

QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2020

Updated 873,500oz Resource at the Pilbara Gold Project sets strong foundation as Kairos prepares for new phase of exploration at key intrusion-hosted gold targets near the exciting Hemi discovery

Highlights

- Pilbara Gold Project JORC 2012 Global Mineral Resource inventory, including the Mt York, Iron Stirrup and Old Faithful gold deposits, upgraded to:
 - **Indicated and Inferred Resource of 20.9Mt @ 1.30g/t Au for 873,500oz**
- The updated Mineral Resource has resulted in an overall increase in ounces, confidence and resource quality for open-pit mining.
- The updated Mineral Resource will underpin the commencement of open pit mining studies for the Pilbara Gold Project, to be undertaken in parallel with planned exploration activities at its regional gold projects.
- The Company is currently re-evaluating a number of intrusion-hosted gold exploration targets on its extensive portfolio of regional gold projects in light of the recently reported Hemi gold discovery by De Grey Mining (ASX: DEG), located just 20km north of Kairos' Kangan Project.
- The Hemi discovery, a blind discovery under 30m of transported cover sediments, is an exciting new style of gold mineralisation in the Pilbara region which has refocused investor attention on the potential for substantial new intrusion-hosted gold discoveries in a region where Kairos has a dominant exploration footprint.
- The Fuego Prospect is coherent, high-tenor gold-in-soil anomaly identified at the Croydon Project, with a zone measuring 8km long by 150-200m wide defined by soil sampling results above 30ppb Au. The anomaly includes a 1.1km long core of over 100ppb Au (0.1g/t) and up to a peak of 648ppb (0.64g/t).
- Heritage survey completed for proposed access tracks, trenches and drill pads.
- Key protocols implemented to allow the commencement of exploration in the Pilbara taking into consideration the restrictions and health and safety requirements of the current COVID-19 environment.
- The US Dollar gold price continued to rally during the March Quarter, moving through US\$1,600/oz, with the Australian Dollar gold price reaching a new all-time high of over A\$2,500/oz. Prices have continued to strengthen subsequent to quarter-end, currently trading at ~US\$1,700/oz (~A\$2,630/oz).

Corporate

- The company has cash, gold on hand and investments in listed entities to the value of \$1.1 million at the end of the quarter. The company has also implemented a cost reduction strategy including a reduction in director and executive salaries by 30%.



Figure1: Kairos Project Locations.

PILBARA GOLD PROJECT, PILBARA REGION (KAIROS: 100%)

Kairos' Pilbara Gold Project in Western Australia (Figure 1) comprises both a regionally extensive 1,158km² exploration portfolio targeting gold and copper mineralisation and a substantial gold Mineral Resource at the previously mined Mt York Project (previously the Lynas find gold mine), ~100km south-east of Port Hedland. At Mt York, the Company has defined total Indicated and Inferred Resources of **20.9Mt at 1.3g/t for 873,000oz** (comprising Indicated Resources of 6.8Mt at 1.3g/t for 285,000oz and Inferred Resources of 7.6Mt at 1.47g/t for 358,000oz).

Kairos' Kangan Project is located ~20km from the exciting new Hemi discovery, reported by De Grey Mining (ASX: DEG) during the Quarter. Recently reported drilling results from Hemi have defined three gold zones (Aquila, Brolga and Crow), with broad zones of up to 300m wide confirmed (refer De Grey Mining March Quarterly Report, 27 April 2020). De Grey has described Hemi, which is a blind discovery below 30m of transported cover sediments, as an exciting new style of intrusion-hosted gold mineralisation in the Pilbara region. The discovery has refocused investor attention on the potential of the Pilbara region – a district where Kairos has a large existing Mineral Resource base and large exploration footprint (see Figure 2) – for major new gold discoveries.

Table 1: Global Resources for the Pilbara Gold Project, reported at a 0.5g/t Au cut-off grade and to a maximum vertical depth of 195m.

Indicated			Inferred			Total		
Tonnes (kt)	Au (g/t)	Ounces (koz)	Tonnes (kt)	Au (g/t)	Ounces (koz)	Tonnes (kt)	Au (g/t)	Ounces (koz)
8,565	1.33	366	12,364	1.28	507	20,929	1.30	873

