



KAIROS MINERALS LIMITED
ACN 006 189 331

NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at The Celtic Club, 48 Ord Street West Perth, Western Australia on Wednesday, 21 November 2018 at 11.00am (WST).

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9226 1141

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Kairos Minerals Limited (**Company**) will be held at The Celtic Club, 48 Ord Street West Perth, Western Australia on Wednesday, 21 November 2018 at 11.00am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 19 November 2018 at 5:00pm (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
 - (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.
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2. RESOLUTION 2 - RE-ELECTION OF MR BRUNO SENEQUE AS DIRECTOR

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with article 22.1 of the Constitution and for all other purposes, Mr Bruno Seneque, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

3. RESOLUTION 3 - RATIFICATION OF PRIOR ISSUE OF 8,000,000 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 8,000,000 Shares to Tyranna Resources Limited and Tribal Mining Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Tyranna Resources Limited and Tribal Mining Pty Ltd or any associate of those persons.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (a) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 - RATIFICATION OF PRIOR ISSUE OF 536,193 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 539,193 Shares to Mugarinya Community Association Inc on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mugarinya Community Association Inc or its associates.

The Company will not disregard a vote if:

- (b) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
 - (c) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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5. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF 1,000,000 SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,000,000 Shares to S3 Consortium Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of S3 Consortium Pty Ltd or any of its associates.

The Company will not disregard a vote if:

- (d) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (e) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who is expected to participate in the 10% Placement Facility and a person who will obtain a material benefit as a result of the proposed issue if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (a) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 12 October 2018

By order of the Board



Adrien Wing
Company Secretary

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Celtic Club, 48 Ord Street West Perth, Western Australia on Wednesday 21 November 2018 at 11.00am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

A Proxy Form is located at the end of this Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 11.00 am (WST) on Monday, 19 November 2018, being at least 48 hours before the Meeting

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy holders

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons on those Resolutions if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
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- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.kairosminerals.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4. RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more ("**Strike**") at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2017 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2019 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. RESOLUTION 2 – RE-ELECTION OF MR BRUNO SENEQUE AS DIRECTOR

Article 22.1 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third to retire at each annual general meeting.

Article 22.4 of the Constitution states that a Director who retires under article 22.1 is eligible for re-election.

Resolution 2 provides that Mr Bruno Seneque retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Mr Bruno Seneque are in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr Bruno Seneque) supports the re-election of Mr Bruno Seneque and recommends that Shareholders vote in favour of Resolution 2.

6. RESOLUTION 3 - RATIFICATION OF PRIOR ISSUE OF 8,000,000 SHARES

6.1 General

Resolution 3 seeks Shareholder approval for the issue of 8,000,000 Shares to Tyranna Resources Limited and Tribal Mining Pty Ltd (**Tyranna Shares**), who are neither a related party nor an associate of a related party of the Company. The Tyranna Shares were issued as part consideration for the acquisition of the Pilbara Lithium-Gold Project, following the Company achieving at least 500,000 ounces of gold (as detailed in the announcement dated 23 May 2018).

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of Tyranna Shares did not breach Listing Rule 7.1.

The effect of passing Resolution 3 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

6.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 8,000,000 Tyranna Shares were issued to Tyranna Resources Limited and Tribal Mining Pty Ltd on 23 August 2018.
- (b) The Tyranna Shares were issued for a deemed issue price of \$0.04 per Tyranna Share.
- (c) The Tyranna Shares are fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares.
- (d) The Tyranna Shares are being issued as part of the consideration for the acquisition of the Pilbara Lithium-Gold Project pursuant to the Term Sheet announced to ASX by the Company on 28 January 2018 following the Company achieving 500,000 ounces of gold (as detailed in the announcement dated 23 May 2018).
- (e) A voting exclusion statement is included in the Notice for Resolution 3.

6.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

7. RESOLUTION 4 - RATIFICATION OF PRIOR ISSUE OF 536,193 SHARES

7.1 General

Resolution 4 seeks Shareholder approval for the issue of 536,193 Shares to Mugarinya Community Association Inc (**Mugarinya Shares**), who is neither a related party nor an associate of a related party of the Company. The Mugarinya Shares were issued in lieu of consideration valued at \$20,000 for third party consultants fees associated with monitoring and upgrade of sports courts and containers in connection with the Pilbara Conglomerate Gold Project.

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of Shares under the Placement did not breach Listing Rule 7.1.

The effect of passing Resolution 4 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 536,193 Mugarinya Shares were issued to Mugarinya Community Association Inc on 23 August 2018.
 - (b) The Mugarinya Shares were issued for nil consideration. The deemed issue price for the Mugarinya Shares is \$0.0373 per Mugarinya Share.
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- (c) The Mugarinya Shares are fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares.
- (d) The Mugarinya Shares were issued in lieu of consideration valued at \$20,000 for third party consultants fees associated with monitoring and upgrade of sports courts and containers in connection with the Pilbara Conglomerate Gold Project.
- (e) A voting exclusion statement is included in the Notice for Resolution 4.

