



COSMO METALS LIMITED
ABN 17 653 132 828

INTERIM FINANCIAL REPORT
31 DECEMBER 2022

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CORPORATE DIRECTORY

DIRECTORS

Mr Peter Bird	Non-Executive Chairman
Mr James Merrillees	Managing Director
Mr Andrew Paterson	Non-Executive Director
Mr Zbigniew Lubieniecki	Non-Executive Director

COMPANY SECRETARY

Ms Melanie Ross

REGISTERED OFFICE, PRINCIPAL PLACE OF BUSINESS & CONTACTS

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Securities Exchange Listing - ASX Code: CMO

ABN: 17 653 132 828

SOLICITORS

Blackwall Legal LLP

Level 26, 140 St Georges Terrace

PERTH WA 6000

AUDITORS

RSM Australia Partners

Level 32, Exchange Plaza

2 The Esplanade

PERTH WA 6000

SHARE REGISTRY

Automic Group

Level 5, 191 St Georges Terrace

PERTH WA 6000

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BANKERS

National Australia Bank

100 St Georges Terrace

PERTH WA 6000

DIRECTORS' REPORT

Your directors present their report, together with the interim financial report on the Company, Cosmo Metals Ltd at the end of, or during the half-year ended 31 December 2022 ('period' or 'half-year').

DIRECTORS

The names of directors in office at any time during or since the end of the period are listed below.

NAME OF PERSON	POSITION
Mr Peter Bird	Non-Executive Chairman
Mr James Merrillees	Managing Director
Mr Andrew Paterson	Non-Executive Director
Mr Zbigniew Lubieniecki	Non-Executive Director

PRINCIPAL ACTIVITIES

During the period, the principal activities of the Company consisted of mineral exploration.

REVIEW OF OPERATIONS

Operating Result

The loss from continuing operations for the period after providing for tax amounted to \$393,400 (31 December 2021: \$761,680).

On the 15 September 2022, 500,000 options with an exercise price of \$0.25 and an expiry date of 15 September 2025 were issued to an employee of the Company under the Company's Equity Incentive Plan.

Exploration

YAMARNA PROJECT (CMO 100%)

Cosmo Metals' Yamarna Project, approximately 130km east of Laverton in Western Australia, includes the Mt Venn, Minjina and Eastern Mafic prospects. With the granting of the Narragene tenement E38/3640 Yamarna now comprises nine granted exploration licences with a total area of 370km² (refer Figures 1 & 2).

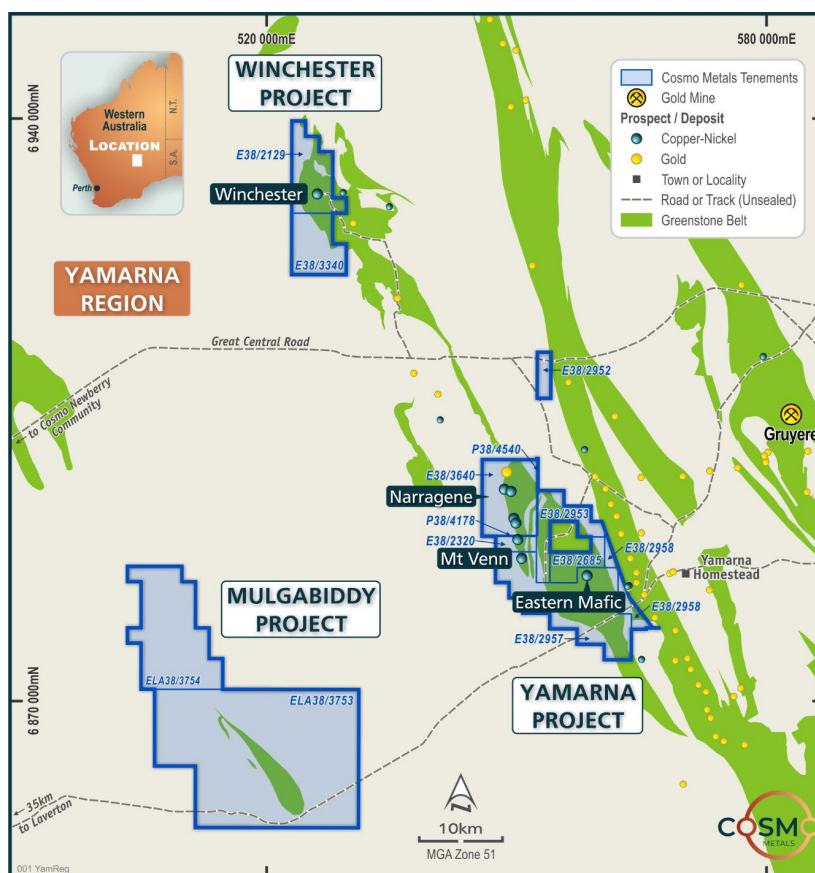


Figure 1: Cosmo Metals' Yamarna Region Projects, Eastern Goldfields Western Australia.

