
KAIROS MINERALS LIMITED
ACN 006 189 331

NOTICE OF GENERAL MEETING

**The General Meeting of the Company will be held at the offices of BDO Australia, Rokeby Room,
38 Station Street, Subiaco WA 6008 on 19 June 2017 at 10.00am (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 Secretary by telephone on +61 3 9614 0600

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

KAIROS MINERALS LIMITED
ACN 006 189 331

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of shareholders of Kairos Minerals Limited (**Company**) will be held at the offices of BDO Australia, Rokeby Room, 38 Station Street, Subiaco WA 6008, on 19 June 2017 at 10.00am (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 14 June 2017 at 7.00pm (WST).

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

AGENDA

1. RESOLUTION 1 - RATIFICATION OF PRIOR ISSUE OF 47,619,048 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 47,619,048 Shares at an issue price of \$0.021 per Share on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the Placement and 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
- (b) 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.

2. RESOLUTION 2 – APPROVAL TO ISSUE SHORTFALL SHARES TO PATERSONS SECURITIES LIMITED UNDER THE SHARE PURCHASE PLAN

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

*"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue of up to 47,619,048 Shares (**Shortfall Shares**) to be issued to Patersons Securities Limited or its nominees at the same price as the Shares that are issued under the Share Purchase Plan on the terms and conditions in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who may participate in the issue of the Shortfall Shares and a person (and any associate of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting 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: 22 May 2017

By order of the Board

A handwritten signature in black ink, appearing to read 'Adrien Wing', with a horizontal line underneath.

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 offices of BDO Australia, Rokeby Room, 38 Station Street, Subiaco WA 6008 on 19 June 2017 at 10.00am (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.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Resolution 1 - Ratification of Share Placement
Section 4:	Resolution 2 - Approval to issue Shortfall Shares to Patersons Securities Limited under the Share Purchase Plan
Schedule 1:	Definitions

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 10.00am (WST) on 17 June 2017 being at least 48 hours before the Meeting

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

3. RESOLUTION 1 – RATIFICATION OF SHARE PLACEMENT

3.1 General

Resolution 1 seeks to ratify the placement of 47,619,048 Shares the Company has made to sophisticated and professional investors who are clients of Paterson Securities and CPS Capital Ltd on 22 May 2017 at an issue price of \$0.021 per Share using its placement capacity under Listing Rule 7.1, to raise \$1,000,000 (before costs) (**Placement**).

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 effect of passing Resolution 1 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 1 is an ordinary resolution.

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

3.2 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) 47,619,048 Shares were issued to sophisticated and professional investors on 22 May 2017;
- (b) the Shares were issued for \$0.021 per Share to raise \$1,000,000 before costs;
- (c) the Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued Shares;
- (d) the Company intends to use the funds raised from the Placement for development of the Company's Mt York and Roe Hills projects in Western Australia, along with working capital purposes; and
- (e) a voting exclusion statement is included in the Notice for Resolution 1.

3.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

4. RESOLUTION 2 - APPROVAL TO ISSUE SHORTFALL SHARES TO PATERSONS SECURITIES LIMITED UNDER THE SHARE PURCHASE PLAN

4.1 General

On 9 May 2017, the Company announced a conditionally underwritten share purchase plan (**Share Purchase Plan**) pursuant to which eligible Shareholders (as at 8 May 2017) will each be offered the opportunity to subscribe for up to \$15,000 worth of Shares at \$0.021 per Share to raise up to \$1,000,000 (before associated costs). The Company will issue a maximum of 47,619,048 Shares under the Share Purchase Plan, which is approximately 12.2% of the Company's total issued share capital (**Plan Shares**). The underwriting of the Share Purchase Plan is subject to Shareholder approval pursuant to Resolution 2.

The Company has appointed Patersons Securities Limited (**Underwriter**), pursuant to an underwriting agreement dated 8 May 2017 (**Underwriting Agreement**), to underwrite the Share Purchase Plan. Under the Underwriting Agreement the Underwriter has agreed to underwrite and subscribe for \$1,000,000 of the total amount to be raised under the Share Purchase Plan, being 47,619,048 Shares, on the terms and conditions of an underwriting agreement.

The Underwriting Agreement contains a number of conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter.