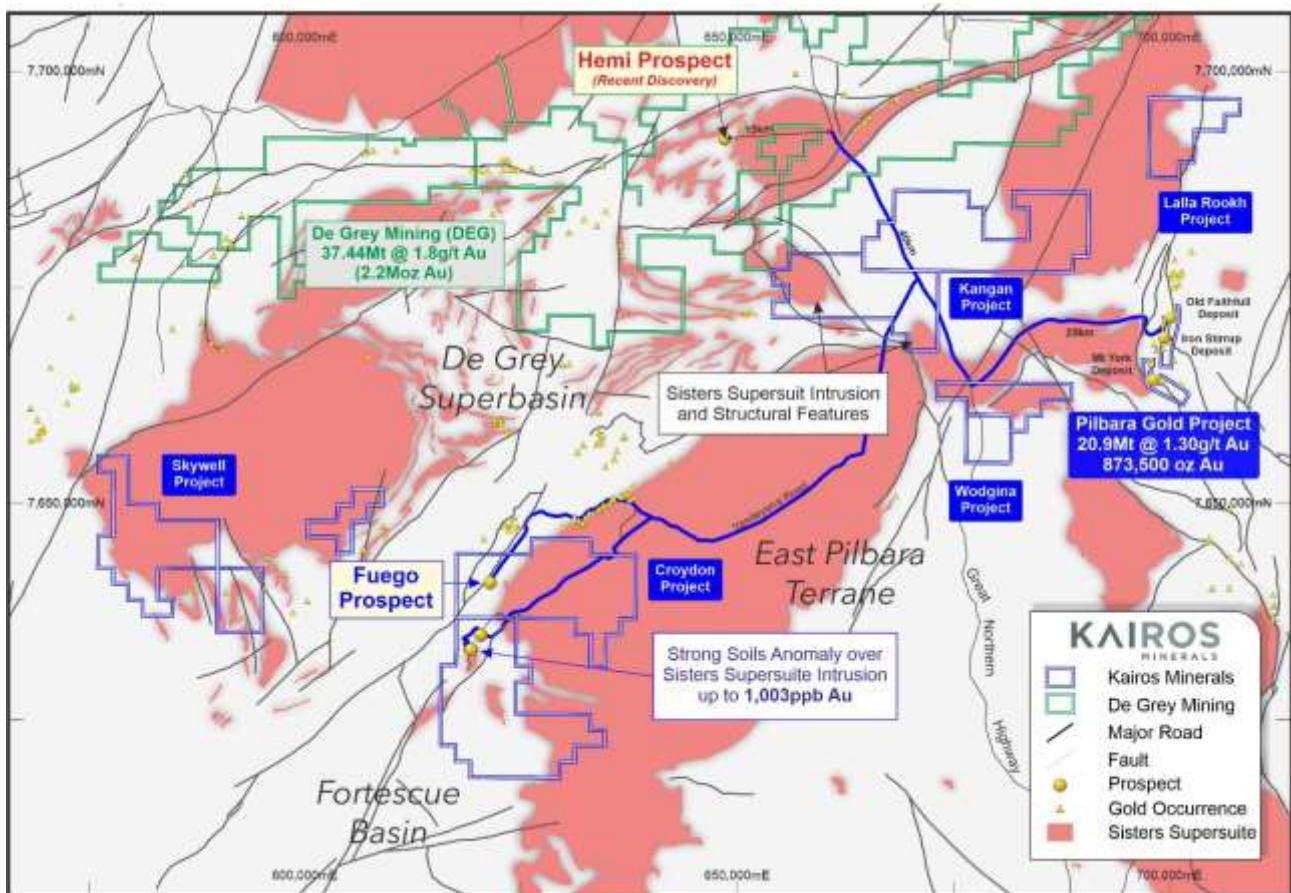


Figure 2. Pilbara Gold Project.

CROYDON GOLD PROJECT, PILBARA REGION (KAIROS 100%)

Ground-based soil & rock chip sampling and mapping undertaken during the 2019 field season has identified an extensive area of anomalous gold-in-soil related to sedimentary units of the Hardey Formation.

Results from this initial program defining a 150m to 200m wide gold anomaly above 30ppb gold extending over a strike length of 8.1km. A high-grade core extending over a strike length of 1.1km at greater than 100ppb gold was identified in the central part of the anomaly. Seven samples from the anomaly returned elevated gold results above 200ppb gold (0.2 g/t gold) up to a peak of 648ppb gold (0.64 g/t gold)

Subsequent analysis of gold pathfinder elements was conducted over the results, with four elements indicating a correlation to structural controls of the gold mineralisation. Arsenic (As), Bismuth (Bi), Molybdenum (Mo) and Antimony (Sb) anomalies have extended the anomalous zone to a total strike length of over 8km, which includes the original 4.1km long gold anomaly (refer ASX announcement of 24 September 2019) (Figure 3).