DIRECTORS' REPORT

The Mt Venn Cu-Ni-Co prospect has been the primary focus of exploration by Cosmo since listing in January 2022, with drilling by the Company defining a continuous zone of Cu-Ni-Co mineralisation up to 2.5km in length to a maximum depth of 240m. Mineralisation has been defined and is sparsely tested for a further nine kilometres of strike, highlighting the potential for the discovery of large-scale deposits.

During the half-year, the Company's focus has shifted to the Minjina Zn-Pb-Ag discovery, approximately 1km north of Mt Venn, with shallow Zn-Pb-Ag mineralisation intersected in drill hole MIRC003. Ground geophysical surveys have recently been completed in preparation for a significant drill program to commence in 2H FY 2023.

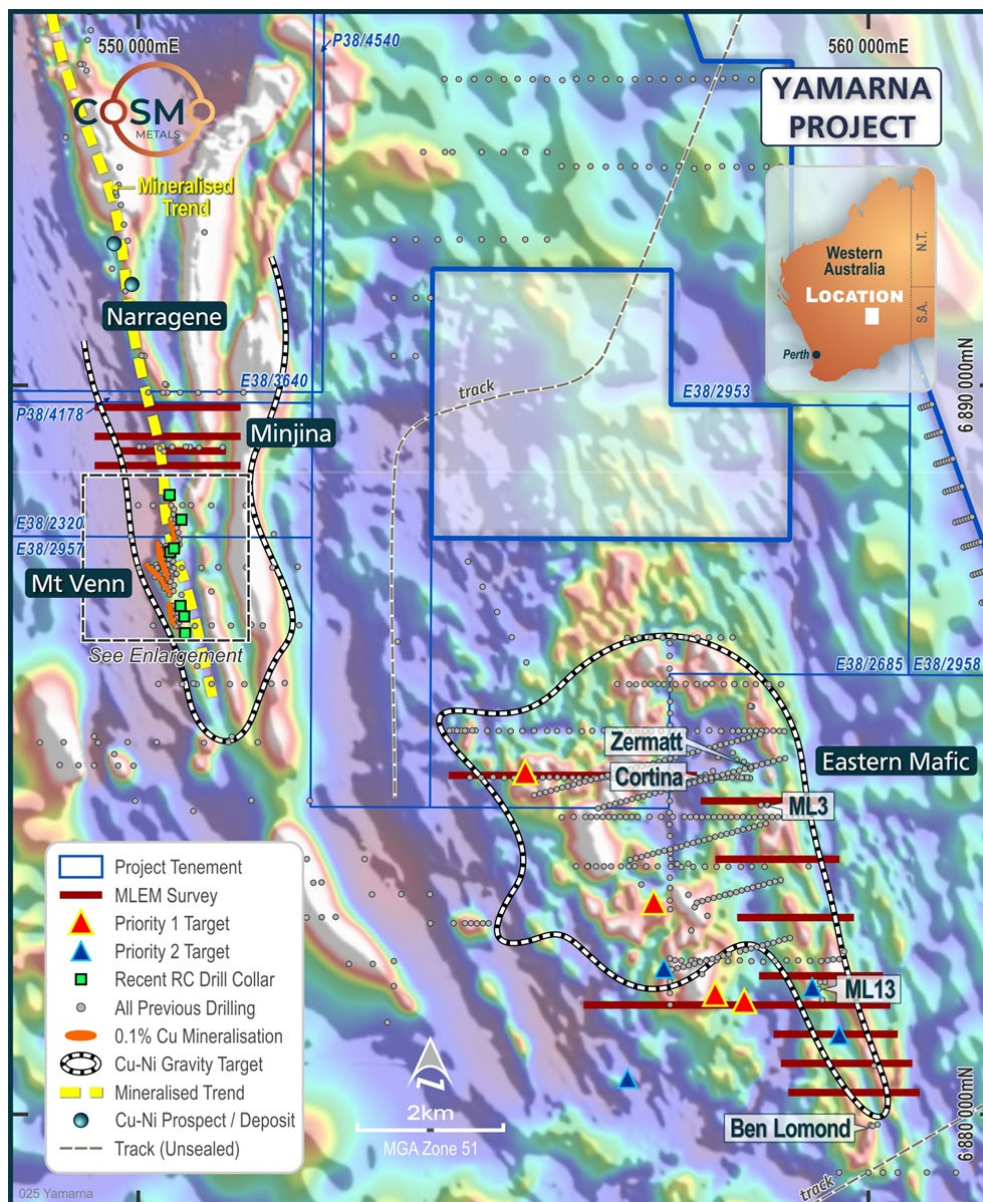


Figure 2: Cosmo Metals' Yamarna Project, Eastern Goldfields Western Australia. RC drilling, MLEM surveys and prospects on regional airborne magnetic imagery (RTP TMI).

