

GOLD EXPLORATION ADVANCES AT ROE HILLS AS KAIROS GEARS UP FOR NEW DRILLING CAMPAIGN

FLEM & DHEM surveys in progress; extensive soil sampling complete; key tenements granted

Highlights:

- Surface Fixed Loop EM (FLEM) & DHEM surveys underway at “Lady of the Lake Prospect”, where recent drilling intersected thick zones of gold mineralisation.
- Region wide soil sampling is complete.
- Kairos’ Prospecting Licenses (P28/1293-1300) which surround Silver Lake Resources’ (ASX: SLR) French Kiss Deposit granted.
- Priority gold drilling targets to be finalised following full assessment of final soil sampling and geophysical results.
- Drilling planned to commence on priority Gold Targets in June 2017

Kairos Minerals Ltd (ASX: KAI; “Kairos” or “the Company”) is pleased to advise it is preparing for a new phase of gold exploration drilling at its 100%-owned **Roe Hills Gold-Nickel-Cobalt Project**, located 120km east-south-east of Kalgoorlie in Western Australia (see Figure 1), with a range of geophysical and geochemical programs underway to refine drill targets for testing from next month.

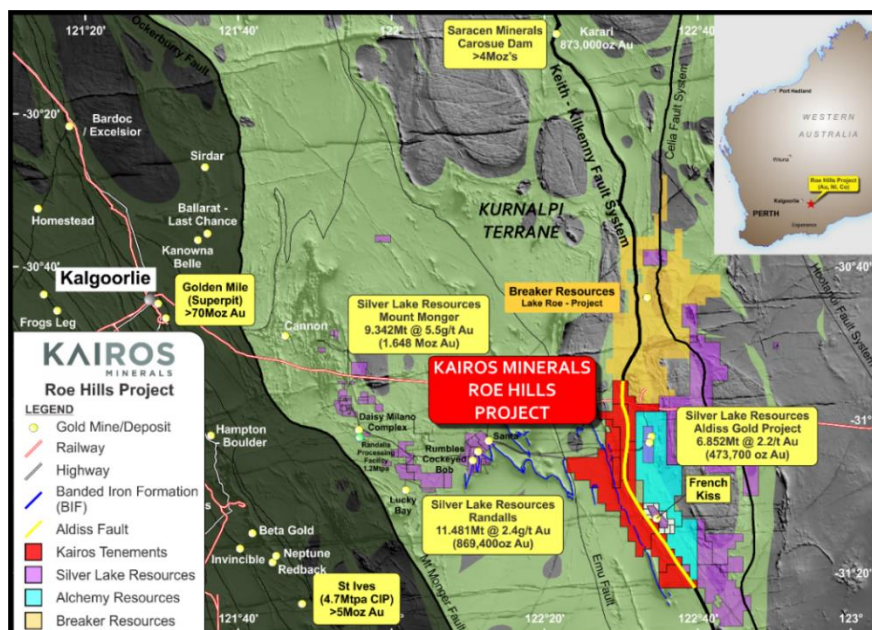


Figure 1. Roe Hills Project Location

A Surface Fixed Loop EM (FLEM) survey and a down hole (DHEM) survey (RHDD0037) are underway at the 'Lady of the Lake' Prospect, where recent drilling returned highly encouraging results beneath shallow transported lake sediments. (Refer Figure 4)

In addition a project-wide soil sampling programme has recently been completed over selected areas displaying residual soils. Analysis using portable XRF is in progress.

The results from these programs will be used to refine and prioritise targets identified from the recent highly successful gold drilling program at Roe Hills which returned multiple strong results across three key prospects – Terra Trend, Lady of the Lake and Talc Lake (Refer Figures 2 & 3; KAI ASX Announcement 06/04/2017). It will also help elevate the status of a number of regional structural targets identified from the recently acquired detailed gravity and aeromagnetic geophysical surveys.