A major fault system of the Archaean North Pilbara Terrain has been mapped along the anomalous strike and is interpreted to be related to the geochemical anomalies. Several structural events have been defined for this Terrain and cross-cutting faults are being investigated for possible mineralisation control.

The new discovery represents a significant step forward in Kairos' ongoing gold exploration program in the Pilbara. Given its scale, coherent nature and high tenor, the anomaly has the potential to represent a significant conventional gold exploration target alongside the well-established gold potential of the area.

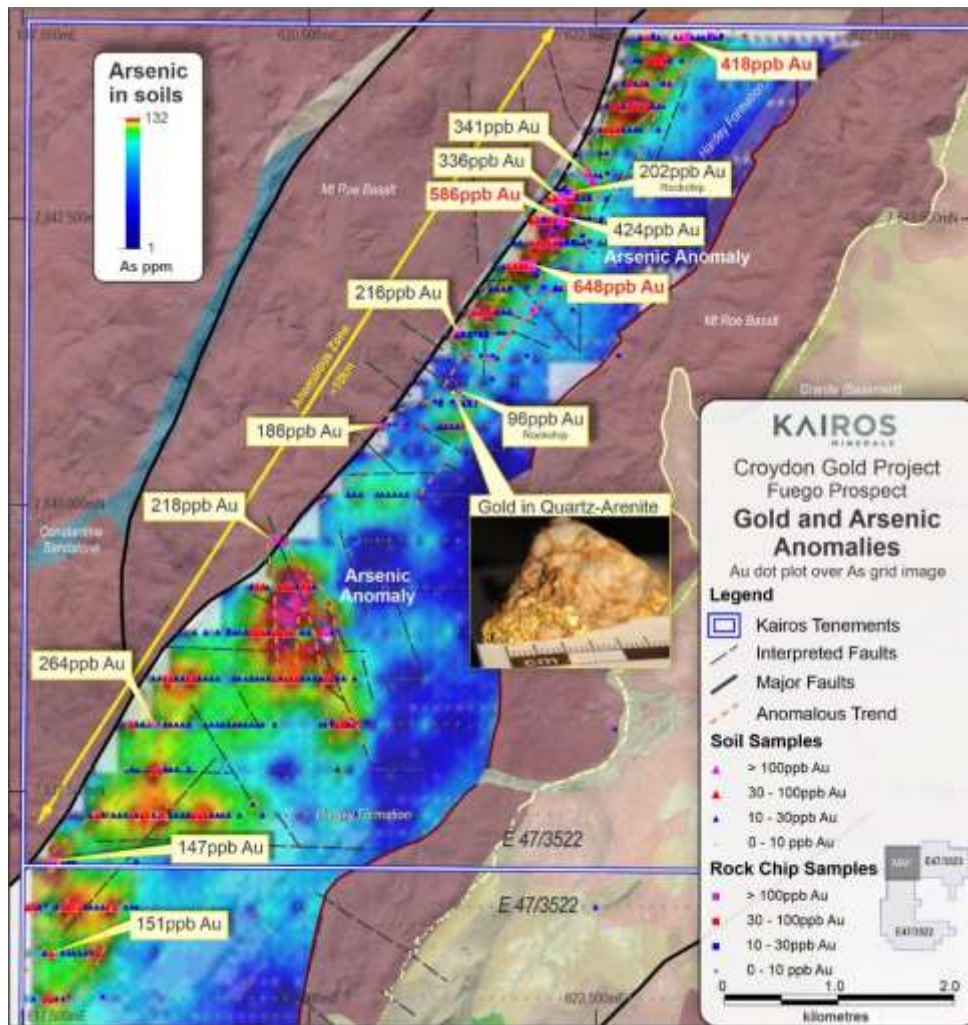


Figure 3: Fuego Prospect, gold and pathfinder element geochemistry



Figure 4: Primary Gold-Quartz-Arenite from the Fuego Prospect, found in the Hardey Formation sediments.

Further mapping, follow-up soils and rock chip sampling programs have been completed to investigate these pathfinder elements anomalies. Petrography has been completed on 14 samples to investigate this hydrothermal alteration.

There is typically minimal dispersion effect associated with gold-in-soil anomalism across the Pilbara, which means that a large and coherent anomaly such as this has strong potential to be associated with bedrock gold mineralisation.

Petrography/Mineralogy of the Gold-Quartz-Arenite

At the end of the 2019 exploration program, a total of 14 rock chip samples were dispatched for petrography and mineralogy analysis. These samples were collected within the significant soil results to test for hydrothermal signatures from the Fuego Prospect.