MINJINA (Zn-Pb-Ag)

The Minjina Prospect, ~1km north of Mt Venn (refer Figures 2 & 3), was first recognised as a base metals target from a review of historical drillhole 17MVRC004, drilled in 2017, which intersected ¹:

- 12m @ 0.8% Zn, 3.3g/t Ag & 0.16% Pb from 48m including
 - 2m @ 2.13% Zn, 3.56g/t Ag and 0.39% Pb from 58m

¹ Refer GBR ASX Announcement 16/12/2019 and Independent Geologist's Report within Cosmo Metals' Prospectus dated 22 November 2021

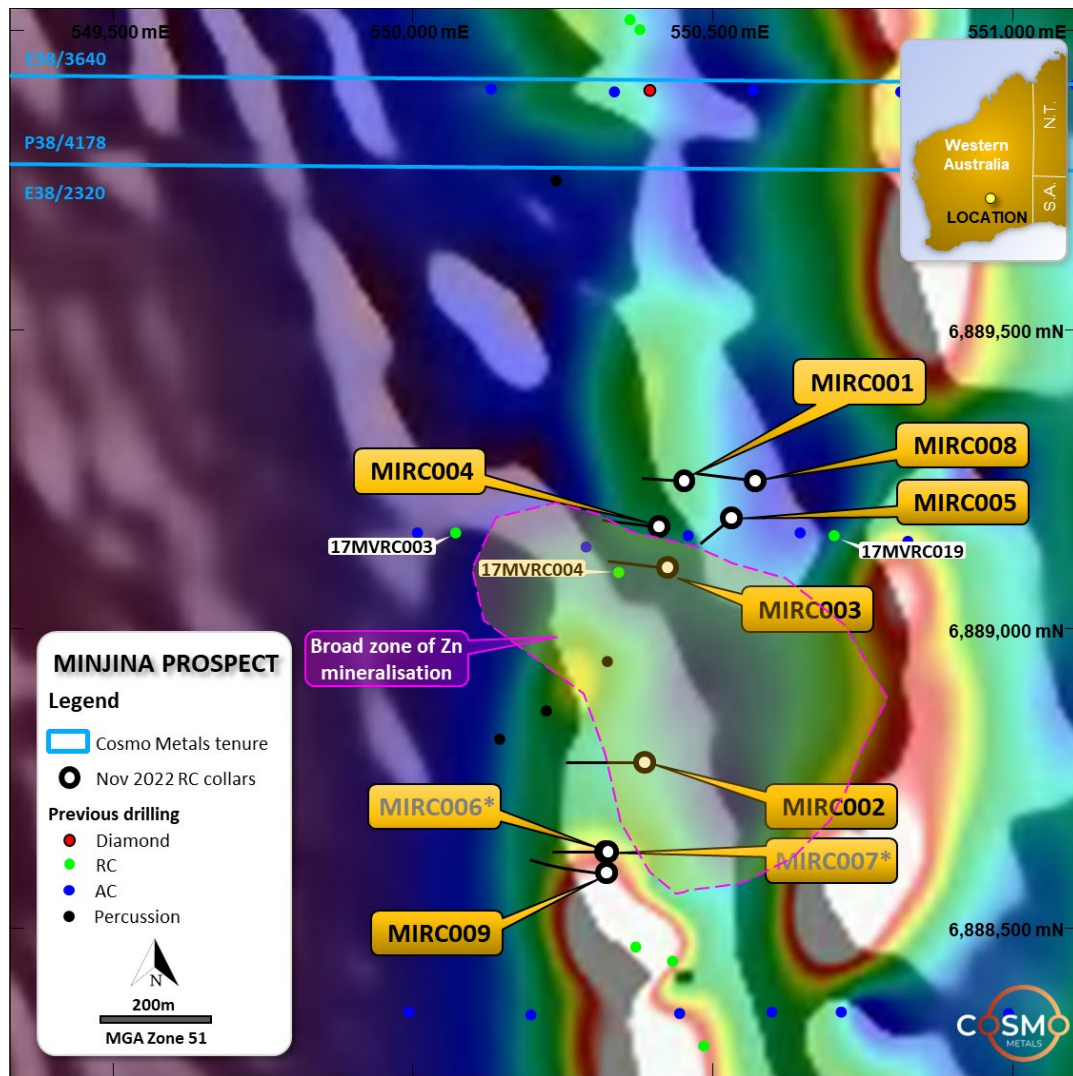


Figure 3: Cosmo Metals' Minjina Prospect, drilling on regional airborne magnetic image (RTP TMI) with broad zone of Zn mineralisation outlined. *Holes MIRC006 and 007 were abandoned short of target depths.

