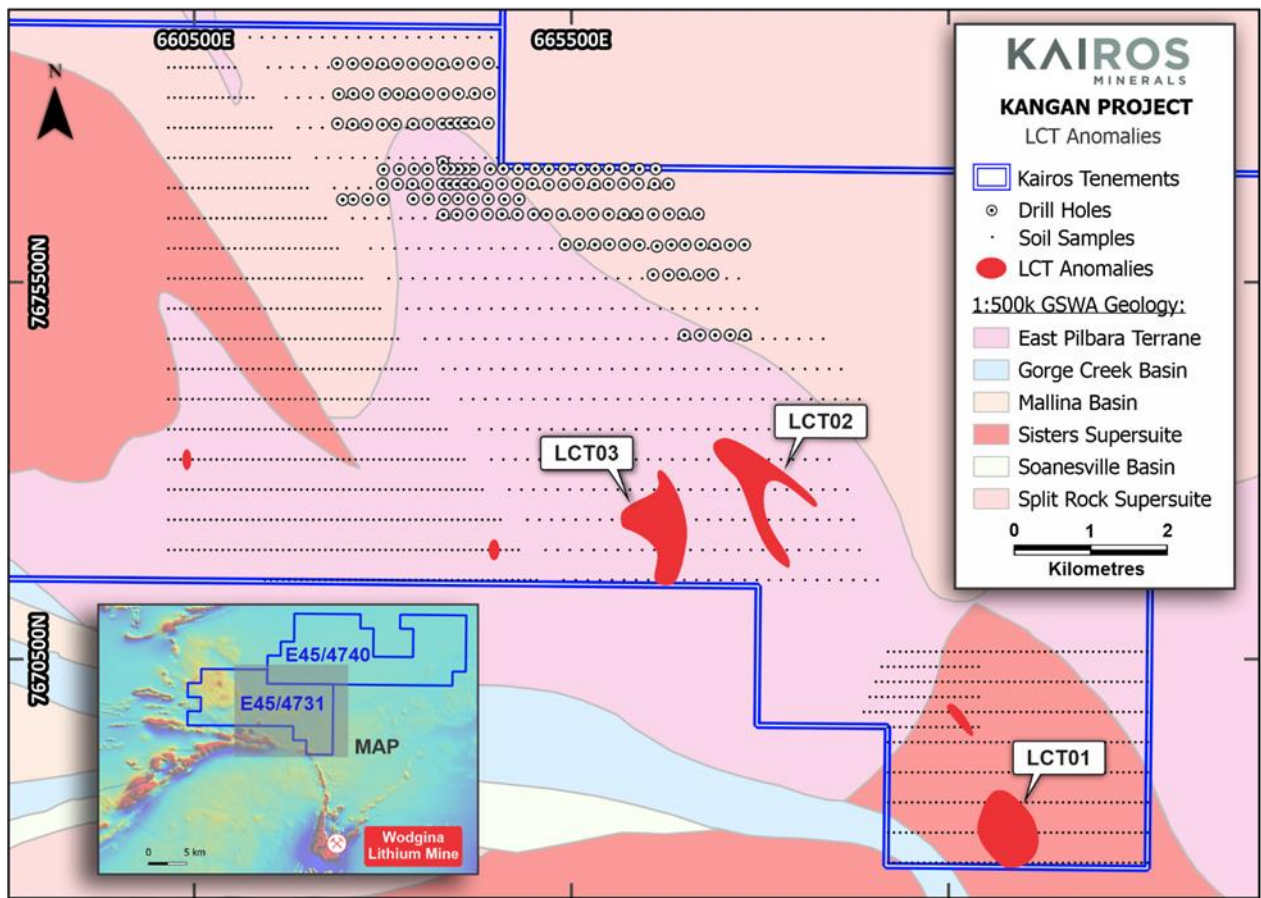


Figure 23 - Kagan Lithium-Caesium-Tantalum geochemistry targets.

## WODGINA PROJECT

The Wodgina Project comprises two granted Exploration Licences E45/4715 and E45/4780, covering an area of 68km<sup>2</sup>. The Project is located ~90km south of Port Hedland and is situated immediately adjacent to Mineral Resources' (ASX: MIN) Wodgina Tantalum-Lithium Project and ~15km from Pilbara Minerals' (ASX: PLS) Pilgangoora Lithium Mining Centre.

Exploration during the period has identified extensive new Lithium-Caesium-Tantalum (LCT) targets at its 100%-owned Wodgina Project.

The targets were identified following receipt of partial results from a recent successful geochemical sampling program, where 1,517 soil samples were collected at 200m x 100m spacing and submitted for Ultrafine+™ analysis at the Labwest Laboratory in Perth. Kairos has received results for 837 samples to date.

Two high-priority LCT targets are located less than 3km from the Wodgina Lithium Mine, owned by Mineral Resources and Albermarle Corporation (ASX: MIN and NYSE: ALB). Wodgina Lithium Mine is set to recommence spodumene concentrate production during the third quarter of 2022 (MIN's ASX announcement 25 October 2021). See Figure 21 for the location of the LCT targets relative to the Wodgina Lithium Mine. Further information on these initial targets is provided below.

### Target 1

A new 1.7km long target area was defined by coherent and robust LCT anomalies, with values of up to 238ppm Li, 293ppm Cs and 78ppb Ta returned from Ultrafine+™ soil analysis with coincident elevated

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# Directors' Report

rubidium, indium and tungsten. Samples from this target area returned the highest values for lithium, caesium, rubidium and tungsten of all the sample results received to date.

A historical rock chip sample collected at the eastern end of this target area returned an assay result of 1.6% Li<sub>2</sub>O where pegmatites have been previously mapped.

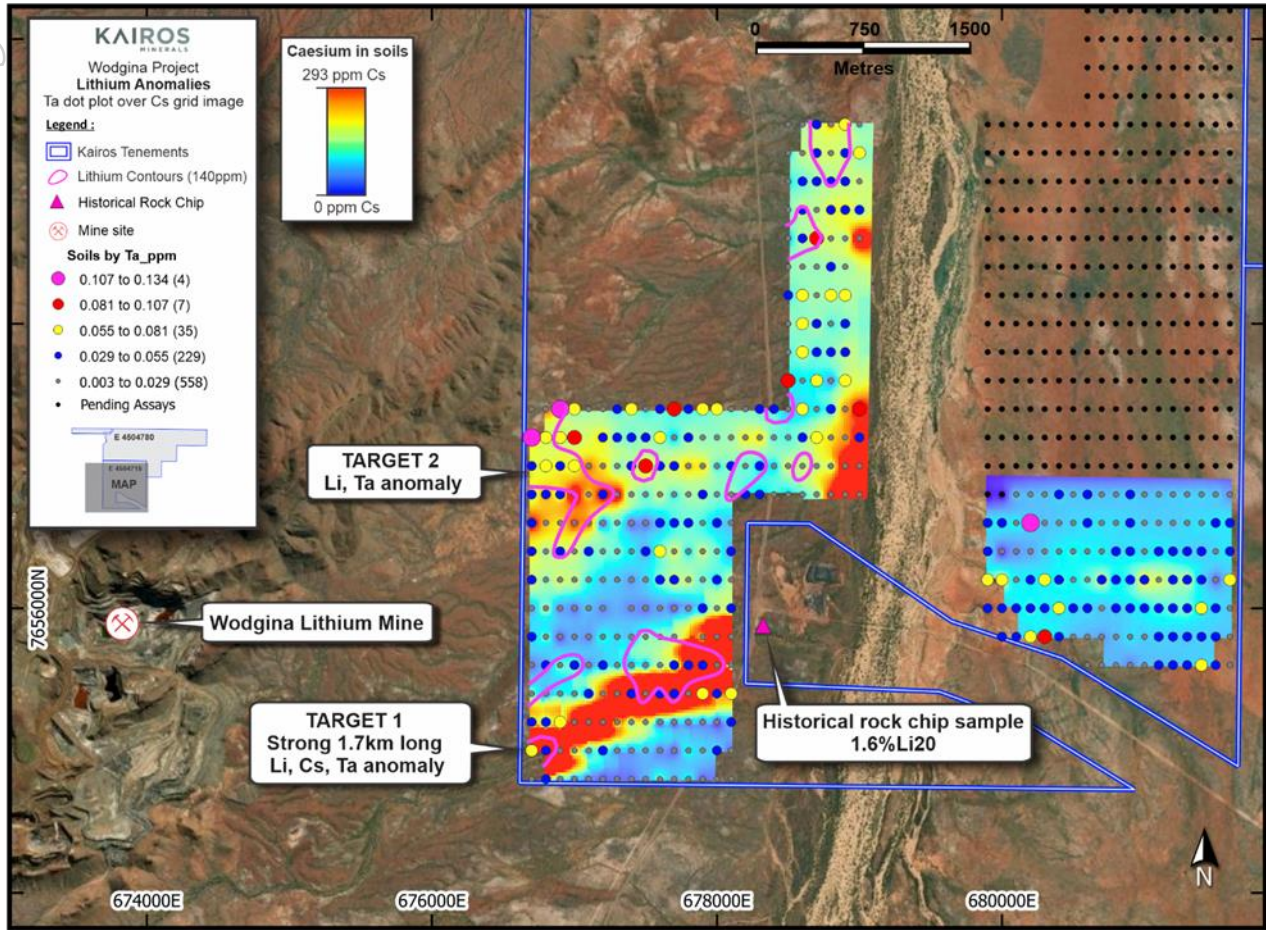


Figure 24 - Lithium, Caesium, Tantalum targets at Wodgina Project.

## Target 2

This target area is defined by coincident lithium, tantalum and rubidium anomalies. Analysis of aerial images indicate the possible presence of pegmatites in the area, and a field reconnaissance trip is planned for when all the results from this geochemistry program are received.

Despite its strong prospectivity, the Wodgina Project remains essentially unexplored for lithium due to an historical focus on tantalum mining.

## CROYDON PROJECT

### Tierra Prospect

During the year, Kairos completed a fixed-loop electro-magnetic (FLEM) survey at the Tierra prospect, part of the Croydon Project. The geophysical anomaly is coincident with gold-in-soil anomaly, and it sits within a 2.5km long corridor of highly anomalous soils and rock chips from 2019 rock chip sampling program. Within this mineralised corridor, two rock chips collected 50m apart returned high copper-gold results, CYR170 (16.8% Cu – 4.3g/t Au) and CUR455 (16.3% Cu – 13.g/t Au) These samples were collected from veins of approximately 0.5m width within a chalcopyrite quartz vein (Figures 25, 26).

# Directors' Report

The FLEM anomaly could be related to base metal sulphides coincident with gold and Kairos has highlighted all Croydon targets to be high-priority for forth-coming drilling programmes subject to the completion of Aboriginal Heritage Surveys.