These rocks samples consist of nine arenites, five of which are rudaceous in nature, three conglomerates, one wacke and one mylonite. The gold-quartz-arenite was collected on the northern portion of the Fuego Prospect, within the Hardey Formation, and was sent to Townend Laboratory in Perth for petrographic description and SEM analysis.

The rock sample is essentially composed of quartz and gold (Figures 4 and 5). There are areas of recrystallized quartz arenite with no evidence of euhedralism to support a vein origin. The gold has a consistent silver content, around 6 percent, and is host to traces of fine galena.

The presence of silver and the consistency of the gold/silver composition suggests that the gold is primary and has not been subjected to leaching or been redeposited. This is supported by the inclusions of galena (Figure 5).

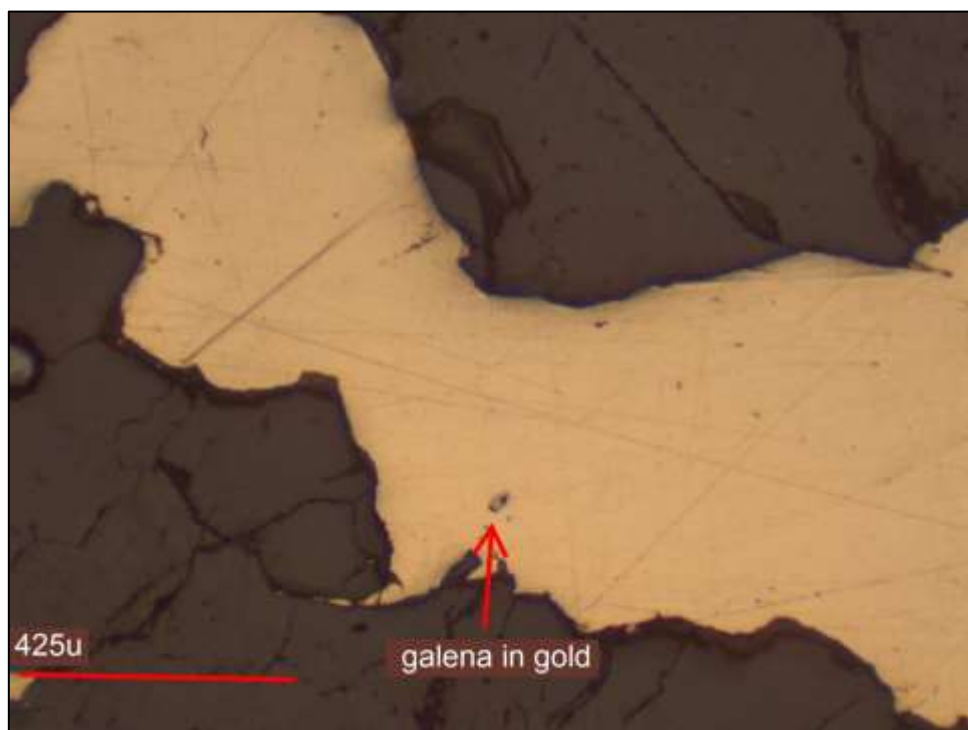


Figure 5: Slide of the gold-quartz-arenite and the galena in gold

There are several indicators of hydrothermalism within this batch of rock chips samples. The majority of the samples presented chlorite, sericite and carbonate alteration within their matrix, with the eventual presence of sphalerite, chalcopyrite, galena, pyrite (goethite) and gold, indicating hydrothermal alteration, (Figure 5).

In summary, the consistency of the silver/gold ratio, the presence of galena and the celadonite associated with the gold are all indicative that the gold is primary and not redeposited (nuggets). The gold is interpreted to have been emplaced directly into the quartz-arenite host as part of a structurally-controlled hydrothermal process.

High-Grade Copper-Gold Results from Archaean basement geology

Kairos has conducted a detailed mapping and rock chip sampling program along with the in-fill soil sampling program to follow-up on the previous significant results of the older Archaean basement.

The Company has delineated a 2.5km long corridor of highly anomalous soils and rock chips including outstanding surface copper and gold grades from rock chip sampling during field exploration programs completed during the December Quarter at the Croydon Project. Two rock chips collected 50m apart returned high copper-gold results, CYR170 (16.8% Cu – 4.3 g/t Au) and CYR455 (16.3% Cu - 1.3 g/t Au). These samples were collected from veins of approximately 0.5m width where Malachite-Sulphides-Quartz Vein is the dominant mineralogy (Figure 6 and 7). These anomalous rocks outcrop at the footwall of an Ultramafic unit of the older Archaean basement.

The latest exploration success builds on the extensive gold-in-soils anomaly reported in the announcements of 28 August and 24 September 2019, and further upgrades the exploration potential of the project for structurally hosted gold and copper mineralisation.