Mineralisation at Minjina is significantly different to previous sulphide intersections in the area, with red-orange sphalerite (zinc sulphide) intergrown with subordinate galena (lead sulphide) and chalcopyrite (Cu-sulphide). This contrasts with the pyrrhotite (iron sulphide)-chalcopyrite hosted mineralisation at Mt Venn, supporting the interpretation of a new mineralisation style in the Yamarna project.

Minjina had seen no follow up since 2017 until a downhole electromagnetic (DHEM) survey by Cosmo identified a strong off-hole conductor untested by drilling.

During the half-year the Company completed a nine-hole (1,627m) RC drilling program at Minjina targeting:

1. Volcanogenic Massive Sulphide (VMS) Zinc (Zn) - Lead (Pb) - Silver (Ag) mineralisation similar to the deposits of the Teutonic Bore District north of Leonora, which includes the Teutonic Bore, Jaguar and Bentley deposits
2. Magmatic Copper (Cu) – Nickel (Ni) – Cobalt (Co) analogous to the Company's Mt Venn deposit, and associated with massive pyrrhotite, which is typically magnetic and conductive, representing a relatively straightforward target for surface geophysics in the region.

Volcanogenic Massive Sulphide (VMS) Zinc (Zn) - Lead (Pb) - Silver (Ag)

VMS Zn-Pb-Ag mineralisation at Minjina, first identified in 2017 from hole 17MVRC004 is non-magnetic and very weakly conductive and therefore difficult to detect with traditional electromagnetic (EM) surveying.

To test the target model, the Company drilled a step-out hole, MIRC003 collared approximately 80m east of 17MVRC004.

DIRECTORS' REPORT

MIRC003 intersected significantly broader and higher-grade Zn-Pb-Ag mineralisation compared with 17MVRC004 including (Figure 4)²:

- 4m @ 0.37% Zn, 0.34% Pb, 4.81g/t Ag from 28m and
- 8m @ 0.53% Zn, 0.12% Pb, 2.77 g/t Ag from 48m and
- **7m @ 3.20% Zn, 0.82% Pb, 11.84 g/t Ag from 73m which included**
 - **2m @ 5.0% Zn, 1.4% Pb, 18.83g/t Ag from 76m**
- 4m @ 0.49% Zn, 0.10 % Pb, 2.74 g/t Ag from 116m

Mineralisation in MIRC003 is open down dip and along strike with the above significant intersections contained within a broad zone of anomalous (>0.1%) Zn extending most of the entire length of the hole.