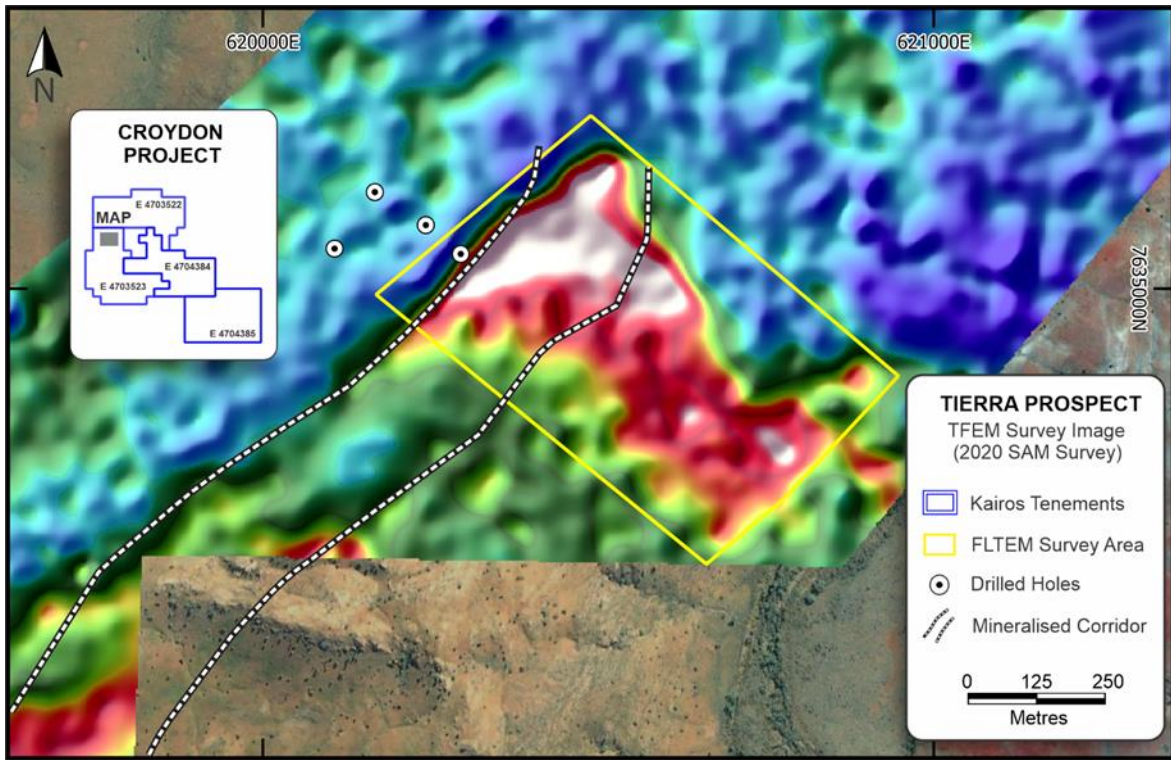


Figure 25 - Tierra FLTEM survey area over the TFEM image from 2020 SAM survey.





*Figure 26 - Rock chips samples of the high copper-gold vein at Tierra Prospect.*

### **SKYWELL PROJECT**

During the period, Kairos completed regional soil sampling and mapping programs at its 100%-owned Skywell Project, located 50km south of Whim Creek and 70km south-west of the new Hemi gold discovery by De Grey Mining Ltd (ASX: DEG).

A total of 1,081 Ultrafine<sup>+</sup> soil samples and 97 rock chip samples were collected during the period. This program was designed to follow up the results from previous exploration, where a total of nine new targets were generated, six of them associated with intrusive-style gold mineralisation.

Kairos has requested heritage surveys to be conducted over two distinct areas at the Skywell Project area, with the northern most area expected to be conducted first for the planned air-core (AC) drilling program.

### **ROCKLEA PROJECT (E45/5960 and E45/5961)**

The Company has two Exploration Licences to cover 376 km<sup>2</sup> of the granitic rocks of the Sisters Supersuites Intrusion, which is displaced by a significant northwest-southeast fault zone. The Sister Supersuite rocks intrude older Archaean units and are prospective for LCT pegmatites and intrusion-related gold mineralisation.

**Figure 27** shows a 4km buffer zone around the interpreted margin of the intrusion. In the north-west portion of the project area, volcanic rocks of the Warrawoona Group and BIFs from the Cleaverville Formation are mapped by GSWA. These units host the Highway Nickel-Copper-Cobalt project (ASX: CAD) and the Mt Goldsworthy Iron Ore project (ASX: BHP), located to the north-west and west of the project area, respectively. Previous exploration on these licence areas has been minimal.



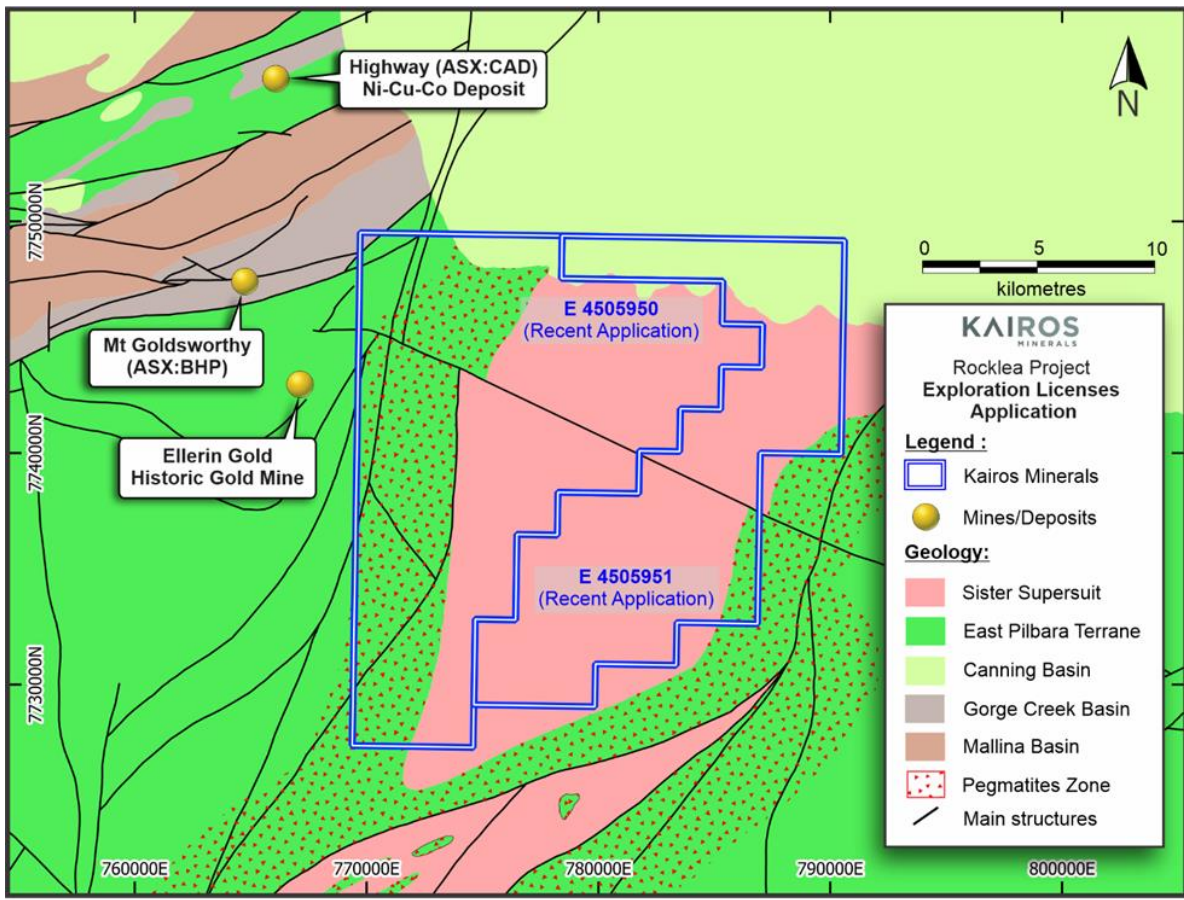


Figure 27 - The Rocklea project tenements and prospective zone for LCT pegmatites.

## ROE HILLS PROJECT, EASTERN GOLDFIELDS, WA (KAI 100%)

The 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio which is highly prospective for gold, lithium, nickel and cobalt discoveries.

The Roe Hills Project is located in a structurally and geologically complex area, adjacent to the regionally-significant Keith-Kilkenny Shear zone, host to Breaker Resources Ltd (ASX: BRB) Bombora Gold Project (23.21Mt at 1.3g/t Au for 981koz) and Silver Lake Resources' (ASX: SLR) Aldiss Project (8.715Mt at 2.1g/t Au for 579koz), which includes the operating Harrys Hill and French Kiss open cut mines (see **Figure 28**).

During the year, the Company identified a new coherent lithium and pathfinder elements anomalous corridor at the Roe Hills Project. This high-priority lithium target is located approximately ~10km south of the Manna Lithium Project, owned by Global Lithium Resources and Breaker Resources (ASX: GL1 and ASX: BRB).

The 2.7km x 0.4km northeast-trending lithium and pathfinder elements anomaly is similar in terms of its orientation, interpreted geology and geochemistry to the Manna Lithium Project (Figure 1). There is no recorded past exploration for lithium within the Roe Hills Project area.

# Directors' Report

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## Soil Geochemistry Program

In 2020, Kairos conducted a soil sampling program in the northern part of the Roe Hills Project to target regional structures that are associated with gold mineralisation in the region. The program consisted of 1,311 soil samples collected at 200m x 50m spacing. The samples were sent to Intertek Laboratory in Perth for gold and multi-element analysis.

The results generated a gold target and, in 2021, the Company drilled six RC drill holes for 901m to test it. Drill hole RHRC120 returned the best gold intercept of 4m @ 1.63g/t Au from 48m. In addition, the same drill hole returned a zinc sulphide zone of 20m @ 0.42% Zn from 96m, which could indicate the presence of VMS mineralisation in the region (KAI-ASX announcement 13 July 2021). There is no spatial relationship between the gold and zinc results.

A recent review of the multi-element geochemistry has highlighted a coherent lithium anomaly that is an extremely exciting development for the Company.

The 2.7km x 0.4km anomalous area called Black Cat (see **Figure 28**) returned elevated values for lithium, rubidium, beryllium, tin, caesium and tungsten (**Figures 29 & 30**). The interpreted geology is favourable for Lithium-Caesium-Tantalum (LCT) pegmatites. The orientation of the anomaly toward the syenite intrusive rock to the east is a similar orientation to the Manna soil geochemical anomaly.