In light of the recent Hemi discovery by De Grey Mining Limited (ASX: DEG), the Company is reviewing previous results and also conducting further target generation for Hemi-style intrusive related gold mineralisation. This work has already highlighted further potential to add to the Company's already extensive portfolio of gold targets.



Figure 6: Rock chips samples of the high copper-gold vein in the older Archaean basement.



Figure 7: Historical trench and the high topographic older Archaean basement in the background where sample CYR170 was collected.

MOUNT YORK PROJECT, PILBARA REGION (KAIROS 100%)

Pilbara Gold Project Resource Update

Following an extensive review of existing data, including the results from Kairos drilling programs over the Mt York Deposit and with the application of new parameters, the new global Indicated and Inferred Mineral Resource for the centrally located Mt York, Iron Stirrup and Old Faithful deposits (Figure 8) the company has been able to update the global Mineral Resources of the Pilbara Gold Project (Table 2).

Technical work on the Mineral Resources was completed by independent consultants Auralia Mining Consulting, Perth WA. The updated Mineral Resource was based on an extensive review of all Project data that included, the full details of this resource update can be found in an ASX announcement on 4 March 2020.

- A review of all the historical data and drilling completed by Kairos in 2016 and 2017, (see ASX Announcements – 28 October 2016, 9 November 2016, 17 November 2016, 19 December 2016, 10 February 2017, 29 May 2017, 30 November 2017, 4 December 2017 and 18 December 2017).
- Re-interpretation and the subsequent wireframing of the mineralisation envelope for the Mt York Deposit, including the data from the drilling completed by Kairos in 2018 (see ASX Announcement – 2 October 2018).
- Validation and wireframing of the Base of Oxidation Zone and Fresh Rock profile, based on all drilling data, to obtain a more accurate tonnage for oxide, transitional and fresh ore.

Table 2: Global Resources for the Pilbara Gold Project, at March 2020, reported above a cut-off grade of 0.5g/t Au.

Deposit	Indicated			Inferred			Total		
	Tonnes (kt)	Au (g/t)	Ounces (koz)	Tonnes (kt)	Au (g/t)	Ounces (koz)	Tonnes (kt)	Au (g/t)	Ounces (koz)
Mt York	6,844	1.29	284	10,419	1.23	413	17,263	1.26	698
Iron Stirrup	797	1.63	41	843	1.65	45	1,639	1.64	86
Old Faithful	925	1.33	39	1,102	1.41	50	2,027	1.37	89
Total	8,565	1.33	366	12,364	1.28	507	20,929	1.30	873

Note: Numbers may not total due to rounding

- (1) Resources are constrained within a whittle shell that assumed basic economic parameters
- (2) Mt York comprises of the Breccia Hill, Main Hill and Gossan Hill deposits
- (3) Resource was previously released to the ASX 4 March 2020 -