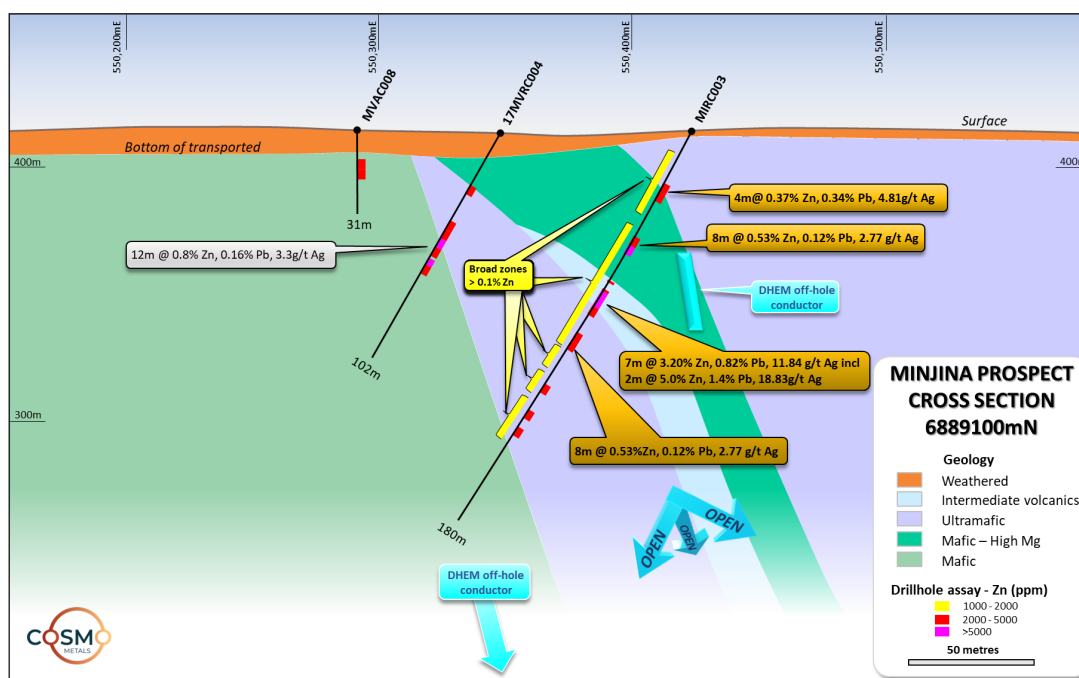


Figure 4: Section 6889100N, MIRC003 testing downdip ~80m east of historical hole 17MVRC004 with significant grade (>0.5% Zn) intervals within broad zones of >0.1% Zn. Off-end conductor ~50m below section (approximately 260m from surface to top).

The Company interprets the 'stringer' or vein style mineralisation intersected in MIRC003 to be within the footwall zone of a deeper, potentially more massive, mineralised system.

A review of the DHEM data collected in MIRC003 identified a moderate (approximately 1,500S) conductor off the end of the hole at approximately 250m to the top of the model. This deeper target fits the above interpretation of a deeper, more massive sulphide source, and represents a compelling target for follow up drill testing.

NEXT STEPS AT MINJINA

The Company has engaged geophysical crews to commence ground surveys at Minjina during Q3 FY 2023 including:

- Downhole EM at MIRC008 and MIRC006
- Fixed loop EM (FLEM) over MIRC009 and MIRC003
- Ground gravity surveying over the entire Minjina system to better map geology and potentially denser, mineralised zones.

The Company has received proposals from drill contractors to mobilise to site in March 2023 to test targets identified from the above geophysical surveys as well as:

- Test the compelling off-hole DHEM target at MIRC003

² Refer CMO ASX Announcement 23/01/2023

DIRECTORS' REPORT

- Grid drilling on sections to the north and south around the discovery hole at MIRC003 to identify vectors and potential controls and vectors to the system
- Test off-hole conductors associated with the 'near-miss' intersections in holes MIRC002 and MIRC009.

MT VENN (Cu-Ni-Co)

During the half-year, the Company reported results from two RC drilling campaigns at Mt Venn, which comprised 19 holes (3,044m) designed to extend and infill copper-rich sulphide mineralisation hosted within gabbroic rocks of the Mt Venn Igneous Complex.

1. September Quarter 2022 RC Drilling

During the September 2022 quarter, the Company announced the results of a 12-hole (1,494m) RC drill program. This program targeted further extensions of the shallow, thick Cu mineralisation at Mt Venn. Ten of the holes drilled at Mt Venn intersected significant copper mineralisation with one hole (YARC016) abandoned at 20m due to difficult ground conditions.

Drilling intersected mineralisation at the target depths with mineralised intervals comprising disseminated to massive and semi-massive sulphides (pyrrhotite>>chalcopyrite) hosted within a mafic (gabbro) to ultramafic (pyroxenite) unit adjacent to the contact with felsic-intermediate volcanics and volcaniclastics.

Selected new intersections at Mt Venn included³:

YARC005

- 12m @ 0.28% Cu, 0.04% Ni and 0.02% Co from 4m and
- 9m @ 0.24% Cu, 0.04% Ni from 51m and
- 18m @ 0.21% Cu, 0.04% Ni from 70m

YARC006

- 23m @ 0.30% Cu from 147m including
 - 1m @ 1.25% Cu from 154m

YARC008

- 22m @ 0.48% Cu, 0.16% Ni and 0.06% Co from 135m including
 - 1m @ 1.56% Cu, 0.15% Ni and 0.05% Co from 147m

YARC009

- 11m @ 0.25% Cu, 0.08% Ni from 135m

YARC013

- 18m @ 0.40% Cu from 202m including
 - 1m @ 1.05% Cu from 215m

YARC015

- 3m @ 0.50% Cu, 0.09% Ni from 48m including
 - 1m @ 1.13% Cu from 48m

2. December Quarter 2022 RC Drilling

During the December 2022 quarter, the Company announced the results of a seven-hole (1,550m) RC drill program. This program targeted further extensions of the shallow, thick Cu mineralisation at Mt Venn, and all holes intersected significant (>0.15%) Cu mineralisation at targeted depths, with mineralised intervals comprising disseminated to massive and semi-massive sulphides (pyrrhotite>>chalcopyrite) hosted within a mafic (gabbro) to ultramafic (pyroxenite) unit adjacent to the contact with felsic-intermediate volcanics and volcaniclastics.