TERRA

- RHRC002: 14m @ 2.39 g/t gold from 79m, including
 - 8m @ 3.48 g/t gold from 80m; and
 - 1m @ 14.61 g/t gold from 85m
- RHDD033: 13.44m @ 1.27 g/t gold from 192.6m, including:
 - 3.45m @ 2.23 g/t gold from 195.4m; and
 - 1.62 g/t gold from 203.2m
- RHDD036: 8.21m @ 1.72 g/t gold from 180.79m, including:
 - 1.00m @ 11.32 g/t gold from 188m

LADY OF THE LAKE

- RHRC009: 21m @ 1.06 g/t gold from 94m, including:
 - 7m @ 2.70 g/t gold from 106m; and
 - 1m @ 10.98 g/t gold from 107m
- RHRC011: 54m @ 0.52 g/t gold from 4m, including:
 - 14m @ 0.88 g/t gold from 11m; and
 - 2m @ 1.05 g/t gold from 36m; and
 - 4m @ 1.70 g/t gold from 48m; and
 - 1m @ 2.63 g/t gold from 57m
- RHRC014: 14m @ 0.59 g/t gold from 51m, including:
 - 2m @ 2.65 g/t gold from 52m; and
 - 1m @ 1.01 g/t gold from 64m
- RHDD037: 3.78m @ 4.08 g/t gold from 125.39m, including:
 - 1.24m @ 10.09 g/t gold from 125.39m

TALCLAKE

- RHRC017: 16m @ 0.87 g/t gold from 106m, including
 - 4m @ 2.3 g/t gold from 106m; and
 - 1m @ 7.17 g/t gold from 108m
- RHRC018: 9m @ 1.15 g/t gold from 81m including
 - 4m @ 2.21 g/t gold from 81m and
 - 1m @ 5.40 g/t gold from 82m

The next campaign of gold focussed drilling at Roe Hills is planned to commence in June 2017 following completion of the current program of cobalt drilling (Refer Figure 2; KAI ASX Announcement 15/05/2017).