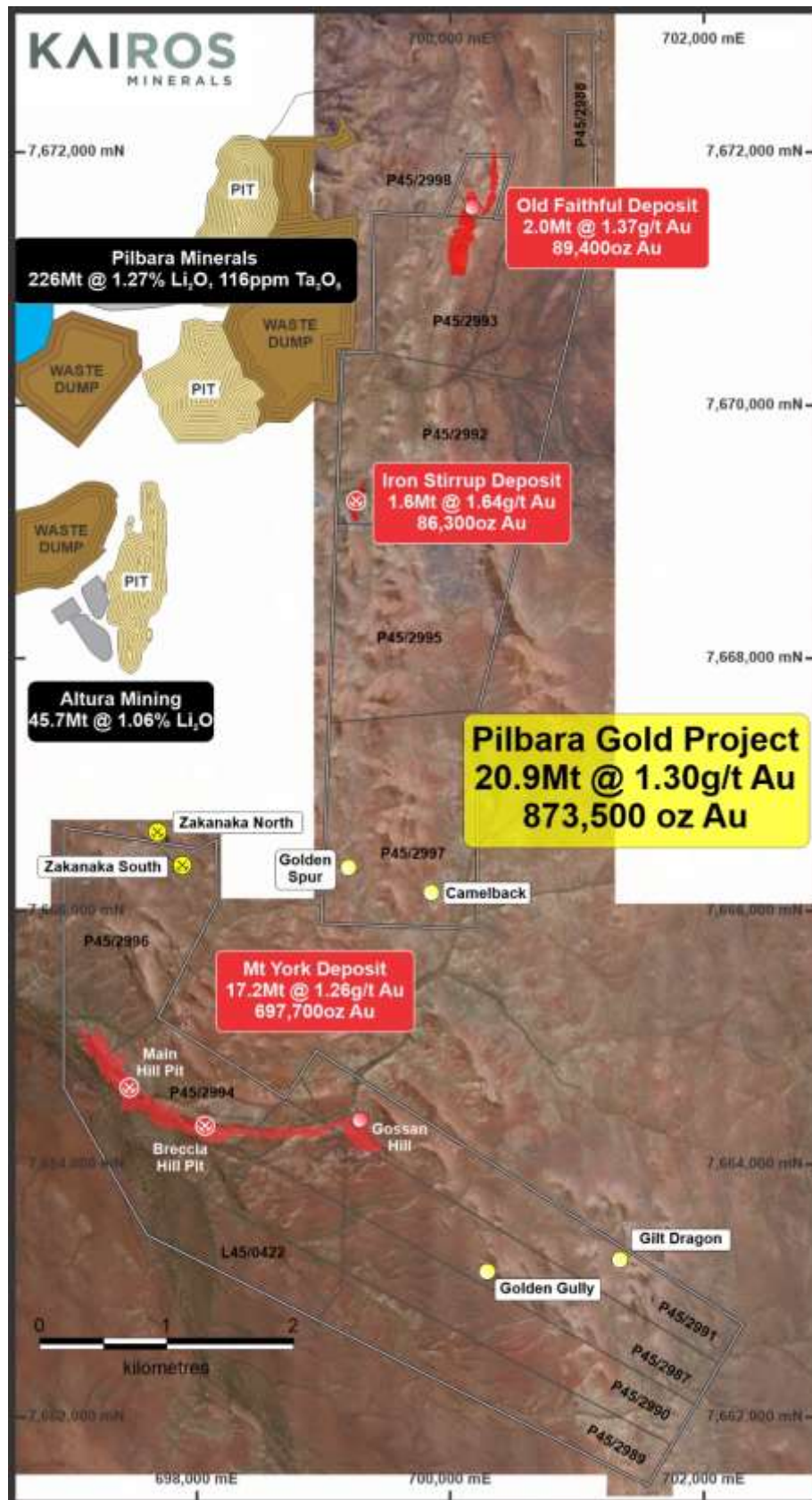


Figure 8: Pilbara Gold Project Location, Mineral Resources.

Iron Stirrup

Kairos recently completed a Reverse Circulation (RC) drilling program at the Iron Stirrup gold deposit (Figure 8), which forms part of the Mt York Gold Project.

The drilling was targeting extensions to the mineralisation beneath and along strike from the existing Iron Stirrup open pit, which was mined historically in the 1990s.

The company has not been able to access site to obtain 1m samples from this drill program due to delays over summer due to wet weather and more recently due to COVID 19. The company now expects field activities to commence in May with results to follow in due course.

A total of 12 holes were completed for 1,218m with many holes unable to be completed during the reporting period due to a requirement for additional earthworks. These holes will now form part of the Company's initial exploration activities in 2020.

The Iron Stirrup and Old Faithful prospect lies within the Pilgangoora Greenstone Belt of the Archaean Pilbara Craton. The Pilbara Craton is composed of greenstone and sediment units which have been deformed during the intrusion of diaphic granites.

The Iron Stirrup ultramafic is the main host rock for gold mineralisation at the Old Faithful and Iron Stirrup prospects. The unit is dominantly talc-carbonate schist with some talc-carbonate-chlorite and talc-chlorite assemblages.

The gold mineralisation at Iron Stirrup is contained within a well foliated talc-carbonate-magnetite-serpentine rock with associated pyrite and pyrrhotite. The mineralisation at the Iron Stirrup prospect extends to a vertically drilled depth of at least 125m, in part of the zone and remains open at depth throughout most of the strike length (Strike 010), and dips westerly at around 70-80°.

ROE HILLS PROJECT, EASTERN GOLDFIELDS, WA (KAIROS: 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, nickel and cobalt discoveries.

Kairos has completed four gold-focused exploratory drilling campaigns at the Roe Hills Project, located approximately 120km east of Kalgoorlie.

The company is nearing completion of a full review of the extensive geochemical database and reinterpretation of various geophysical data sets to generate near term air core drilling targets for near surface gold mineralisation.