New intersections reported from this program at Mt Venn included (refer Figure 5)⁴:

YARC017

- 17m @ 0.26% Cu from 132m in YARC017

³ Refer CMO ASX Announcement 25/07/2022

⁴ Refer CMO ASX Announcement 04/11/2022

DIRECTORS' REPORT

YARC018

- 2m @ 0.38% Cu from 195m and
- 1m @ 0.19% Cu, 0.29%Ni, 558ppm Co from 229m

YARC020

- 4m @ 0.23% Cu from 54m and
- 4m @ 0.17% Cu from 74m and
- 3m @ 0.26% Cu, 0.21%Ni, 463ppm Co from 97m

YARC021

- 18m @ 0.48% Cu, 0.12% Ni, 340ppm Co from 142m

YARC022

- 14m @ 0.23% Cu from 221m

YARC023

- 13m @ 0.46% Cu, 0.11% Ni from 179m including
 - 1m @ 1.27% Cu from 191m

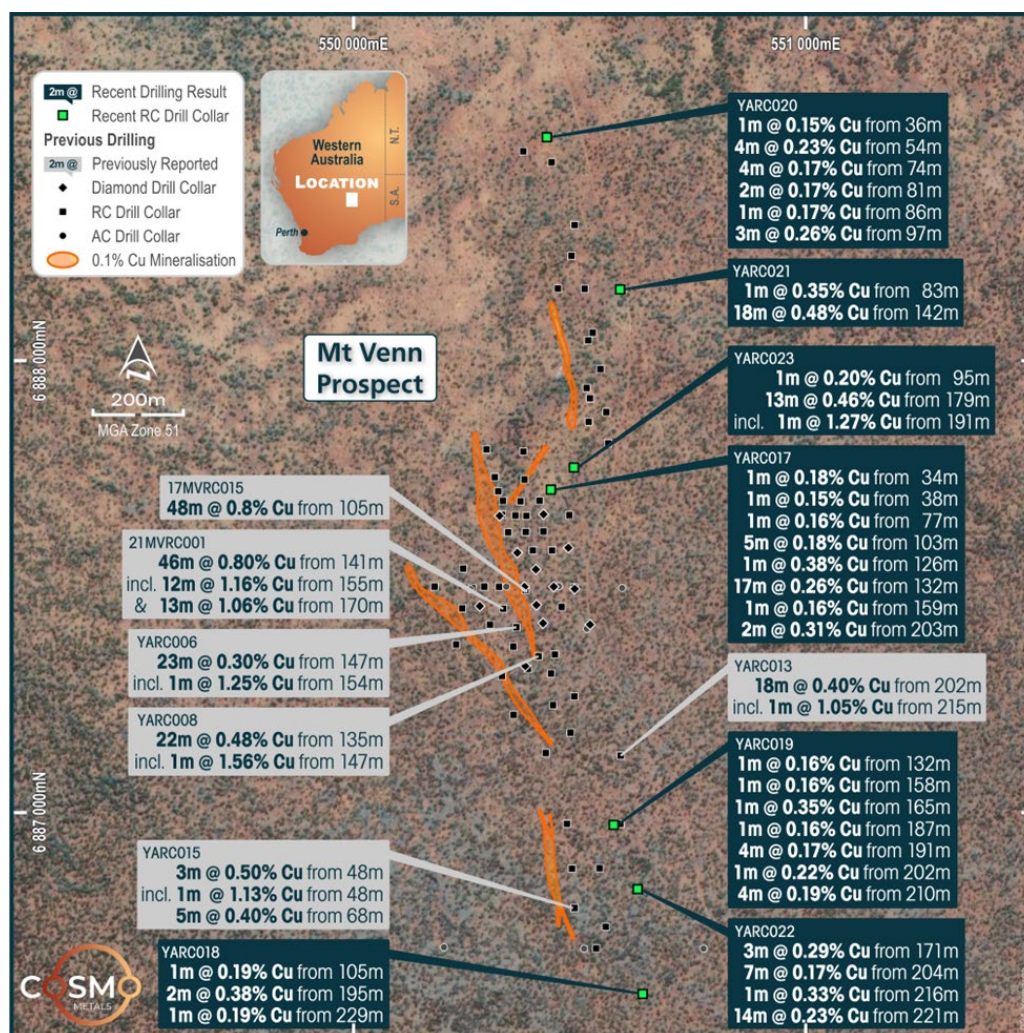


Figure 5: Cosmo Metals' Mt Venn Project. August-September 2022 RC drilling including selected historical drill intersection on aerial photo background. For details of historical intersections, including JORC Table 1, refer CMO ASX Announcement 20 June 2022 and Independent Geologist's Report within Cosmo Metals' Prospectus dated 22 November 2021.