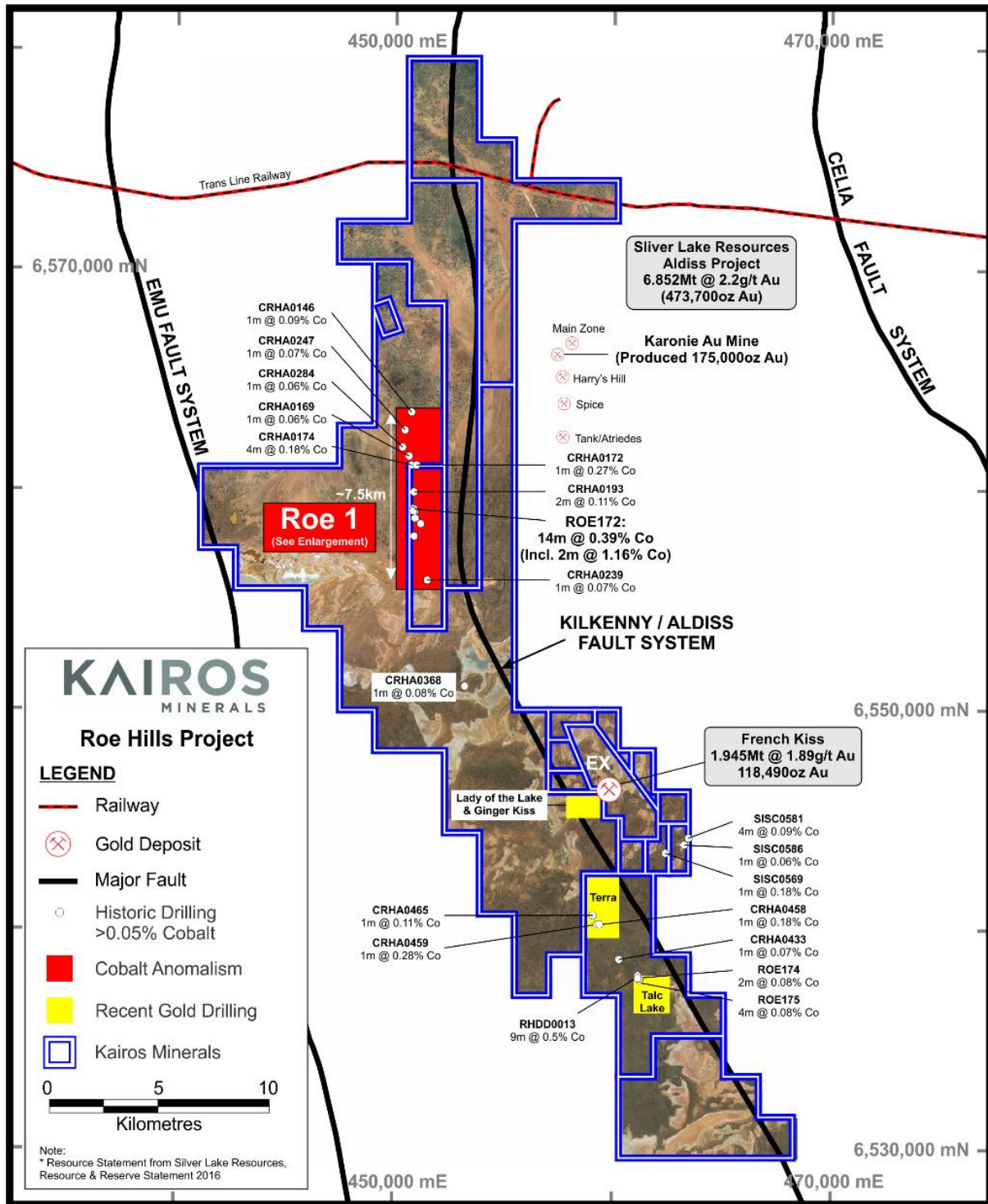


Figure 2. Project Tenure showing historical Key Gold Prospects & Cobalt drill intercepts

The Company has also received confirmation that 8 strategic Prospecting Licences P28/1293-1300 (Figure 3), securing potential strike extensions to Silver Lake Resources' French Kiss Gold Deposit (1,945Mt @ 1.89g/t Au , 118,490oz Au (JORC 2004), have been granted and are ready to be included in the upcoming round of drilling.