Drilling of the anomaly is scheduled for the first quarter of 2023.

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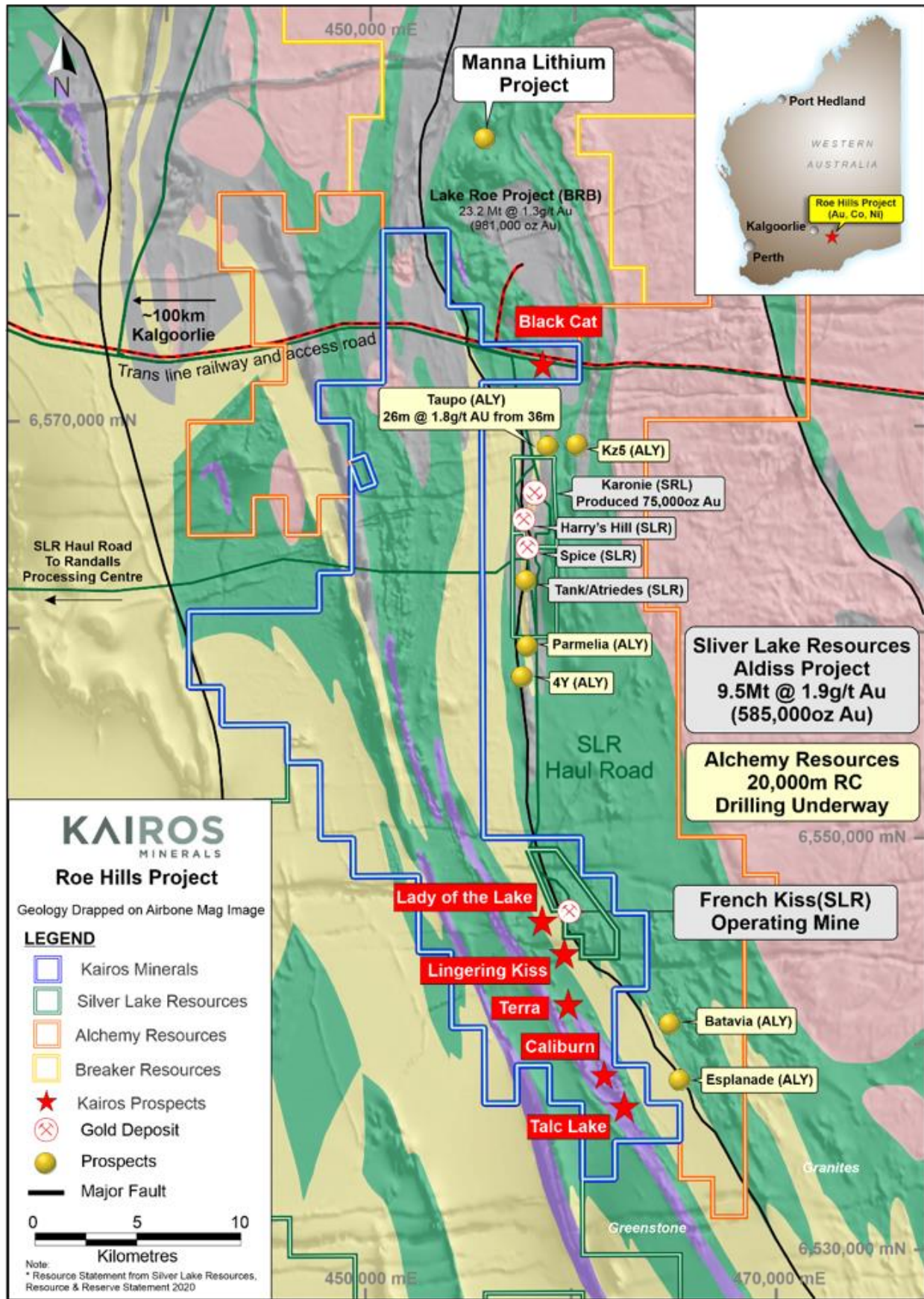


Figure 28 - Roe Hills Project prospect locations.



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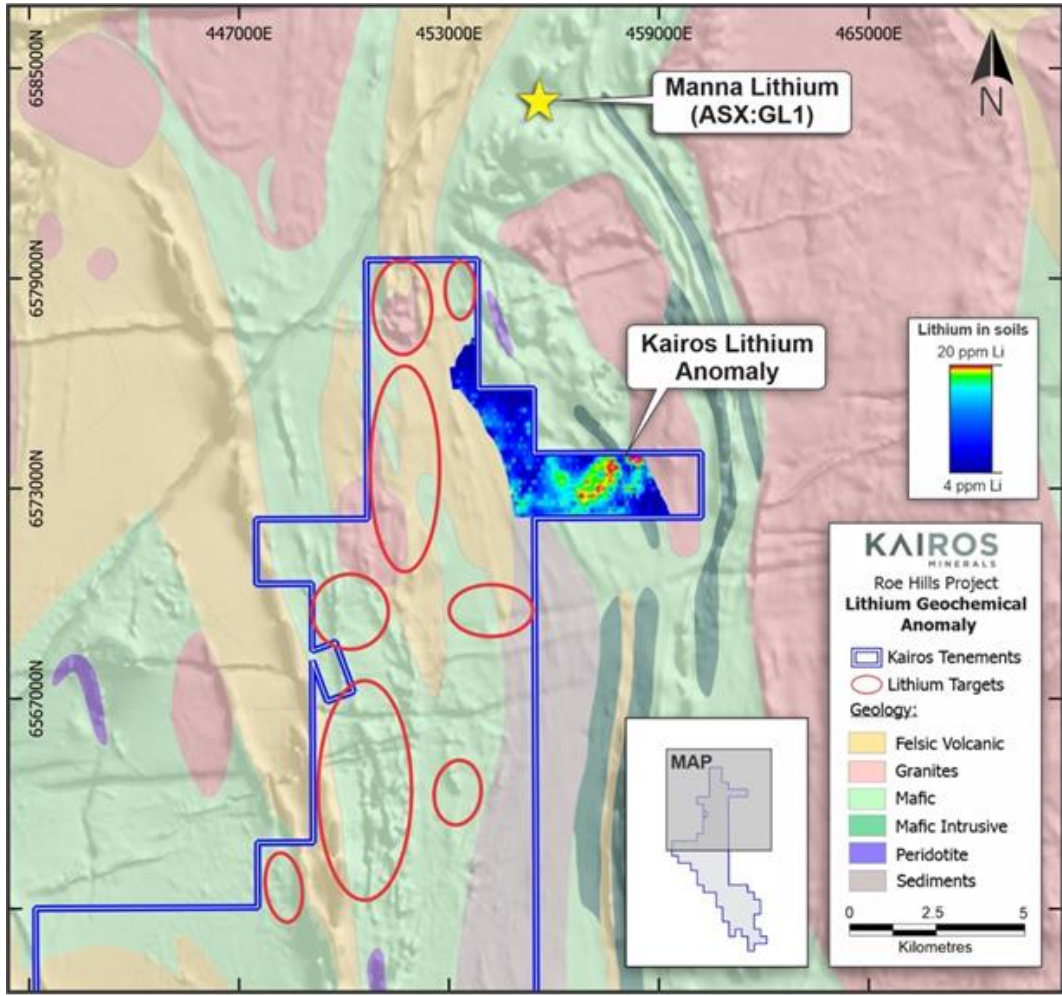


Figure 29 - Additional lithium targets at Roe Hills Project, on the GSWA 1:250k Geology overlaying AMAG.

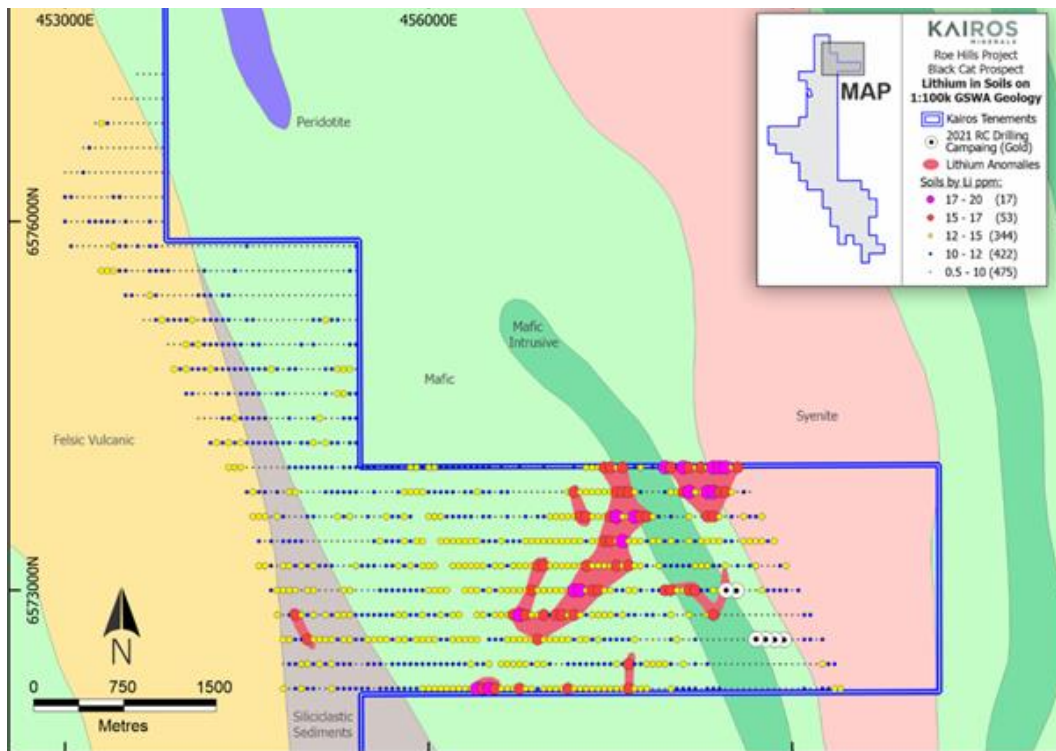


Figure 30 - Detailed image of the soil sampling program and the lithium results on 1:100k GSWA geology.

# Directors' Report

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## Additional Targets and Field Exploration

The Company recently completed a desktop study and generated additional lithium targets for the Roe Hills Project. The study was based on existing data, and was therefore limited by the absence of historic exploration for lithium within the project area.

A total of eight additional targets were generated based on the analysis of the GSWA geological maps combined with the airborne magnetic and radiometric survey results (**Figure 29**).