7.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

8. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF 1,000,000 SHARES

8.1 General

Resolution 5 seeks Shareholder approval for the issue of 1,000,000 Shares to S3 Consortium Pty Ltd (**S3 Shares**), who is neither a related party nor an associate of a related party of the Company. The S3 Shares were issued in lieu of consideration valued at \$55,000 for investor relation services.

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1. The Company confirms that the issue of Shares under the Placement did not breach Listing Rule 7.1.

The effect of passing Resolution 5 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

8.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 1,000,000 S3 Shares were issued to S3 Consortium Pty Ltd on 23 August 2018.
- (b) The S3 Shares were issued at a deemed issue price of \$0.055 per S3 Share.
- (c) The S3 Shares are fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and rank equally in all respects with the existing Shares.
- (d) The S3 Shares were issued in lieu of consideration valued at \$55,000 for investor relation services.
- (e) A voting exclusion statement is included in the Notice for Resolution 5.

8.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

9. RESOLUTION 6 - APPROVAL OF 10% PLACEMENT FACILITY

9.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c)).

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 6.

9.2 Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities, Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

- (C) plus the number of Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without Shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 852,272,839 Shares and, assuming Resolutions 3, 4 and 5 are approved by Shareholders, therefore has a capacity to issue:

- (i) 127,840,925 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 6, 85,227,283 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX,

(the **10% Placement Period**).

9.3 Effect of Resolution

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

9.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

 - (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,which may have an effect on the amount of funds raised by the issue of the Equity Securities.

 - (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.

 - (d) The table also shows:
 - (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
 - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.
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Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.016 50% decrease in Issue Price	\$0.032 Issue Price	\$0.064 100% increase in Issue Price
Current Variable A 684,559,922 Shares	10% Voting Dilution	68,455,922 Shares	68,455,922 Shares	68,455,922 Shares
	Funds raised	\$1,095,296	\$2,190,592	\$4,381,184
50% increase in current Variable A 1,026,839,883 Shares	10% Voting Dilution	102,683,988 Shares	102,683,988 Shares	102,683,988 Shares
	Funds raised	\$1,642,944	\$3,285,888	\$6,571,775
100% increase in current Variable A 1,369,119,844 Shares	10% Voting Dilution	136,911,984 Shares	136,911,984 Shares	136,911,984 Shares
	Funds raised	\$2,190,592	\$4,381,184	\$8,762,367

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.032, being the closing price of the Shares on ASX on 10 October 2018.
 - (viii) This table assumes that Resolutions 3, 4 and 5 of this Notice are approved by Shareholders.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period.

- (f) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company. .
- (j) Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the subscribers under the 10% Placement Facility will be the vendors of the new resources assets or investments.
- (k) In the 12 months preceding the date of the Meeting the Company issued a total of 206,899,139 Equity Securities which represent 33.89% of the total number of Equity Securities on issue at 21 November 2017. Further detail as required under Listing Rule 7.3A.6 in respect of these Shares issued is set out in Schedule .
- (l) A voting exclusion statement is included in the Notice for Resolution 6.
- (m) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

9.5 Director Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

SCHEDULE 1: DEFINITIONS

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 9.1.

10% Placement Period has the meaning given in Section 9.1(f).

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2018.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Kairos Minerals Limited (ACN 006 189 331).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listed Option means an Option listed on ASX.

Listing Rules means the listing rules of ASX.

Managing Director means the managing director of the Company.

Meeting has the meaning in the introductory paragraph of the Notice.

Mugarinya Shares has the meaning given in Section 7.1.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Office means office as a Director.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

S3 Shares has the meaning given in Section 8.1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Tyranna Shares has the meaning given in Section 6.1.

VWAP means volume weighted average price.

WST means Australian Western Standard Time, being the time in Perth, Western Australia.

