

28 October 2019

Completion of Placement

Kairos Minerals Limited (Kairos or the Company) (ASX: KAI) is pleased to advise that it has completed the placement announced on 22 October 2019 (**Placement**) by the issue of 122,727,278 shares at an issue price of \$0.011 each, raising \$1.35 million (before costs). In addition, the Company has issued 9,400,090 shares representing \$103,400 in lieu of consulting fees.

An Appendix 3B is attached.

The Company provides the following information in accordance with ASX Listing Rule 3.10.5A.

1. The dilutive effect of the Placement on existing shareholders is as follows:

	Shares	%
Number of shares on issue prior to the Placement	852,272,839	86.5
Dilution as a result of issue under ASX Listing Rule 7.1A	85,227,284	8.6
Dilution as a result of issue under ASX Listing Rule 7.1	46,900,084	4.9
Number of shares on issue following the Placement	984,400,207	100.0%

2. The Company issued the 85,227,284 Placement shares under ASX Listing Rule 7.1A as it was considered the most efficient and expedient means of undertaking a capital raising in light of apparent investor support. The Placement did not expose the Company to market volatility that may have been experienced over a more protracted raising process such as a pro rata issue. The Company is also undertaking a share purchase plan to provide its existing eligible shareholders with an opportunity to subscribe for shares at the same price as the Placement.
3. There were no underwriting arrangements entered into for the Placement.
4. CPS Securities acted as Lead Manager to the Placement. 81.3 million options will be issued to CPS and/or their nominees pursuant to the placement, whereby the options will be exercisable at 2.5 cents each on or before 31 December 2021. The issue of the options is subject to the receipt of prior shareholder approval. The Company will pay up to a 6% fee pursuant to the placement.



For and on behalf of Kairos Minerals Limited
Adrien Wing
 Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Kairos Minerals Limited

ABN

84 006 189 331

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Ordinary shares2. Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 132,127,3682. 6,362,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. The fully paid ordinary shares are of the same class and rank with all other shares on issue.2. New class – options exercisable at 2.5 cents on or before 31 December 2021 |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	- Yes - New class – options exercisable at 2.5 cents on or before 31 December 2021
5	Issue price or consideration	122,727,278 shares issued at \$0.011 per share as per ASX announcement dated the 22 October 2019. A further 9,400,090 shares issued in lieu of \$103,351 in consulting fees. - options exercisable at 2.5 cents on or before 31 December 2021 for settlement of consulting services
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Refer to 5 above
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	21 November 2018 AGM
6c	Number of +securities issued without security holder approval under rule 7.1	46,900,084 6,362,000
6d	Number of +securities issued with security holder approval under rule 7.1A	85,227,284 - nil

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	N/A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Yes – Issue price above 75% of 15 day VWAP as calculated under LR7.1A.3 Issue date: 28 October 2019 Issue price: 1.1 cents 75% of VWAP: 1.049 cents,, therefore Issue price above 75% of 15 day VWAP as calculated under LR7.1A.3 Source: CPS Capital	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1 below	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	28 October 2019	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		984,400,207	Ordinary shares (KAI)

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	20,060,499	Options exercisable at \$0.026 on or before 31 December 2019
	31,500,000	Performance rights
	132,818,181	Options exercisable at \$0.10 on or before 31 December 2020
	6,362,000	Options exercisable at 2.5 cents on or before 31 December 2021
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

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17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	

+ See chapter 19 for defined terms.

- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

To be provided after completion of rights issue

- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

To be provided after completion of rights issue

+ See chapter 19 for defined terms.

- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought

- 39 Class of +securities for which quotation is sought

- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
1. the date from which they do
 2. the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 3. the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-

- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
-

- | | Number | +Class |
|---|----------------------|----------------------|
| 42 Number and +class of all +securities quoted on ASX (including the securities in clause 38) | <input type="text"/> | <input type="text"/> |

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

+ See chapter 19 for defined terms.

- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 28 October 2019

Print name: Adrien Wing
Company secretary

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	852,272,839
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	852,272,839

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	127,840,926
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	46,900,084 shares and 6,362,000 options shares per this Appendix 3B
“C”	53,262,084
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	127,840,926
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	53,262,084
Total [“A” x 0.15] – “C”	74,578,842 [Note: this is the remaining placement capacity under rule 7.1]

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	852,272,839
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	85,227,284
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	85,227,284 per this Appendix 3B
“E”	
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	85,227,284
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	85,227,284
Total [“A” x 0.10] – “E”	Nil <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

28 October 2019

Cleansing Statement

Kairos Minerals Limited (ASX:KAI) (**Company**) has today issued 122,727,278 fully paid ordinary shares to participants in its placement announced on 22 October 2019. In addition, the Company has issued 9,400,090 shares representing \$103,400 in lieu of consulting fees.

The Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) that:

1. The above mentioned shares were issued without disclosure to investors under Part 6D.2, in reliance on section 708A(5) of the Corporations Act.
2. The Company, as at the date of this notice, has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act.
3. As at the date of this notice, there is no excluded information within the meaning of sections 708A(7) and (8) of the Corporations Act which is required to be disclosed by the Company.

In accordance with paragraph 7(f) of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, this cleansing notice also serves as a cleansing notice for the share purchase plan of the Company.



For and on behalf of Kairos Minerals Limited
Adrien Wing
Company Secretary