Kairos' geologists have commenced field mapping of these target areas. The first-pass mapping and rock chip sampling program will explore the presence of pegmatite outcrops near the lithium indicator geochemistry. In addition, several dykes and sills of granitic composition were mapped by GSWA within the Roe Hills Project area that warrants further investigation.

The Company's exploration team is investigating these targets, and subsequent exploration will be conducted pending the outcome of these fieldwork programs.

## WOODCUTTERS PROJECT (KAI: 100%)

The Woodcutters Project is 100%-owned and located 145km east of Kalgoorlie in the North East Coolgardie Mineral Field of Western Australia, comprises three Exploration Licences totalling 389km<sup>2</sup>. The Woodcutters Project straddles the major structural liniments within the Kurnalpi Terrane of the Eastern Goldfields Superterrane and lies 200-250km south-southeast along strike of the multi-million ounces gold deposits of Wallaby, Sunrise Dam and Red October.

## 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 in the announcement date 30 August 2022 (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.

## Corporate

During the year, the Company entered an Underwriting Agreement with CPS Capital to underwrite the exercise of 285,233,610 listed options (ASX: KAI0G) at an exercise price of \$0.025 to raise \$7.1 million before costs.

At 31 December 2021, the Company received a total \$2,067,343 and have issued 82,693,725 fully paid ordinary shares following the exercise of 82,693,725 listed share options (ASX: KAI0G) at \$0.025 per option.

# Directors' Report

During the year, Mr Terry Topping and Mr Bruno Seqenue tendered their resignations as directors. As a result of the above resignations, the 249D notices received by the Company referred to in the ASX announcement on 8 March 2022 were withdrawn and Messrs Phil Coulson and Zane Lewis were appointed as Directors effective 24 March 2022.

Upon appointment, Mr Coulson and Lewis initiated a strategic and technical review of the Company's gold and lithium projects with a view to adjusting exploration expenditure to match strategic objectives and exploring all opportunities to enhance shareholder value.

Klaus Eckhof and Dr Peter Turner took up the reigns of Kairos as the Chairman and Managing Director on the 12th and 23rd May respectively. Highly regarded mining executive Mark Calderwood joined the Kairos team as non-executive director on the 26th May followed by the appointment of Mark Falconer as Exploration Manager on the 13th June.

## Directors

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

Mr Klaus Eckhof	Non-Executive Chairman
<i>First appointed to the Board</i>	12 May 2022
<i>Experience</i>	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.
<i>Qualification</i>	Dip. Geol. TU, AusIMM
<i>Interests held</i>	27,500,000 ordinary shares. 39,350,000 unlisted options
<i>Directorships held in other listed entities</i>	Amani Gold Ltd (current) Okapi Resources Limited (resigned 29 November 2019) Lachlan Star Limited (resigned 27 January 2021)
Dr Peter Turner	Managing Director
<i>First appointed to the Board</i>	23 May 2022
<i>Experience</i>	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

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# Directors' Report

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

*Interests held*

PhD in West African geology

Member of Australian Institute of Geoscientists (MAIG)

*Directorships held in other listed entities*

25,000,000 performance rights

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*

250,000 ordinary shares.

10,000,000 unlisted options

*Directorships held in other listed entities*

Midas Minerals Limited (current)

## Mr Zane Lewis

## Non-Executive Director

*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. Most recently Zane facilitated the transformation of Odessa Minerals Limited (ASX:ODE) into a Australian focussed diamond exploration company, the IPO of mining services company Aquirian Limited (ASX:AQN) and was instrumental in the transformation of Vital Metals Ltd (ASX:VML) into a rare earths business. Mr Lewis is a Fellow of the Governance Institute of Australia and a Non-Executive Director of Odessa Minerals Limited, Lion Energy Limited and Kingsland Global Limited

*Qualification*

Bachelor of Economics, Fellow of the Governance Institute of Australia

*Interests held*

10,250,000 ordinary shares.

17,625,000 unlisted options

*Directorships held in other listed entities*

Odessa Minerals Ltd (current)

Lion Energy Limited (current)

Kingsland Global Limited (current)

Tap Oil Limited (delisted 18 December 2020)

Vital Metals Limited (resigned 4 August 2020)

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# Directors' Report

## 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*

54,861,145 ordinary shares.  
47,050,000 unlisted options

*Directorships held in other listed entities*

Vital Metals Limited (resigned 21 December 2020)  
Odessa Minerals Ltd (resigned 17 January 2022)

## Mr Terence Topping

## Executive Chairman

*First appointed to the Board*

15 March 2017 (Resigned 23 March 2022)

*Experience*

Mr Topping is a geologist and has more than 27 years' experience in minerals exploration and development worldwide and has played a key role in the incubation, listing and development of numerous ASX-listed resource companies over the past two decades. His previous management roles have included Managing Director of ASX-listed uranium explorer Cauldron Energy (ASX: CXU); and Executive Director of ASX-listed gold explorer Taipan Resources (later Intrepid Mines), which discovered the high-grade Paulsen's Gold Deposit, most recently mined by Northern Star Resources (ASX: NST). Mr Topping has a broad contact network through the global resources sector as well as extensive capital markets experience, where he has been involved in numerous IPO's, corporate transactions, capital raisings and project acquisitions and divestments.

*Qualifications*

AUSIMM

*Interests held (at resignation)*

9,816,989 ordinary shares  
30,000,000 unlisted options

*Directorships held in other listed entities*

Accelerate Resources Limited (resigned 6 July 2020)

# Directors' Report

## Mr Bruno Seneque

## Executive Director / Chief Financial Officer

*First appointed to the Board*

4 August 2017 (Resigned 23 March 2022)

*Experience*

Mr Seneque is a Certified Practising Accountant and has 25 years' experience as a qualified accountant. Over the past 23 years, he has accumulated extensive experience in the mining industry in various roles including executive general management (Managing Director, Finance Director), CFO, company secretarial, corporate and mine site accounting. He was previously Managing Director of Tyranna Resources Ltd and with Fox Resources Ltd, which operated the Radio Hill nickel-copper mine in Karratha, producing nickel and copper concentrates, Financial Controller/Company Secretary at Haddington Resources Ltd which operated the Bald Hill Tantalum/Lithium mine. His career has seen active involvement in every stage from exploration to production and marketing of base metals concentrates. Mr Seneque has significant experience in senior financial roles with operating mines and is experienced in mine site and head office/corporate financial matters.

*Qualification*

Certified Practising Accountant

*Interests held (at resignation)*

4,511,928 ordinary shares  
25,000,000 unlisted options

*Directorships held in other listed entities*

Tyranna Resources Ltd (resigned 18 October 2019)

## Mr Neil Hutchison

## Non-Executive Director

*First appointed to the Board*

15 April 2014 (Resigned 12 May 2022)

*Experience*

Mr Hutchison is a geologist with over 30 years' experience in conducting regional and minesite exploration, target generation, resource drill out, project reviews and evaluations. Mr Hutchison has extensive nickel experience having been the General Manager for Geology at Poseidon Nickel for 11 years as well as the Exploration Superintendent at Jubilee Mine's Cosmos Nickel Project for 5 years. Mr Hutchison has a track record of discovery and delineation of nickel and gold projects, with recent successes including Estrella's Carr Boyd Project, Azures Andover Project and conceptual targeting of Poseidon Nickel's Golden Swan discovery.

*Qualification*

AIG

*Interests held (at resignation)*

9,009,924 ordinary shares.  
15,000,000 unlisted options

*Directorships held in other listed entities*

Estella Resources Ltd (appointed 18 November 2020)

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

### Company Secretary

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.

Mr Adrien Wing, a CPA qualified accountant, works with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary and has held the position of Company Secretary from 2 October 2013. Mr Wing resigned on 5 May 2022.



# Directors' Report

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## 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 2022 financial year.

## Earnings per Share

Basic loss per share: 0.23 cents (2021: 0.24 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

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 \$4,146,553 (2021: \$3,939,501). 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.

# Directors' Report

## Meetings of Directors

During the financial year, 5 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	1	1
Dr Peter Turner	1	1
Mr Zane Lewis	2	2
Mr Phillip Coulson	2	2
Mr Mark Calderwood	1	1
Mr Terence Topping	4	4
Mr Bruno Seneque	4	4
Mr Neil Hutchison	2	4

## 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 2022, the unissued ordinary shares of Kairos Minerals Limited under option are as follows:

ASX Code	Number under option	Date of Expiry	Exercise Price
Unlisted	205,000,000	30 January 2023	\$0.05
Unlisted	66,000,000	1 May 2026	\$0.05
Unlisted	138,400,000	1 October 2023	\$0.08

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 2022, 285,623,917 options were exercised at a cost of 2.5 cents per option (2021: 21,090,911 at 2.5 cents per option).

## 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 2022 (2021: nil).

# Directors' Report

## 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 2022 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](http://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 12 <sup>th</sup> May 2022
Dr Peter Turner	Managing Director	Appointed 23 <sup>rd</sup> May 2022
Mr Zane Lewis	Non-Executive Director	Appointed 23 <sup>rd</sup> March 2022
Mr Phillip Coulson	Non-Executive Director	Appointed 23 <sup>rd</sup> March 2022
Mr Mark Calderwood	Non-Executive Director	Appointed 25 <sup>th</sup> May 2022
Mr Terence Topping	Executive Chairman	Appointed 15 <sup>th</sup> March 2017 Resigned 23 <sup>rd</sup> March 2022
Mr Bruno Seneque	Executive Director	Appointed 4 <sup>th</sup> August 2017 Resigned 23 <sup>rd</sup> March 2022
Mr Neil Hutchison	Non-Executive Director	Appointed 15 <sup>th</sup> April 2014 Resigned 12 <sup>th</sup> May 2022
Mr Adrien Wing	Company Secretary	Appointed 2 <sup>nd</sup> October 2013 Resigned 12 <sup>th</sup> May 2022

## 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 25 November 2021 Annual General Meeting ("AGM")

The Company received 88.95% of "for" votes in relation to its remuneration report for the year ended 30 June 2021.



