

ASX ANNOUNCEMENT

27 September 2016

KAIROS GEARS UP TO DRILL GOLD TARGETS PROXIMAL TO EMERGING BREAKER RESOURCES DISCOVERY

Gravity surveys underway at Roe Hills Gold Project with drilling planned next month

Highlights:

- **Detailed gravity surveys have commenced** at Kairos' 100%-owned **Roe Hills Gold Project**, 120km east of Kalgoorlie in WA, to better define known and potential gold-bearing structures.
- **Roe Hills adjoins** Breaker Resources' (ASX: BRB) Lake Roe Project, where a significant new gold discovery has been confirmed, and Silver Lake's Aldiss Project (ASX: SLR) including Karonie, Harry's Hill, French Kiss, Italia and Salt Lake City Gold deposits.
- **Historical strong drill intercepts** at Roe Hills remain underexplored including **16m at 46.8g/t Au with 4m at 181.4g/t** from 38m depth within stockwork veined and altered dolerite at the "Terra Trend".
- **DDH1 drilling engaged to** commence drilling in October 2016 following receipt of statutory approvals and clearances.
- **Kairos well-funded for** upcoming exploration programs following **successful ~\$4.7M capital raising**.

Kairos Minerals Ltd (ASX: KAI; "Kairos" or "the Company") is pleased to advise that it has commenced detailed gravity survey's in preparation for the Company's first Gold-focused drilling program scheduled to commence next month at its 100%-owned **Roe Hills Gold Project** located 120km east-southeast of Kalgoorlie in Western Australia (see Figure 1).

The Roe Hills tenement package immediately adjoins Breaker Resources' (ASX: BRB) Lake Roe Project, where a significant new virgin Gold discovery has recently been confirmed by ongoing reconnaissance drilling.

Breaker has identified wide, shallow, high-grade Gold mineralisation within altered doleritic host rocks at its Bombora and Bombora North discoveries as it aims to establish a continuous 2.2km long zone of Gold beneath transported cover including lake sediments. Recently reported results have included impressive intercepts such as 26m at 2.66g/t Au from 19m including 9m at 4.45g/t Au and 12m at 4.41g/t Au from 48m including 9m at 5.7g/t Au (see Breaker Resources ASX Announcement – 20 September 2016)(See Figure 2).