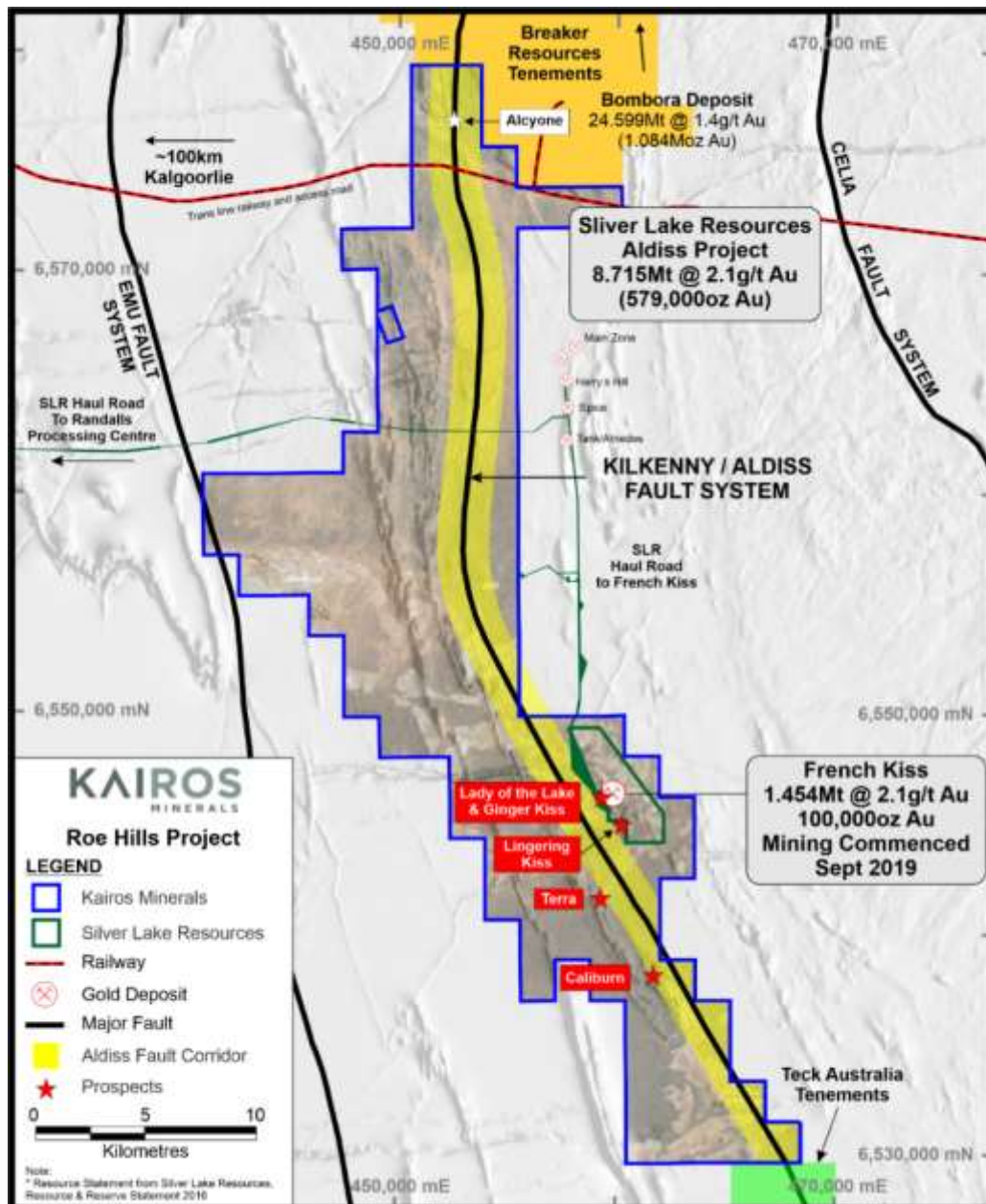


Figure 9: Roe Hills Project prospect locations.

The Black Cat gold prospect lies at the northern end of Kairos' 100% owned Roe Hills Gold Project. The prospect is located in a structurally and geologically complex area, adjacent to the Regionally significant Keith-Kilkenny Shear zone, host to Breaker Resources Ltd's (ASX:BRB) Bombora Gold Project, 23.21MT at 1.3 g/t Au for 981koz and Silver Lake Resources (ASX:SLR) Aldiss Project, 8.715Mt at 2.1 g/t Au for 579koz), which includes the operating Harrys Hill and French Kiss open cut mines, located along strike to the south of the Black Cat prospect. (see Figure 9)

Soil sampling conducted by the Company at Black Cat, returned regionally anomalous gold values extending over 400m (> 20 ppb Au, max 64 ppb Au) strike, associated with elevated pXRF arsenic anomalism.

CORPORATE

The company has cash, gold on hand and investments in listed entities to the value of \$1.1 million at the end of the quarter. The company has also implemented a cost reduction strategy including a reduction in director and executive salaries by 30%.

This announcement has been authorised for release by the Board.