# Directors' Report

## 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 2022:

Loss financial year ended 2022	(\$4,146,553)
Loss financial year ended 2021	(\$3,939,501)
Loss financial year ended 2020	(\$1,322,026)
Loss financial year ended 2019	(\$10,884,035)
Loss financial year ended 2018	(\$5,694,632)

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

	2022	2021	2020	2019	2018
Share price at financial year end (\$A)	0.017	0.031	0.043	0.015	0.034
Basic earnings per share (cents per share)	(0.23)	(0.24)	(0.13)	(1.28)	(0.80)

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: \$325,000 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<sub>2</sub>O (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<sub>2</sub>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<sub>2</sub>O; and

## Directors' Report

- 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 2022

FY 2021/22	Short-term employee benefits			Post-employment benefits	Termination benefits	Share-based payments	Total	Performance Related Remuneration %
	Director's Fee	Salary and other	Non-monetary benefits	Superannuation Contribution		Equity-settled		
	\$	\$	\$	\$	\$	\$	\$	
Klaus Eckof	9,900	-	-	-	-	434,283	444,183	98%
Peter Turner	35,701	-	-	6,326	-	337,500	379,527	89%
Zane Lewis	11,516	10,000	-	-	-	-	21,516	-
Phillip Coulson	11,516	20,000	-	-	-	-	31,516	-
Mark Calderwood	4,928	-	-	-	-	121,877	126,805	96%
Terence Topping	51,667	174,333	-	5,167	135,792	-	366,958	-
Bruno Seneque	33,333	164,450	-	3,333	161,250	-	362,367	-
Neil Hutchison	39,231	2,732	-	3,923	-	-	45,886	-
Adrien Wing	-	91,210	-	-	-	-	91,210	-
	<b>197,792</b>	<b>462,725</b>	-	<b>18,749</b>	<b>297,042</b>	<b>893,660</b>	<b>1,869,967</b>	

### Details of Remuneration for the year ended 30 June 2021

The remuneration for Key Management Personnel of the Consolidated Entity during the year was as follows:

FY 2020/21	Short-term employee benefits			Post-employment benefits	Share-based payments	Total	Performance
	Director's Fee	Salary and other	Non-monetary benefits	Superannuation Contribution	Equity-settled		Related Remuneration %
	\$	\$	\$	\$	\$	\$	
Terence Topping	68,000	231,583	-	7,996	677,438	985,017	68.8
Bruno Seneque	40,000	192,500	-	3,800	564,532	800,832	70.5
Neil Hutchison	40,000	101,450	-	3,800	338,719	483,969	70.0
Adrien Wing	90,000	-	-	-	338,719	428,719	79.0
	<b>238,000</b>	<b>525,533</b>	-	<b>15,596</b>	<b>1,919,408</b>	<b>2,698,537</b>	-

### 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.

## Directors' Report

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/Appointment date	Received as compensation		Conversion No. *	Value at date of Conversion	Balance at the end of the year/resignation date
		No.	\$			
<b>2022</b>						
Klaus Eckof	-	-	-	-	-	-
Peter Turner	-	25,000,000*	337,500	-	-	25,000,000
Zane Lewis	-	-	-	-	-	-
Phillip Coulson	-	-	-	-	-	-
Mark Calderwood	-	-	-	-	-	-
Terence Topping	-	-	-	-	-	-
Neil Hutchison	-	-	-	-	-	-
Bruno Seneque	-	-	-	-	-	-
Adrien Wing	-	-	-	-	-	-
	-	<b>25,000,000</b>	<b>337,500</b>	-	-	<b>25,000,000</b>

\*The 25,000,000 performance received by Mr Turner are as per his employment agreement (described in Section B).

As at 30 June 2022 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.

### 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/appointment date	Performance Rights Converted *	Received as salary	Issue Price	Net change other **	Balance at the end of the year/resignation date
<b>2022</b>						
Klaus Eckof	27,500,000	-	-	-	-	27,500,000
Peter Turner	-	-	-	-	-	-
Zane Lewis	5,250,000	-	-	-	5,000,000	10,250,000
Phillip Coulson	44,150,396	-	-	-	5,849,604	50,000,000
Mark Calderwood	250,000	-	-	-	-	250,000
Terence Topping	9,542,411	-	-	-	274,578	9,816,989
Bruno Seneque	4,379,722	-	-	-	132,207	4,511,929
Neil Hutchison	8,590,454	-	-	-	419,470	9,009,924
Adrien Wing	-	-	-	-	-	-
	<b>99,662,983</b>	-	-	-	<b>11,675,859</b>	<b>113,338,842</b>



# Directors' Report

## 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/appointment date	Received as compensation	Options Exercised No.	Options Lapsed No.	Net change other **	Balance at the end of the year/resignation date
<b>2022</b>						
Klaus Eckhof	-	39,350,000*	-	-	-	39,350,000
Peter Turner	-	-	-	-	-	-
Zane Lewis	125,000	-	-	-	-	125,000
Phillip Coulson	14,550,000	-	-	-	-	14,550,000
Mark Calderwood	-	10,000,000**	-	-	-	10,000,000
Terence Topping	30,274,578	-	(274,578)	-	-	30,000,000
Bruno Seneque	25,132,207	-	(132,207)	-	-	25,000,000
Neil Hutchison	15,419,470	-	(419,470)	-	-	15,000,000
Adrien Wing	15,000,000	-	-	-	-	15,000,000
	<b>100,501,255</b>	<b>49,350,000</b>	<b>(826,255)</b>	-	-	<b>149,025,000</b>

\* Mr Eckhof was issued 30,000,000 options with an exercise price of \$0.05 expiring 1 May 2026 that were issued as part of his appointment as Non-Executive Chairman. The options were valued with a Black Scholes option pricing model (criteria noted below):

\*\* Mr Calderwood was issued 10,000,000 options with an exercise price of \$0.05 expiring 1 May 2026 that were issued as part of his appointment as a Director. The options were valued with a Black Scholes option pricing model (criteria noted below):

	Chairman options 5c	Director options 5c
Exercise Price	\$0.05	\$0.05
Grant Date	11/05/2022	12/05/2022
Expiry Date	01/05/2026	01/05/2026
Share Price at date of issue	\$0.023	\$0.023
Expected Volatility	94.40%	94.40%
Risk Free Interest Rate	3.34%	3.34%
Fair Value per Option	\$0.0119	\$0.0122
Quantity of options issued	30,000,000	10,000,000
<b>Total value of options</b>	<b>\$434,283</b>	<b>\$121,877</b>

## 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 24.

## End of Remuneration Report (Audited).

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# Directors' Report

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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: 30<sup>th</sup> September 2022

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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 financial year ended 30 June 2022, 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 in Perth, Western Australia this 30<sup>th</sup> day of September 2022

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# Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
<b>REVENUE</b>			
Interest revenue from external parties	2	13,638	16,419
Other	2	394,092	342,967
<b>TOTAL REVENUE</b>		<b>407,730</b>	<b>359,386</b>
<b>EXPENSES</b>			
Audit fees	6	(35,975)	(35,445)
Depreciation	12	(91,565)	(6,474)
Depreciation – right-of-use asset	13	(56,964)	(47,471)
Directors’ remuneration	3	(519,902)	(163,596)
Directors share-based payments	3	(893,660)	(1,580,689)
Travel and marketing		(225,082)	(254,228)
Professional fees	3	(407,277)	(402,486)
Equity settled share-based payments	3	(966,756)	(1,253,161)
Occupancy expenses		(89,817)	(81,737)
Administration and other expenses		(479,741)	(463,476)
Impairment of tenement Assets	15	(777,065)	-
Finance costs	13	(10,459)	(10,124)
<b>TOTAL EXPENSES</b>		<b>(4,554,263)</b>	<b>(4,298,887)</b>
<b>Loss before income tax</b>			<b>(3,939,501)</b>
Income tax expense	4	-	-
<b>Loss for the year after income tax</b>		<b>(4,146,553)</b>	<b>(3,939,501)</b>
<b>Other comprehensive income</b>			
Changes in fair values of investments at fair value through other comprehensive income, net of tax	20c	(8,462)	291,026
<b>Total comprehensive loss for the year</b>		<b>(4,154,995)</b>	<b>(3,648,475)</b>
<b>Loss attributable to:</b>			
Owners of Kairos Minerals Ltd		(4,146,553)	(3,939,501)
Non-controlling interests		-	-
		<b>(4,146,553)</b>	<b>(3,939,501)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of Kairos Minerals Ltd		(4,154,995)	(3,648,475)
Non-controlling interests		-	-
		<b>(4,154,995)</b>	<b>(3,648,475)</b>
Loss per share for the year attributable to the members of Kairos Minerals Limited:			
Basic (loss) per share (cents per share)	7	(0.23)	(0.24)
Diluted (loss) per share (cents per share)	7	(0.23)	(0.24)

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 2022

	Note	30 June 2022 \$	30 June 2021 \$
<b>ASSETS</b>			
<b><i>Current assets</i></b>			
Cash and cash equivalents	8	6,998,072	8,299,019
Trade and other receivables	9	524,090	249,386
Other assets	10	-	6,470
<b>Total Current Assets</b>		<b>7,522,162</b>	<b>8,554,875</b>
<b><i>Non-current assets</i></b>			
Other financial assets	11	-	403,001
Plant and equipment	12	310,503	190,787
Right-of-use asset	13	237,372	294,336
Exploration and evaluation expenditure	15	21,476,758	16,961,790
<b>Total non-current assets</b>		<b>22,024,633</b>	<b>17,849,914</b>
<b>TOTAL ASSETS</b>		<b>29,546,694</b>	<b>26,404,789</b>
<b>LIABILITIES</b>			
<b><i>Current liabilities</i></b>			
Trade and other payables	16	335,262	1,653,891
Lease Liability	17	54,286	50,791
Provisions	18	16,352	12,155
<b>Total current liabilities</b>		<b>405,900</b>	<b>1,716,837</b>
<b><i>Non-current liabilities</i></b>			
Lease Liability	17	196,950	251,140
<b>Total non-current liabilities</b>		<b>196,950</b>	<b>251,140</b>
<b>TOTAL LIABILITIES</b>		<b>602,849</b>	<b>1,967,977</b>
<b>NET ASSETS</b>		<b>28,943,845</b>	<b>24,436,812</b>
<b>EQUITY</b>			
Contributed equity	19	92,077,736	84,712,777
Financial assets at fair value reserve through other comprehensive income	20	-	317,996
Performance Right/Option fair value reserve	20	6,535,060	5,254,915
Accumulated losses		(69,667,840)	(65,847,765)
<b>Parent interests</b>		<b>28,944,956</b>	<b>24,437,923</b>
Non-controlling interests		(1,111)	(1,111)
<b>TOTAL EQUITY</b>		<b>28,943,845</b>	<b>24,436,812</b>