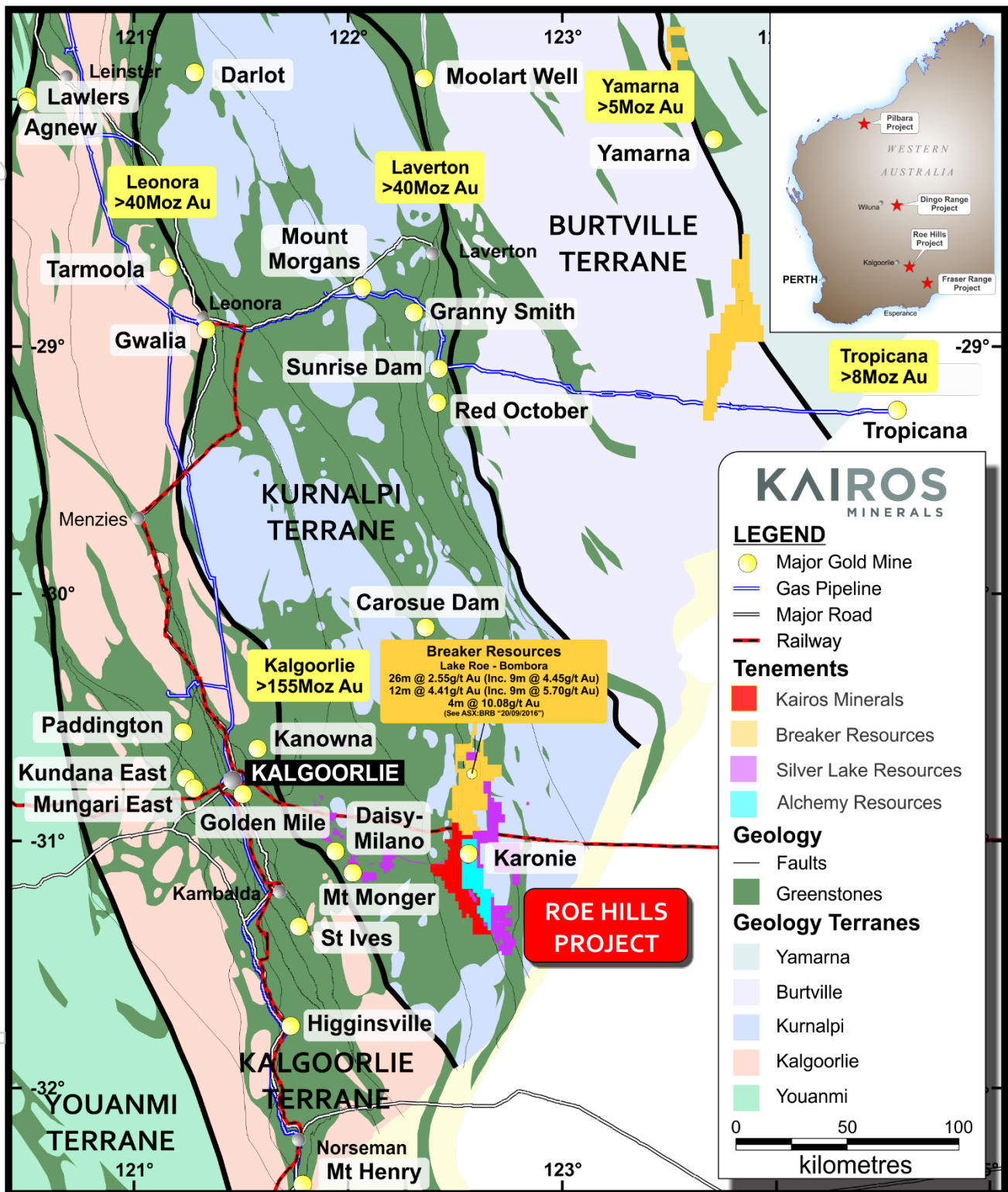


Figure 1. Project location – East Yilgarn Craton (EYC) Kurnalpi Terrane

Kairos' Roe Hills Project and Breakers Lake Roe Project are both located within the highly endowed and highly prospective Kurnalpi Terrane of the Eastern Goldfields, Eastern Yilgarn Craton (EYC) in a rapidly emerging gold province which is currently enjoying a significant level of exploration activity and investor interest.

The Company's tenure encompasses a dominant land-holding in the area comprising a total of 324km² and covering a 40km continuous strike length of the interpreted southern extensions of the highly prospective Leonora-Laverton greenstone belts, a major gold-bearing terrane of WA.

The Roe Hills Project area is also flanked by Silver Lake Resources' (ASX: SLR) Mt Monger/Randalls Gold Operations to the west and the Aldiss Gold Project to the immediate east (see Figure 1 & 2).