DHEM surveying of six of the seven RC holes (YARC017-YARC021), defined several strong 'in-hole' conductors coincident with zones of massive sulphide intersected in the August program at Mt Venn. The Company considers these to have been adequately explained by the drilling, which intersected wide sulphide intervals coincident with the modelled conductive plates.

DIRECTORS' REPORT

A strong off-hole conductor defined by DHEM at YARC021 is under review with drill testing dependent on the outcomes of this review.

EASTERN MAFIC COMPLEX (Cu-Ni-Co-PGE)

The Eastern Mafic Complex (EMC), approximately 7km east of Mt Venn, is defined by a 4.5km by 3.5km gravity anomaly discovered in 2018. Limited exploration has been completed at EMC with only 36 holes drilled to date, targeting electromagnetic conductors identified by an airborne EM (AEM) survey flown in 2018, with all conductors drilled being associated with magmatic sulphides.

Ni-Cu-Co (PGE) Mineralisation at EMC is hosted within gabbro to anorthositic gabbro units with sulphides dominated by pyrrhotite and chalcopyrite with lesser pyrite.

Historical exploration at EMC targeted potential 'feeder zones' of the mineralised system (i.e., the potential source to near-surface mineralisation), with the potential to host large zones of sulphide mineralisation analogous to other Cu-Ni-PGE deposits globally.

Several high-priority prospects have been identified at EMC, including Zermatt, Cortina, ML3 and ML13 (refer Figure 2). These prospects remain largely open along strike and at depth and of note within this system is the presence of Platinum Group Elements (PGE's) in contrast to Mt Venn.

Four RC holes drilled by Cosmo at EMC in the September 2022 quarter targeted ML3 (YARC001) and ML13 (YARC002-004).

ML3 is a prominent EM anomaly associated with a locally strong magnetic anomaly, adjacent to a regional NNW structure. Historical drilling at ML3 failed to explain the anomaly, and Cosmo's RC hole YARC001 also failed to intersect the modelled conductor.

DHEM surveying of YARC001 in the current quarter was unable to resolve the target, which remains unexplained by drilling or geophysics, and ground-based EM (MLEM) is underway in order to resolve this anomaly.

The three holes (YARC002-004) drilled to test AEM conductor **ML13** targeted the up-dip extension of mineralisation in historical hole 18EMRCD13 which intersected⁵:

- 5.3m @ 0.2% Cu, 0.3% Ni, 0.02% Co, 0.09g/t PGE from 161m
- 7.1m @ 0.7% Cu, 0.2% Ni, 0.04% Co from 282.8m
- 9.5m @ 0.6% Cu, 0.1% Ni, 0.01% Co, 0.21g/t PGE from 322m

Cosmo's holes YARC002 and YARC004 intersected several zones of significant mineralisation including (refer Figure 6)⁶:

- 6m @ 0.19% Cu from 132m (YARC002)
- 10m @ 0.20% Cu from 70m (YARC004)

⁵ Refer Independent Geologist's Report within Cosmo Metals' Prospectus dated 22 November 2021