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 2022

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
	\$	\$	\$	\$	\$	\$
<b>Balance at 30 June 2020</b>	<b>73,196,731</b>	<b>26,970</b>	<b>2,632,184</b>	<b>(61,908,264)</b>	<b>(1,111)</b>	<b>13,946,510</b>
Loss for the year	-	-	-	(3,939,501)	-	(3,939,501)
Other comprehensive income	-	291,026	-	-	-	291,026
<b>Total comprehensive (loss) for the year</b>	<b>-</b>	<b>291,026</b>	<b>-</b>	<b>(3,939,501)</b>	<b>-</b>	<b>(3,648,475)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued (net of costs)	8,558,451	-	-	-	-	8,558,451
Options exercised	612,945	-	(85,670)	-	-	527,275
Options issued	-	-	5,053,051	-	-	5,053,051
Performance rights exercised	2,344,650	-	(2,344,650)	-	-	-
<b>Balance at 30 June 2021</b>	<b>84,712,777</b>	<b>317,996</b>	<b>5,254,915</b>	<b>(65,847,765)</b>	<b>(1,111)</b>	<b>24,436,812</b>
Loss for the year	-	-	-	(4,146,533)	-	(4,146,533)
Other comprehensive income	-	(8,462)	-	-	-	(8,462)
<b>Total comprehensive (loss) for the year</b>	<b>-</b>	<b>(8,462)</b>	<b>-</b>	<b>(4,146,533)</b>	<b>-</b>	<b>(4,154,995)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Options exercised	934,275	-	(934,275)	-	-	-
Options Converted	6,430,684	-	354,004	-	-	6,784,688
Shared based payment expense	-	-	1,860,416	-	-	1,860,416
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	(326,458)	-	326,458	-	-
<b>Balance at 30 June 2022</b>	<b>92,077,736</b>	<b>-</b>	<b>6,535,060</b>	<b>(69,667,840)</b>	<b>(1,111)</b>	<b>28,943,845</b>

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 2022

	Note	30 June 2022 \$	30 June 2021 \$
<b><u>Cash flows from operating activities</u></b>			
Payments to suppliers and employees (inclusive of GST)		(1,416,368)	(1,559,330)
Other Income		-	325,757
Interest received		13,638	16,419
<b>Net cash flows used in operating activities</b>	<b>23</b>	<b>(1,402,730)</b>	<b>(1,217,154)</b>
<b><u>Cash flows from investing activities</u></b>			
Payments for purchases of plant and equipment		(276,106)	(238,935)
Payments for exploration and evaluation expenditure		(6,686,052)	(4,541,244)
Payment for investments		-	-
Proceeds from sale of non-current assets		411,463	495,372
<b>Net cash flows used in investing activities</b>		<b>(6,550,695)</b>	<b>(4,284,807)</b>
<b><u>Cash flows related to financing activities</u></b>			
Proceeds from issues of securities		7,140,280	11,434,370
Capital raising costs		(426,552)	(161,659)
Payment of lease liabilities		(61,250)	(60,124)
<b>Net cash flows from financing activities</b>		<b>6,652,478</b>	<b>11,212,587</b>
<b>Net increase in cash and cash equivalents</b>		<b>(1,300,947)</b>	<b>5,710,626</b>
Cash and cash equivalents at the beginning of the year		8,299,019	2,588,393
<b>Cash and cash equivalents at the end of the financial year</b>	<b>8</b>	<b>6,998,072</b>	<b>8,299,019</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 1: BASIS OF PREPARATION

### Corporate Information

The financial report of Kairos Minerals Limited (the Consolidated Entity) for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors on 30 September 2022.

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.

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

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 \$4,146,533 for the year ended 30 June 2022 (2021: \$3,939,501) and had net cash outflows from operating and investing activities of \$7,953,425 (2021: \$5,501,961). At 30 June 2022, the Consolidated Entity had cash and cash equivalents of \$6,998,072 (2021: \$8,299,019) and had working capital, being current assets less current liabilities, of \$7,116,161 (2021: \$6,838,038).

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 through to 30 September 2023 (12 months from date of audit 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 14 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.



# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

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:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
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.

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# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

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, its carrying value is written off.

### Financial assets at fair value through profit or loss

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.

### Financial assets at fair value through other comprehensive income

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.

### Impairment of financial assets

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.

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## 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.



# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## 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.

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# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## 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 2022	30 June 2021
	\$	\$
Interest revenue from external parties	13,638	16,419
Exploration Incentive Scheme grant	-	150,000
R&D rebate	390,257	125,757
Government cashflow boost	-	67,210
Sundry Revenue	3,835	-
<b>Total revenue</b>	<b>407,730</b>	<b>359,386</b>

### NOTE 3: EXPENDITURE

	30 June 2022	30 June 2021
	\$	\$
<b><u>Directors' remuneration</u></b>		
Salaries and fees	204,121	148,000
Superannuation	18,739	15,596
Termination benefits	297,042	-
<b>Directors' remuneration</b>	<b>519,902</b>	<b>163,596</b>
<b><u>Professional fees</u></b>		
Legal fees	74,617	17,687
Company secretarial	103,210	90,000
Accounting and consultants	229,450	294,798
<b>Professional fees</b>	<b>407,277</b>	<b>402,486</b>
<b><u>Equity settled share-based payments expenses</u></b>		
Directors' share-based payments	893,660	1,580,689
ESOP and professional share-based payments	966,756	903,249
Fair value adjustment to share-based expenses	-	349,912
<b>Equity settled share-based payments expenses</b>	<b>1,860,416</b>	<b>2,833,850</b>

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 4: INCOME TAX EXPENSE

	30 June 2022	30 June 2021
	\$	\$
<b>a) The components of tax expense comprise</b>		
Current income tax benefit	631,213	132,263
Deferred tax income	1,258,098	1,531,521
Tax losses not recognised	(1,889,312)	(1,663,784)
	-	-
<b>b) The prima facie tax on loss from continuing activities before tax is reconciled to the income tax expense as follows:</b>		
Prima facie tax benefit on loss from continuing activities before income tax at 25% (2021: 26%)		
- Consolidated Entity	1,036,635	1,024,270
<u>Add:</u>		
Tax effect of:		
- Capital raising costs	87,314	98,294
<u>Less:</u>		
Tax effect of:		
- right-of-use asset	(4,181)	(1,975)
- share based payments	(465,104)	(736,805)
- entertainment/other	(23,450)	(10,636)
	<b>631,213</b>	<b>373,148</b>
Tax effect of losses and temporary differences not recognised as deferred tax assets	(631,213)	(373,148)
<b>Income tax expense attributes</b>	-	-
<b>c) Unrecognised deferred tax balances</b>		
<b><u>Deferred tax liabilities</u></b>		
Deferred exploration & evaluation costs	21,811,789	11,088,246
Other	(24,714)	(114,184)
	<b>21,787,076</b>	<b>10,974,062</b>
<b>Tax effect @ 25% (2021: 26%)</b>	<b>5,446,769</b>	<b>2,853,256</b>
<b><u>Deferred tax assets</u></b>		
Investments	178,159	178,159
Capital raising costs	3,757,685	3,352,967
Other	-	16,000
Tax losses **	61,076,213	54,602,904
	<b>65,012,057</b>	<b>58,150,030</b>
<b>Tax effect @ 25% (2021: 26%)</b>	<b>16,253,014</b>	<b>15,119,008</b>
Net deferred tax asset not recognised	10,806,245	12,265,752

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## 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 \$61,076,213. 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 2022	30 June 2021
	\$	\$
Short-term employee benefits	660,516	763,533
Post-employment benefits	18,749	15,596
Termination benefits	297,042	-
Share based payment – equity settled	893,660	1,919,408
<b>Total compensation</b>	<b>1,869,967</b>	<b>2,698,537</b>

## NOTE 6: AUDITORS' REMUNERATION

	30 June 2022	30 June 2021
	\$	\$
Remuneration of the auditor of the parent entity for:		
- Audit and review fees	35,975	35,445
	<b>35,975</b>	<b>35,445</b>



# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 7: EARNING PER SHARE

	30 June 2022	30 June 2021
Basic (loss) per share (cents)	(0.23)	(0.24)
Diluted (loss) per share (cents)	(0.23)	(0.24)
a) Net (loss) used in the calculation of basic and diluted loss per share	(4,146,533)	(3,939,501)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	1,809,504,720	1,608,503,912

## NOTE 8: CASH AND CASH EQUIVALENTS

	30 June 2022 \$	30 June 2021 \$
Cash at bank	6,988,072	8,289,019
Term deposits	10,000	10,000
	<b>6,998,072</b>	<b>8,299,019</b>

### 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	6,998,072	8,299,019
	<b>6,998,072</b>	<b>8,299,019</b>

## NOTE 9: TRADE AND OTHER RECEIVABLES

	30 June 2022 \$	30 June 2021 \$
<b>Current</b>		
Sundry receivables	444,665	29,401
Good and services tax receivable due	79,425	219,985
	<b>524,090</b>	<b>249,386</b>

## NOTE 10: OTHER ASSETS

	30 June 2022 \$	30 June 2021 \$
<b>Current</b>		
Prepayments	-	6,470
	-	<b>6,470</b>

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 11: OTHER FINANCIAL ASSETS

	30 June 2022	30 June 2021
	\$	\$
<b>Non-Current</b>		
At the beginning of the period	403,001	607,347
Investment fair value movement	8,462	120,654
Acquired listed securities	-	-
Disposal listed securities	(411,463)	(325,000)
<b>At the end of the period</b>	<b>-</b>	<b>403,001</b>

Other financial assets relate to listed securities held by the company. The investments are held at fair value through other comprehensive income. Refer to note 1(e) for further details.

## NOTE 12: PLANT AND EQUIPMENT

	30 June 2022	30 June 2021
	\$	\$
<b>Plant and equipment</b>		
At cost	564,336	310,412
Accumulated depreciation	(253,833)	(119,625)
<b>Total plant and equipment</b>	<b>310,503</b>	<b>190,787</b>

### Movements in carrying amounts

Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

Balance at the beginning of year	190,787	31,880
Additions	253,924	219,075
Depreciation expense transfer to exploration expenditure	(42,644)	(53,694)
Depreciation expense	(91,564)	(6,474)
<b>Carrying amount at the end of the year</b>	<b>310,503</b>	<b>190,787</b>

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 13: RIGHT-OF-USE ASSET

	30 June 2022	30 June 2021
	\$	\$
At cost	341,807	341,807
Accumulated depreciation	(104,435)	(47,471)
<b>Total right-of-use asset</b>	<b>237,372</b>	<b>294,336</b>

### 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	294,336	-
Additions	-	341,807
Depreciation expense	(56,964)	(47,471)
<b>Carrying amount at the end of the year</b>	<b>237,372</b>	<b>294,336</b>

During the period, the Company leased its head office premises at Level 1, 43 Ventnor Avenue, West Perth 6000, Australia. The lease had a three-year term commencing 1 September 2020 with another three-year extension option.