- (a) **Conditions precedent:** The Underwriter's obligation to underwrite and subscribe for \$1,000,000 worth of Shares under the Share Purchase Plan is conditional on various conditions precedent including the Underwriter entering into sub-underwriting agreements with sub-underwriters on terms and conditions satisfactory to the Underwriter for the entire underwritten amount of \$1,000,000;
- (b) **Termination events:** The underwriting agreement provides that the Underwriter may terminate the underwriting agreement in respect of its obligation to underwrite \$1,000,000 of the Share Purchase Plan at any time without cost of liability to itself, if various termination events occur, including:
 - (i) **(Indices fall):** any of the All Ordinaries Index or the Standard and Poors/ASX Small Resources Index as published by ASX is at any time after the date of the underwriting agreement 7.5% or more below its respective level as at the close of business on the business day prior to the date of the underwriting agreement; or
 - (ii) **(Share Price):** the Shares of the Company that trade on the ASX under the ASX code of "KAI" close on any day at a price that is less than the issue price of 2.1 cents (\$0.021) per Share.

The Underwriter will be paid an underwriting fee of 6% of the proceeds under the Share Purchase Plan and a management fee of \$20,000 upon completion of the Share Purchase Plan.

In the event that eligible Shareholders do not subscribe for all of the Plan Shares then the Underwriter must (or arrange for its nominees to) subscribe for the Shortfall Shares, subject to the Shareholder approval being sought pursuant to this Resolution 2.

Resolution 2 seeks Shareholder approval for the issue of 47,619,048 Shares to Patersons Securities Limited as an underwriter to the Share Purchase Plan.

Resolution 2 is an ordinary resolution.

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

4.2 Listing Rule 7.1

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more equity 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.

The issue of shares under a share purchase plan is an exception to Listing Rule 7.1. However, this exception does not extend to the issue of shares to the plan's underwriters. Resolution 2 therefore seeks Shareholder approval pursuant to Listing Rule 7.1 to authorise the Company to issue the Shortfall Shares to Paterson Securities Limited (or its nominees) pursuant to the Underwriting Agreement.

4.3 Specific Information Required by Listing Rule 7.3

For the purposes of Shareholder approval of the issue of the Shortfall Shares and the requirements of Listing Rule 7.3 the following information is provided:

- (a) the maximum number of Shortfall Shares to be issued by the Company to the Paterson Securities Limited (or its nominees) is 47,619,048 Shares;
- (b) the Shortfall Shares will be issued following receive of Shareholder approval for this Resolution and in any event by no later than 3 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow);
- (c) the Shortfall Shares will be issued at \$0.021 per Share;
- (d) the Shortfall Shares issued will rank equally in all respects with the Company's existing Shares;
- (e) the Shortfall Shares will be issued to Paterson Securities Limited (or its nominees) and the issue of the Shortfall Shares will not require disclosure under Chapter 6D of the Corporations Act.
- (f) the funds raised from the Share Purchase Plan will be used for development of the Company's Mt York and Roe Hills projects in Western Australia, along with working capital purposes;
- (g) subject to receiving Shareholder approval, it is expected that the Shortfall Shares will be issued on 9 June 2017; and
- (h) a voting exclusion statement is included in the Notice for Resolution 2.

4.4 Directors recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

SCHEDULE 1: DEFINITIONS

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

\$ or AUD\$ means Australian Dollars.

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.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting convened by the Notice.

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

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

Director means a director of the Company.

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

Listing Rules means the listing rules of ASX.

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

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

Placement has the meaning given in Section 3.

Plan Shares has the meaning given in Section 4.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Section means a section of this Explanatory Memorandum.

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

Share Purchase Plan has the meaning given in Section 4.

Shareholder means a holder of Shares.

Shortfall means the balance of the Shares not subscribed for by eligible shareholders under the Share Purchase Plan.

Shortfall Shares has the meaning given in Resolution 2.

Underwriter has the meaning given in Section 4.

Underwriting Agreement has the meaning given in Section 4.

WST means Western Standard Time as observed in Perth, Western Australia

KAIROS MINERALS LIMITED
ACN 006 189 331

PROXY FORM

The Company Secretary
Kairos Minerals Limited

By delivery:
43 Outram Street
West Perth, WA 6005

By post:
43 Outram Street
West Perth, WA 6005

By facsimile:
+61 3 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 the offices BDO Australia, Rokeby Room, 38 Station Street, Subiaco WA 6008, on 19 June 2017 at 10.00am (WST) 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 all 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 the relevant Resolutions, you will be expressly authorising the Chairman to vote in accordance with the Chairman's voting intentions on the Resolutions even if Resolution is connected directly or indirectly with the remuneration of a member 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	Ratification of prior issue of 47,619,048 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue Shortfall Shares to under the Patersons Securities Limited under the Share Purchase Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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 registered office of the Company (Level 1, 14 Outram Street, West Perth, WA 6005 or +61 3 9614 0550 if faxed from within Australia or by email at amwing@nae.net.au) not less than 48 hours prior to the time of commencement of the Meeting.