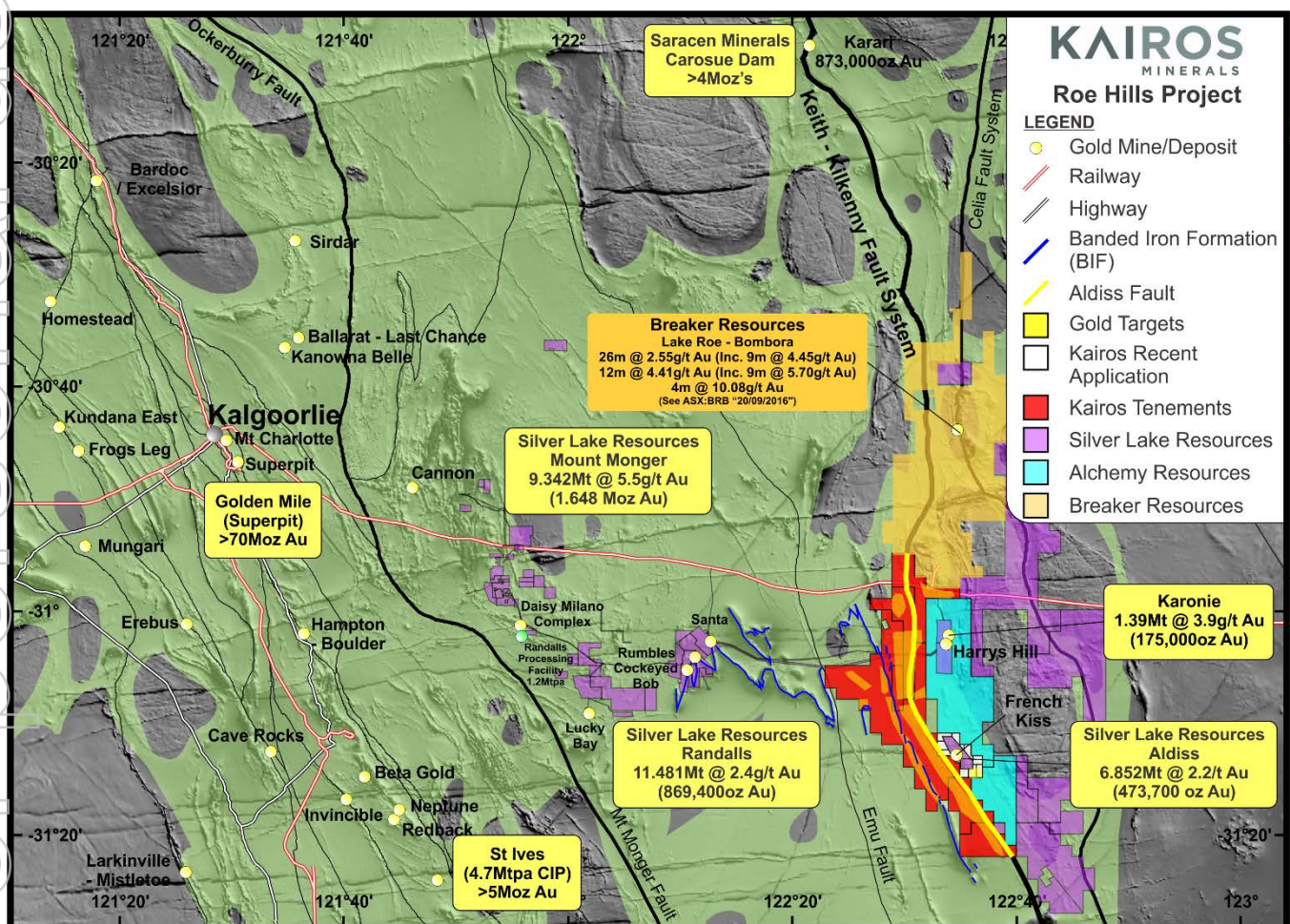


Figure 2. Project location – New tenure & Gold targets

Earlier this year the Kairos technical team carried out an extensive review of the Gold potential at the Roe Hills Project which successfully revealed numerous priority targets across the Project area.

To further refine these targets and prioritise drill testing, the Company recently engaged Haines Surveys to conduct detailed gravity surveys over the known and potential Gold-bearing structures at Roe Hills.

As is common throughout much of the Kurnalpi Terrane the targeted gold-bearing sequences at both Kairos' Roe Hills Project and Breaker Resources' Lake Roe Gold Project occur hidden beneath transported cover including lake sediments.

Gravity surveys are a geophysical remote sensing technique used to complement detailed magnetic data in defining geological structures, particularly in areas of transported cover where traditional exploration techniques (i.e. surface geochemistry) are ineffective. They are a critical component of modern multi-disciplinary exploration and have contributed to many recent significant gold discoveries.