The Company recognised the lease 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 from RBA as of 31 August 2020 of 3.75%

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

Depreciation	56,964	47,471
Interest expenses	10,459	10,124

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 14: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		30 June 2022	30 June 2021
<b>Parent Entity</b>			
Kairos Minerals Limited	Australia		
<b>Subsidiaries of Kairos Minerals Limited</b>			
Delcarmen Energy Pty Ltd	Australia	100.00	100.00
Xplor Pty Ltd	Australia	100.00	100.00
Enoch's Point Pty Ltd	Australia	96.86	96.86
Horizon Energy Pty Ltd	Australia	96.86	96.86
Golden Mount Pty Ltd	Australia	96.86	96.86
Westside Nickel Pty Ltd	Australia	100.00	100.00
Coal First Pty Ltd	Australia	100.00	100.00
Next Commodities Pty Ltd	Australia	100.00	100.00

\* Percentage of voting power is in proportion to ownership

## NOTE 15: EXPLORATION AND EVALUATION ASSETS

	30 June 2022 (\$)	30 June 2021 (\$)
Balance at the start of the year	16,961,790	11,088,246
Exploration expenditure capitalised	5,292,033	5,873,544
Capitalised exploration costs written down	(777,065)	-
<b>Total capitalised exploration expenditure</b>	<b>21,456,758</b>	<b>16,961,790</b>

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.

### 15(a) Project Ownership Interests

At reporting date the group owned:

	Percentage Owned (%)	
	30 June 2022	30 June 2021
Roe Hills Project	100.00	100.00
Fraser Range Project	100.00	100.00
Dingo Range Project	100.00	100.00
Mt York Project	100.00	100.00
Wodjina Project	100.00	100.00
Mooloo Project	100.00	100.00
Taipan Project	100.00	100.00
Croyden Project	100.00	100.00
Lalla Rookh Project	100.00	100.00
Woodcutters Project	100.00	100.00

### 15(b) 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.



# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 16: TRADE AND OTHER PAYABLES

	30 June 2022	30 June 2021
	\$	\$
<b>Current</b>		
Trade payables	252,551	1,603,958
Sundry payables and accrued expenses	82,711	49,933
	<b>335,262</b>	<b>1,653,891</b>

## NOTE 17: LEASE LIABILITIES

	30 June 2022	30 June 2021
	\$	\$
Current	54,286	50,791
Non-current	196,950	251,140
<b>Total lease liabilities</b>	<b>251,236</b>	<b>301,931</b>

## NOTE 18: PROVISIONS

	30 June 2022	30 June 2021
	\$	\$
Employee Benefit obligations - annual leave	16,352	12,155
<b>Total Provisions</b>	<b>16,352</b>	<b>12,155</b>

## NOTE 19: CONTRIBUTED EQUITY

	Note	30 June 2022	30 June 2021
		\$	\$
Ordinary shares fully paid	19 (a)	92,077,736	84,712,777
		<b>92,077,736</b>	<b>84,712,777</b>

		30 June 2022		30 June 2021	
	No.	\$	No.	\$	\$
<b>19 (a) Ordinary Shares</b>					
At the beginning of reporting period – shares on issue	1,676,469,574	84,712,777	1,251,773,019	73,16,731	
<i>Shares issued during year</i>					
- Issue of shares	-	-	353,372,523	10,907,098	
- Issue of shares in lieu of payment for services	-	-	18,733,121	976,053	
- Exercise of options	285,623,917	7,140,598	21,090,911	612,945	
Transfer from Option valuation Reserve	-	934,275	-	-	
Transaction costs relating to share issues	-	(709,914)	-	(3,234,700)	
<b>At reporting date</b>	<b>1,962,093,491</b>	<b>92,077,736</b>	<b>1,676,469,574</b>	<b>84,712,777</b>	

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 20: RESERVES

	30 June 2022		30 June 2021	
	No.	\$	No.	\$
<b>20 a) Option Fair Value Reserve</b>				
At the beginning of reporting period	534,023,912	5,254,915	215,380,181	287,534
<u>Options movements during year</u>				
- Issue of options*	191,000,000	1,876,920	472,552,823	5,053,051
- Exercise of options	(285,623,917)	(934,275)	(21,090,911)	-
- Expiry of options	-	-	(132,818,181)	(85,670)
<b>At reporting date</b>	<b>439,399,994</b>	<b>6,197,560</b>	<b>534,023,912</b>	<b>5,254,915</b>

\*During the period, the Company issued 191,000,000 unlisted options valued with a Black Scholes option pricing model, using the following criteria:

	Underwriter Options \$0.05	Consultant options 5c	Chairman options 5c	Director options 5c	Advisor Options 5c
Exercise Price	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Grant Date	20/01/2022	05/05/2022	11/05/2022	12/05/2022	13/05/2022
Expiry Date	30/01/2023	01/05/2026	01/05/2026	01/05/2026	01/05/2026
Share Price at date of issue	\$0.03	\$0.03	\$0.023	\$0.023	\$0.027
Expected Volatility	71%	94.10%	94.40%	94.40%	94.40%
Risk Free Interest Rate	0.84%	3.14%	3.11%	3.34%	3.22%
Fair Value per Option	\$0.0037	\$0.0175	\$0.0119	\$0.0122	\$0.0152
Quantity of options issued	95,000,000	50,000,000	30,000,000	10,000,000	6,000,000
<b>Total value of options</b>	<b>\$354,004</b>	<b>\$875,572</b>	<b>\$434,283</b>	<b>\$121,877</b>	<b>\$91,184</b>

None of the options issued above had any vesting or escrow conditions.

	30 June 2022		30 June 2021	
	No.	\$	No.	\$
<b>20 b) Performance Rights</b>				
At the beginning of reporting period	-	-	31,500,000	2,344,650
<u>Movements during year</u>				
- Issue of performance rights	25,000,000	337,500	-	-
- Exercised of performance rights	-	-	(31,500,000)	(2,344,650)
<b>At reporting date</b>	<b>25,000,000</b>	<b>337,500</b>	<b>-</b>	<b>-</b>

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

The performance rights issued during the year were 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% Li<sub>2</sub>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% Li<sub>2</sub>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<sub>2</sub>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.

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

The share price at the date of granting was \$0.27. As at 30 June 2022 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 2022	30 June 2021
	\$	\$
<b>Total Performance Rights/Option Fair Value Reserve</b>		
At the beginning of reporting period	5,254,915	2,632,184
<u>Movements during year</u>		
- Options exercised	-	(85,670)
- Options fair value transferred on Exercise	(934,275)	-
- Performance rights issued	337,500	-
- Options issued	1,876,920	5,053,051
- Performance rights exercised	-	(2,344,650)
<b>At reporting date</b>	<b>6,536,060</b>	<b>5,254,915</b>

	30 June 2022	30 June 2021
	\$	\$
<b>20 c) Fair Market Value Reserve</b>		
At the beginning of reporting period	317,996	26,970
<u>Movements during year</u>		
- Equity investments fair value adjustment	8,462	120,654
- Profit from sale of non-current financial assets	-	170,372
- Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	(326,458)	-
<b>At reporting date</b>	<b>-</b>	<b>317,996</b>

Fair market value reserve reflects the fair value movements in equity investments held by the company as at the reporting date. Refer to note 1(e) for further details.

## NOTE 21: COMMITMENTS AND CONTINGENCIES

	30 June 2022	30 June 2021
	\$	\$
Exploration expenditure commitments:		
Within one year	973,342	1,164,460
Two to five years	2,264,177	1,207,660
More than five years	-	30,000
<b>Total</b>	<b>3,237,609</b>	<b>2,402,120</b>

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.

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 22: 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 23: CASH FLOW INFORMATION

	30 June 2022 \$	30 June 2021 \$
Reconciliation of Cash Flow from Operations with Result after Income Tax:		
<b>(Loss) for the Period</b>	<b>(4,146,533)</b>	<b>(3,939,501)</b>
Less: interest received	-	(46,129)
Add: depreciation expenses	148,529	53,945
Add: equity settled share-based payments expenses	1,860,416	2,833,850
Add: finance costs	10,459	10,124
Add: exploration costs written off	777,065	-
(Increases)/Decreases in Accounts Receivable	(186,552)	(184,415)
(Decreases)/Increases in Trade Payables	138,083	42,817
(Decreases)/Increases in provision	(4,197)	12,155
<b>Cash flow used in operations</b>	<b>(1,402,730)</b>	<b>(1,217,154)</b>

## NOTE 24: RELATED PARTY TRANSACTIONS

For the 30 June 2022 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 \$27,000. As at 30 June 2022, the amount owing to Smallcap Corporate Pty Ltd was \$19,287.

Mr Wing received consulting fee of \$91,210 (2021: \$90,000) for consulting services for company secretarial services through a related entity.

During the year, the wife of Mr Topping was employed in an administration role and was paid \$29,392 (2021: \$31,740) for wages and superannuation.

Mr Topping received consulting fee of \$174,333 (2021: \$231,583) for consulting services through an entity in which he has a controlling interest.

Mr Seneque received consulting fee totalling \$164,450 (2021: \$192,500) for consulting services through an entity in which he has a controlling interest.

During the year ended 30 June 2022, Mr Hutchison was paid professional fees of \$2,732 (2021: \$101,450) for consulting services through an entity in which he has a controlling interest.



# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 25: 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 2022	30 June 2021
	\$	\$
Cash and cash equivalents	6,998,072	8,299,019
Trade and other receivables <sup>1</sup>	444,665	29,401
Other financial assets	-	403,001
Trade and other payables	(335,262)	(1,653,891)

<sup>1</sup> Excludes statutory receivables relating to GST

The Consolidated Entity does not have any derivative instruments at 30 June 2022 (30 June 2021: 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 \$6,998,072 (2021: 8,299,019) 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:

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 25: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

	30 June 2022 \$	30 June 2021 \$
1% (2021: +1.00%)	69,981	82,990
-1% (2021: -1.00%)	(69,981)	(82,990)

### 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 (2021: 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
<b>2022</b>							
<u>Trade and other payables</u>							
- Trade and other payables	245,273	3,248	4,030	-	-	-	252,551
- Accrued expenses	82,711	-	-	-	-	-	82,711
<u>Lease liability</u>							
- Office premises	-	-	-	-	54,286	196,950	251,236
	<b>327,984</b>	<b>3,248</b>	<b>4,030</b>	<b>-</b>	<b>54,286</b>	<b>196,950</b>	<b>586,498</b>
<b>2021</b>							
<u>Trade and other payables</u>							
- Trade and other payables	1,548,699	15,354	6,879	33,026	-	-	1,603,958
- Accrued expenses	49,933	-	-	-	-	-	49,933
<u>Lease liability</u>							
- Office premises	-	-	-	-	50,791	251,140	301,931
	<b>1,592,632</b>	<b>15,354</b>	<b>6,879</b>	<b>33,026</b>	<b>50,791</b>	<b>251,140</b>	<b>1,955,822</b>

# Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

## NOTE 26: 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	
	30 June 2022	30 June 2021
	\$	\$
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>Assets</b>		
Current assets	9,530,144	10,199,497
Non-current assets	19,327,913	15,516,557
<b>Total assets</b>	<b>28,858,057</b>	<b>25,716,054</b>
<b>Liabilities</b>		
Current liabilities	405,903	1,716,837
Non-current liabilities	196,950	251,140
<b>Total liabilities</b>	<b>602,853</b>	<b>1,967,977</b>
<b>Net assets</b>	<b>28,255,204</b>	<b>23,748,077</b>
<b>Equity</b>		
Issued capital	92,077,736	84,712,777
Reserves	6,535,060	5,572,911
Accumulated losses	(70,357,592)	(66,537,611)
<b>Total equity</b>	<b>28,255,204</b>	<b>23,748,077</b>
<b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>	<b>(4,146,539)</b>	<b>(3,939,501)</b>
<b>Total Comprehensive Loss</b>	<b>(4,155,000)</b>	<b>(3,648,575)</b>

## NOTE 27: EVENTS OCCURRING AFTER THE REPORTING DATE

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 28: CONTINGENT LIABILITIES

On 11 October 2019, a contractor ("the Contractor") engaged by Kairos Minerals Ltd ("the Company") brought a claim in the Federal Circuit Court against the Company. The Contractor has claimed payment of employment entitlements under the *Fair Work Act 2009 (Cth)*. The quantum of the claim is currently \$337,272.88 (plus interest). The matter has been settled post year end.