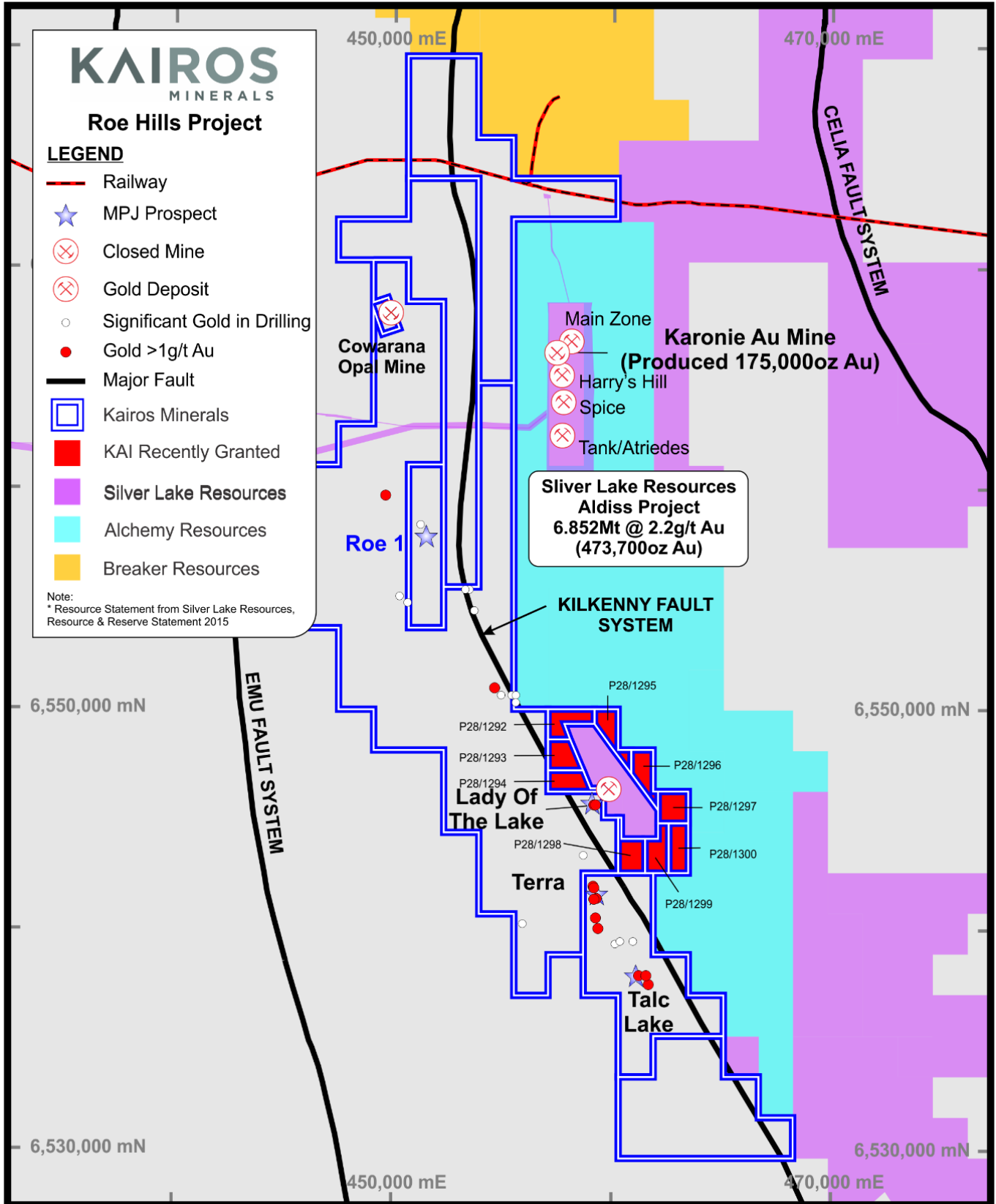


Figure 3: Roe Hills Project Recently Granted Tenements

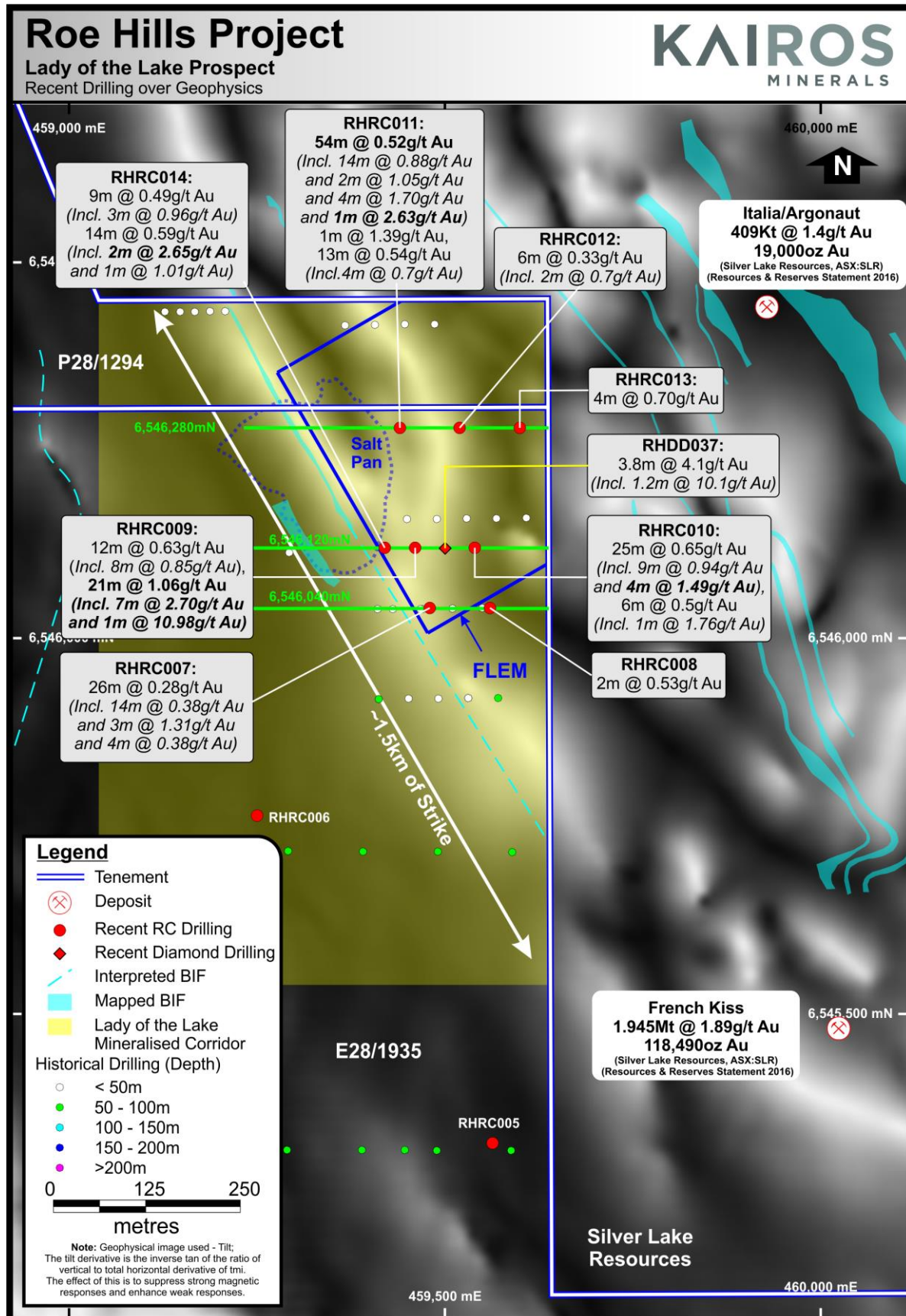


Figure 4: Lady of the Lake Prospect, recent gold drilling results & FLEM Survey

Management Comment

Kairos' Managing Director, Mr Joshua Wellisch, said the Company was continuing to aggressively advance its gold exploration activities at Roe Hills on several fronts.

"While we have a cobalt drilling program currently underway, as announced earlier this week, our main objective is to unlock the significant gold potential of this area – which lies just south of the exciting Breaker Resources discovery," he said.

"We have several important geophysical and geochemical programs underway to help refine our drill targeting and build on the outstanding success of our maiden drill program – which confirmed the significant gold endowment of our tenements.

"The completion of these ground-based EM geophysical surveys and advanced geochemical programs is critical to ensuring that we can maximise the return from the next round of drilling.

"This is an exciting time for the Company with news-flow now building on several fronts, starting with results from the cobalt drilling prior to the re-start of gold drilling next month."

ENDS

For further information, please contact:

Investors:

Mr Joshua Wellisch
Managing Director
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 Steve Vallance, who is the Technical Manager for Kairos Minerals Ltd and who is a Member of The Australian Institute of Geoscientists. The information was also reviewed by Mr Neil Hutchison, who is a Non Exec Director of Kairos Minerals Ltd and who is also a Member of The Australian Institute of Geoscientists. Both Mr Vallance and Mr Hutchison have 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 Vallance and Mr Hutchison have 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.