Terry Topping
Executive Chairman

For further information, please contact:**Investors:**

Mr Terry Topping
Executive Chairman
Kairos Minerals Limited

Media:

Nicholas Read/Paul Armstrong
Read Corporate
Ph: 08 9388 1474

COMPETENT PERSON STATEMENT:

Competent Person: The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr Terry Topping, who is a Director of Kairos Minerals Ltd and who is also a Member of AusIMM. Mr Topping 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). Mr Topping 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 Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

About Kairos Minerals

Kairos Minerals (ASX: KAI) is a diversified West Australian-based exploration company which is focused on the exploration and development of two key project hubs located in WA's premier mining districts.

The Company's 100%-owned Pilbara Gold-Project has its central "hub" located ~100km south of Port Hedland in the world-class Pilgangoora district immediately adjacent to the major lithium-tantalum projects owned by Pilbara Minerals and Altura Mining which are both currently in production.

In the Pilbara, Kairos also holds 1,158 square kilometres of tenure which is highly prospective for gold and copper discoveries. The Company's portfolio includes ~100 strike kilometres of prospective lower Fortescue Group rocks including both the Hardey Formation and the basal sequence of the Mount Roe Basalt. Major exploration programs are underway targeting these highly prospective stratigraphic horizons, which have been associated with a number of recent high-profile gold discoveries in the Pilbara.

Since acquiring the project in early 2016, Kairos has rapidly established a 873,000oz JORC 2012 compliant Gold Mineral Resource by re-evaluating the previously known resources from the historical Lynas Find gold project, which produced over 125,000oz of gold between 1994 and 1998 and by executing highly focussed, cost effective exploration in its own right.

Kairos's 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio where the Company's exploration work has confirmed the potential for significant discoveries of high-grade gold, nickel and cobalt mineralisation. Kairos' tenure adjoins the emerging Lake Roe Gold Project, owned by Breaker Resources (ASX: BRB) and Silver Lake Resources' (ASX: SLR) Aldiss Gold Project

Tenement Schedule

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Roe Hills	WA	100%			100%
E28/1935					
E28/2117					
E28/2118					
E28/2495					
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					
Wodjina Project					
E45/4715	WA	100%		JV Altura	100%
E45/4780				JV Altura	
E45/4740					
E45/4731					
L45/505					

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Mt York Project					
P45/2987	WA	100%			100%
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					
Croydon Project					
E47/3519	WA	100%			100%
E47/3520					
E47/3521					
E47/3522					
E47/3523					
Lalla Rookh Project					
E45/4741	WA	100%			100%
E45/5486	WA	100%			100%
E45/5487					
Taipan Project					
E45/4806	WA	100%			100%
Woodcutters Project					
E28/2646	WA	100%			100%
E28/2647					
E28/2648					

Appendix 5B

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

Name of entity

Kairos Minerals Limited (ASX:KAI)

ABN

84 006 189 331

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation (if expensed)		
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(272)	(995)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	5
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(272)	(990)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation (if capitalised)	(374)	(1,438)
(e) investments	-	(23)
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(374)	(1,461)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,716
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(118)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	1,598

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,290	1,497
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(272)	(990)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(374)	(1,461)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,598

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	644	644

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	644	1,290
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	644	1,290

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
58
-

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

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 Unused financing facilities available at quarter end

-

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(272)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(374)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(646)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	644
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	644
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Kairos intends to raise additional capital within the next 2 quarters.

This capital raising may be by way of a placement of equity securities using the entity's existing placement capacity under listing rules 7.1 and/or 7.1A. Kairos currently has the capacity to issue an aggregate of 130.4m equity securities under listing rule 7.1 and 97.5m equity securities under listing rule 7.1A.

Alternatively, Kairos may seek to undertake a pro-rata offer to shareholders or a securities purchase plan. It is noted however that Kairos will not be in a position to undertake a securities purchase plan until December 2020 (being 12 months after shares were issued under the Company's previous securities purchase plan)

Given the Company's historical ability to raise capital and a supportive shareholder base, the Board considers it likely that the Company will be successful in completing this capital raising when required.

The board of directors is currently managing this process and is confident that the capital raising initiatives being planned will be successful. When determining the final structure of the capital raising, the Board will have regard to, amongst other things, the time and cost required for the capital raising, and ensuring the Company has an appropriate and optimal shareholder base.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. Kairos expects that it will be able to continue its operations and to meet its business objectives based on the responses outlined in section 2 above.

Compliance statement

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

Date:30 April 2020.....

Authorised by: 

Terence Topping – Executive Chairman

Authorised for release by the board of directors.

Notes

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