## NOTE 29: COMPANY DETAILS

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

Level 1, 43 Ventnor Avenue, West Perth, Western Australia, Australia 6005.

# Directors' Declaration

For the Year Ended 30 June 2022

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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 2022 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.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the chief executive officer and chief financial officer for the financial year ended 30 June 2022.

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



Dr Peter Turner  
Managing Director

Dated: 30<sup>th</sup> September 2022



## 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 Group”), which comprises the consolidated statement of financial position as at 30 June 2022, 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 a summary of significant accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Group’s financial position as at 30 June 2022 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 Group 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.

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**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
<p><b>Accounting for share based payments</b></p> <p>As disclosed in note 20 to the financial statements, during the year ended 30 June 2022 the Group incurred share based payments of \$2,214,420 of which \$1,860,416 was recognised in profit or loss and other comprehensive income.</p> <p>Share based payments are considered to be a key audit matter due to</p> <ul style="list-style-type: none"> <li>• the value of the transactions;</li> <li>• the complexities involved in the recognition and measurement of these instruments; and</li> <li>• the judgement involved in determining the inputs used in the valuations.</li> </ul> <p>Management used the Black-Scholes option valuation model to determine the fair value of the options granted. This process involved significant estimation and judgement required to determine the fair value of the equity instruments granted.</p>	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> <li>• Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments;</li> <li>• Evaluating management’s Black-Scholes Valuation Models and assessing the assumptions and inputs used;</li> <li>• Assessing the amount recognised during the year in accordance with the vesting conditions of the agreements; and</li> <li>• Assessing the adequacy of the disclosures included in Note 20 to the financial statements.</li> </ul>

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Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Capitalised Exploration and Evaluation Costs</b></p> <p>As disclosed in note 15 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 2022, the Group's capitalised exploration and evaluation costs are carried at \$21,476,758.</p> <p>The recognition and recoverability of the capitalised exploration and evaluation costs was considered a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• The carrying value of capitalised exploration and evaluation costs represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and</li> <li>• Determining whether impairment indicators exist involves significant judgement by management.</li> </ul> <p>Note 1(d) and 15 to the financial statements contain the accounting policy and disclosures in relation to exploration and evaluation expenditures.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> ("AASB 6");</li> <li>• Confirming rights to tenure for a sample of tenements held and confirming rights to tenure on tenements nearing expiry will be renewed;</li> <li>• Testing the Group's additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group's accounting policy and the requirements of AASB 6;</li> <li>• By testing the status of the Group'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 capitalised exploration costs: <ul style="list-style-type: none"> <li>○ The licenses for the rights to explore expiring in the near future or are not expected to be renewed;</li> <li>○ Substantive expenditure for further exploration in the area of interest is not budgeted or planned;</li> <li>○ Decision or intent by the Group to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources;</li> <li>○ 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</li> </ul> </li> <li>• Assessing the appropriateness of the related disclosures in the financial statements.</li> </ul>

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, 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. 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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 Group'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 Group'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 Group 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 Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group 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 2022. 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 2022, complies with section 300A of the Corporations Act 2001.

*Hall Chadwick*  
HALL CHADWICK WA AUDIT PTY LTD

*Mark Delaurentis*  
MARK DELAURENTIS CA  
Partner

Dated in Perth, Western Australia this 30<sup>th</sup> day of September 2022

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# Shareholder Information

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders. The information provided is current as of 27 September 2022.

## Equity Securities on Issue

Security Class	Number of Securities
Fully paid ordinary shares	1,964,093,491
Unquoted options exercisable at \$0.05 on or before 30 January 2023	205,000,000
Unquoted options exercisable at \$0.08 on or before 29 September 2023	138,400,000
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	146,000,000
Performance rights	25,000,000

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	143
1,001 – 5,000	50
5,001 – 10,000	67
10,001 – 100,000	3,120
100,001 –	2,083
<b>Total number of shareholders</b>	<b>5,463</b>
Unmarketable Parcels	363

## Top 20 Shareholders

Shareholders	Number	%
1 CITICORP NOMINEES PTY LIMITED	215,270,421	10.96
2 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	55,942,071	2.85
3 MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	43,788,350	2.23
4 BNP PARIBAS NOMS PTY LTD	38,824,201	1.98
5 TROCA ENTERPRISES PTY LTD <COULSON SUPER A/C>	35,128,215	1.79
6 MR VINH PHAN	29,000,000	1.48
7 MS LINLIN LI	24,489,976	1.25
8 KENDALI PTY LTD	20,000,000	1.02
9 MCNEIL NOMINEES PTY LIMITED	19,732,930	1.00
10 OCEAN VIEW WA PTY LTD	19,221,943	0.98
11 TROCA ENTERPRISES PTY LTD <COULSON SUPER FUND A/C>	19,050,398	0.97
12 VIENNA HOLDINGS PTY LTD <WESTGOLD A/C>	19,000,000	0.97
13 MR MICHAEL PATRICK LYNCH <LYNCH FAMILY A/C>	18,691,000	0.95
14 FLUE HOLDINGS PTY LTD	14,500,000	0.74
15 MR KAZUHIRO MASUDA	14,438,636	0.74
16 COLIN & IMELDA BOURKE SUPERANNUATION FUND PTY LTD <C & I BOURKE S/F A/C>	13,505,336	0.69
17 MS AIPING ZHANG	13,000,000	0.66
18 BRENNAN SUPER (WA) PTY LTD <BRENNAN SUPER FUND A/C>	12,716,191	0.65
19 MR MARK GASSON	10,000,000	0.51
20 FLUE HOLDINGS PTY LTD <BROMLEY SUPERANNUATION A/C>	10,000,000	0.51
<b>TOTAL</b>	<b>646,299,668</b>	<b>32.91</b>

# Shareholder Information

## Distribution of Unquoted Equity Securities

Number of Securities Held	Number of holders in each security class				
	options exercisable at \$0.05 on or before 30 January 2023	options at exercisable at \$0.08 on or before 29 September 2023	options exercisable at \$0.05 on or before 1 May 2025	options exercisable at \$0.05 on or before 1 May 2026	Performance rights
1 - 1,000	-	-	-	-	-
1,001 - 5,000	-	-	-	-	-
5,001 - 10,000	-	2	-	-	-
10,001 - 100,000	-	89	-	-	-
100,001 - 999,999,999,999	44	116	1	6	1
<b>TOTAL</b>	<b>44</b>	<b>207</b>	<b>1</b>	<b>6</b>	<b>1</b>

## 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	34.25%
options exercisable at \$0.05 on or before 1 May 2026	Troca Enterprises Pty Ltd	32,500,000	22.26%
options exercisable at \$0.05 on or before 1 May 2026	Mr Klaus Eckhof	30,000,000	20.55%
Performance Rights	Dr Peter Turner	25,000,000	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://www.advancedshare.com.au/Dashboard/Member-Register>

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, Advanced , at [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



# Shareholder Information

## Interests in Mining Tenements as at 30 June 2022

Project/Tenements	Location	Held	Events Subsequent to Balance Date
<b>Roe Hills Project</b> 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 E28/2593 E28/2594 E28/2695 E28/2696 E28/2697	W.A., Australia	100%	N/A
<b>Mt York</b> P45/2987 P45/2988 P45/2989 P45/2990 P45/2991 P45/2992 P45/2993 P45/2994 P45/2995 P45/2996 P45/2997 P45/2998 L45/0422 L45/0455	W.A., Australia	100%	N/A
<b>Wodjina Project</b> E45/4715 E45/4780	W.A., Australia	100%	N/A
<b>Kangan Project</b> E45/4740 E45/6160 E45/6161 E45/6162	W.A., Australia	100%	
<b>Sky Well Project</b> E47/3519 E47/3520 E47/3521	W.A., Australia	100%	N/A

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# Shareholder Information

<b>Croydon Project</b> E47/3522 E47/3523 E47/4384 E47/4385	W.A., Australia	100%	N/A
<b>Lalla Rookh Project</b> E45/4741 E45/6145 E45/6146 E45/6147	W.A., Australia	100%	N/A
<b>Taipan Project</b> E45/4806	W.A., Australia	100%	Expired
<b>Woodcutters Project</b> E28/2646 E28/2647	W.A., Australia	100%	N/A

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# Corporate Directory

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## COMPANY

Kairos Minerals Limited  
ACN 006 189 331

## DIRECTORS

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

## COMPANY SECRETARY

Mr Sebastian Andre

## COMPANY WEBSITE

[www.kairosminerals.com.au](http://www.kairosminerals.com.au)

## REGISTERED OFFICE

Level 1, 43 Ventnor Avenue  
West Perth, Western Australia  
Australia 6005

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

## SOLICITORS

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

## SHARE REGISTRY

Advanced Share Registry Limited  
110 Stirling Highway  
Nedlands Western Australia  
Australia 6009

Telephone: +61 (0)8 9389 8033

Facsimile: +61 (0)8 9262 3723

## AUDITORS

Hall Chadwick WA Audit Pty  
Ltd  
283 Rokeby Road  
Subiaco WA 6008

## SECURITIES QUOTED

*Australian Securities Exchange (ASX)*  
Shares – KAI

## BANKERS

National Australia Bank  
Melbourne, Victoria  
Australia 3000