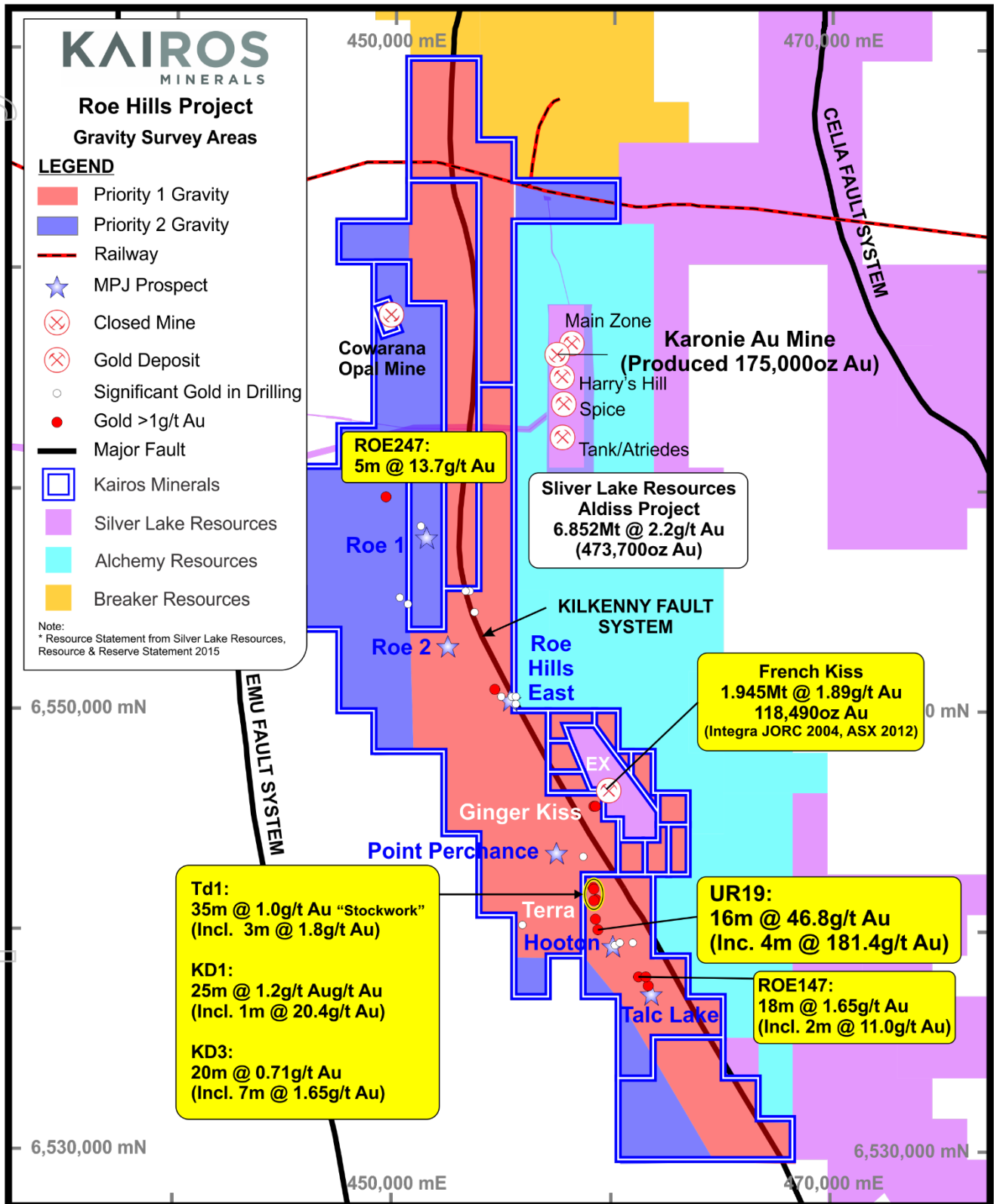


Figure 3. Roe Hills Project – Proposed Gravity Survey

Next Steps

The Gold exploration program at Roe Hills is being progressed in parallel with ongoing resource development and targeting work at the **Mt York Lithium-Gold Project**, located 120km south-east of Port Hedland in WA's East Pilbara region. The Current JORC 2012 compliant resources at Mt York total 135,000 ounces with work in progress to rapidly expand the project's global resource inventory.

Results from the gravity surveys are expected next month and will be interpreted in combination with the existing geological, geophysical and geochemical data to refine and prioritise drill targets.

Drilling is scheduled to commence in October 2016 following the receipt of statutory approvals.

ENDS

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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 a the Technical Manager for Kairos Minerals Ltd and who is a Member of The Australian Institute of Geoscientists. Mr Vallance has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person 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 has consented to the inclusion in the report of the matters based on his 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.