SCHEDULE 2: LISTING RULE 7.3A.6 DISCLOSURE

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount/Premium to market price (per cent.)	Consideration	
1.	23 November 2017	17,755,463	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.067 38.81% discount	Total consideration:	\$461,642
							If cash consideration, amount of consideration spent (A\$):	\$461,642
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
2.	5 December 2017	19,255,065	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.050 52% discount	Total consideration:	\$500,631.69
							If cash consideration, amount of consideration spent (A\$):	500,631.69
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
3.	14 December 2017	17,465,790	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.049 53.1% discount	Total consideration:	\$454,110.54
							If cash consideration, amount of consideration spent (A\$):	\$454,110.54
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
4.	4 January 2018	2,255,263	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.047 55.32% discount	Total consideration:	\$58,636.84
							If cash consideration, amount of consideration spent (A\$):	\$58,636.84
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount/Premium to market price (per cent.)	Consideration	
5.	12 January 2018	132,818,181	Unlisted options	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	Nil	NA	Total consideration:	NA
							If cash consideration, amount of consideration spent (A\$):	NA
							If cash consideration, what consideration was spent on:	NA
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	Based on the Black Scholes pricing model, the market price of traded Shares on 24 September 2018 of \$0.036, the options would have a value of \$0.012.
6.	23 January 2018	1,850,000	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.041 63.41% discount	Total consideration:	\$48,100
							If cash consideration, amount of consideration spent (A\$):	\$48,100
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
7.	8 May 2018	100,000	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.038 68.42% discount	Total consideration:	\$2,600
							If cash consideration, amount of consideration spent (A\$):	\$2,600
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
8.	15 May 2018	536,322	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.036 72.2% discount	Total consideration:	\$13,944.37
							If cash consideration, amount of consideration spent (A\$):	\$13,944.37
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount/Premium to market price (per cent.)	Consideration	
9.	19 July 2018	600,020	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.034 76.47% discount	Total consideration:	\$15,600.52
							If cash consideration, amount of consideration spent (A\$):	\$15,600.52
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA
10.	23 August 2018	8,000,000	Fully paid ordinary shares ranking equally with the Company's existing Shares	Tyranna Resources Limited and Tribal Mining Pty Ltd	Deemed issue price of \$0.04	NA	Total consideration:	\$320,000
							If cash consideration, amount of consideration spent (A\$):	NA
							If cash consideration, what consideration was spent on:	NA
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	The shares were issued as part of the consideration for the acquisition of the Pilbara Lithium-Gold Project pursuant to the Term Sheet announced to ASX by the Company on 28 January 2018 following the Company achieving 500,000 ounces of gold (as detailed in the announcement dated 23 May 2018).
11.	23 August 2018	536,193	Fully paid ordinary shares ranking equally with the Company's existing Shares	Mugarinya Community Association Inc	Nil	NA	Total consideration:	Nil
							If cash consideration, amount of consideration spent (A\$):	NA
							If cash consideration, what consideration was spent on:	NA
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	The Shares were issued in lieu of consideration valued at \$20,000 for third party consultants fees associated with monitoring and upgrade of sports courts and containers in connection with the Pilbara Conglomerate Gold Project.

No.	Date of Issue	Number	Class	Persons to whom the securities were issued	Issue price (A\$)	Discount/Premium to market price (per cent.)	Consideration	
12.	23 August 2018	1,000,000	Fully paid ordinary shares ranking equally with the Company's existing Shares	S3 Consortium Pty Ltd	Deemed issue price of \$0.055	Nil	Total consideration:	Nil
							If cash consideration, amount of consideration spent (A\$):	NA
							If cash consideration, what consideration was spent on:	NA
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	The Shares were issued in lieu of consideration valued at \$55,000 for investor relation services.
13.	23 August 2018	4,736,842	Fully paid ordinary shares ranking equally with the Company's existing Shares	Sophisticated and professional investors, clients of CPS Capital Group Pty Ltd and Patersons Securities Limited	\$0.026 per share	Closing price: \$0.032 81.25% discount	Total consideration:	\$123,157.89
							If cash consideration, amount of consideration spent (A\$):	\$123,157.89
							If cash consideration, what consideration was spent on:	General working capital
							If cash consideration, intended use for remaining consideration:	NA
							If non cash consideration, current value:	NA

PROXY FORM

The Company Secretary
Kairos Minerals Limited

By delivery:
Level 1, 14 Outram Street
West Perth WA 6005

By post:
Level 1, 14 Outram Street
West Perth WA 6005

By facsimile:
+61 8 9614 0550

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 - Appoint a Proxy to Vote on Your Behalf

The Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at 11.00am (WST) on Wednesday, 21 November 2018, at The Celtic Club, 48 Ord Street, West Perth, Western Australia and at any adjournment or postponement of that Meeting.

Important – If the Chairman is your proxy or is appointed as your proxy by default

The Chairman intends to vote all available proxies in favour of the Resolutions. If the Chairman is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to a Resolution, you will be expressly authorising the Chairman to vote in accordance with the Chairman's voting intentions on that Resolution even if that Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel or a Closely Related Party of Key Management Personnel.

Step 2 - Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Remuneration Report			
Resolution 2	Re-Election of Mr Bruno Seneque as Director			
Resolution 3	Ratification of Prior Issue of 8,000,000 Shares			
Resolution 4	Ratification of Prior Issue of 536,193 Shares			
Resolution 5	Ratification of Prior Issue of 1,000,000 Shares			
Resolution 6	Approval of 10% Placement Facility			

The Chairman intends to vote all available and undirected proxies in favour of each.

In exceptional circumstances, the Chairman may change his voting intent on any Resolution, in which case an ASX announcement will be made.

Authorised signature/s

This section *must* be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at the Perth office of the Company (43 Outram Street, West Perth WA 6005 or +61 3 9614 0550 if faxed or by email at amwing@northernstargroup.com.au) not less than 48 hours prior to the time of commencement of the Meeting (WST).