⁶ Refer CMO ASX Announcement 25/7/2022

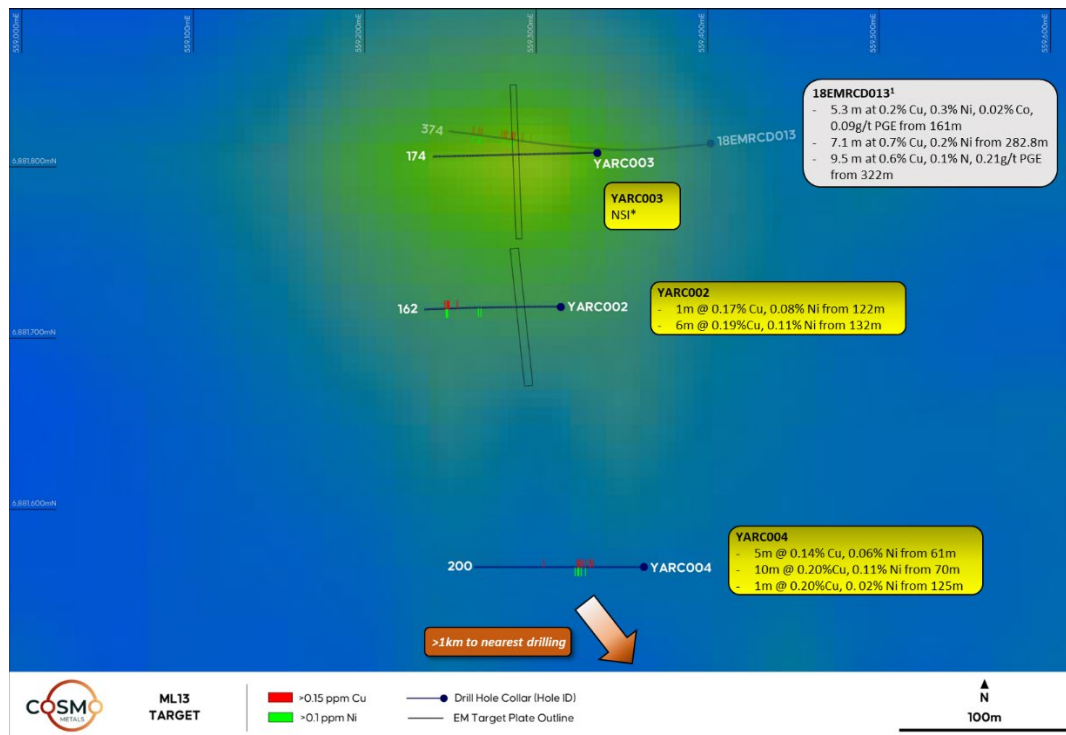


Figure 6: Eastern Mafic Complex Plan View, target ML13. Cosmo Metals' RC drill results and historical drilling on Airborne EM imagery (Bz ch 35). * YARC003 was abandoned short of the modelled intersection in 18EMRCD013. For details of historical intersections, including JORC Table 1, refer Independent Geologist's Report within Cosmo Metals' Prospectus dated 22 November 2021.

Notably YARC004 (drilled approximately 150m south of the conductor defined at ML13) targeted a position where no conductor was identified in the airborne survey and mineralisation has now been defined over more than 250m with the nearest drill hole more than a kilometre to the south.

The Company's geophysicists have interpreted the lack of an AEM conductor at YARC004 to suggest that the AEM may have been ineffective in screening this area due to the very high conductance of the modelled plates which may have saturated the response.

During the December 2022 quarter the Company completed MLEM surveying at Eastern Mafic⁷ however no compelling targets were identified by this survey. Further targeting work at Eastern Mafic is ongoing with a detailed review anticipated in the March 2023 quarter.

NARRAGENE (Cu-Ni-PGE)

The Company's Narragene tenement (E38/3640) covers the interpreted northern extension of the Mt Venn Complex (refer Figures 1 & 2). Historical drilling along this trend intersected wide (20-44m) zones of copper-dominant sulphide mineralisation with almost half the historical holes completed recording grades greater than 0.2% Cu including historical hole MVRC010, which intersected:

- **4m @ 1.3% Cu and 0.7% Ni from 33m**

MVRC010 is coincident with a NNW-trending shear zone, and has never been followed up despite intersecting the highest nickel grades drilled to date in the Mt Venn Igneous Complex.

During the half-year, the Company completed a heritage survey over an area associated with MVRC010 as a precursor to ground geophysical (MLEM) surveys planned to commence once final government approvals have been received.

⁷ Refer CMO ASX Announcement 04/11/2022

DIRECTORS' REPORT

WINCHESTER (CMO 75% - 100%)

The Winchester Project is located ~50km north of the Yamarna Project tenement package, comprising two tenements covering 91km². Winchester hosts several polymetallic (Cu-Ni-Co-PGE) prospects interpreted to be analogous to the Mt Venn deposit (refer Figure 7).

Several phases of exploration have historically been completed at Winchester, however only 22 RC and DD holes have been drilled to date across the entire tenement area. Several significant intercepts have been recorded including⁸:

- 7m @ 1.1 % Cu, 0.2% Ni, 0.01% Co, 0.13ppm PGE and 0.19g/t Au from 123 m (18WNRC001) including
 - **2m @ Cu 1.8% Cu, 0.2 % Ni, 0.02% Co, 0.22ppm PGE and 0.25g/t Au from 126m**
- 13m @ 0.9 Cu %, 0.3 % Ni, 0.02 % Co from 138 m (18WNRC002) including
 - **2m @ 1.5% Cu, 0.1% Ni, 0.01% Co and 0.12g/t Au from 138 m and**
 - **5m @ 1.1% Cu, 0.7% Ni, 0.04% Co and 0.1ppm PGE from 144m**
- 4.4m @ 0.8% Cu, 4.7g/t Ag from 201.86 m (20WNRC002)
- 19m @ 0.6% Cu, 0.3% Ni, and 0.02% Co from 106m (YMRC010) including
 - **10m @ 0.8% Cu, 0.4% Ni, 0.03% Co**
- 13m at 0.9% Cu, 0.3% Ni, 0.02% Co from 138m (18WNRC002) including
 - **5m at 1.1% Cu, 0.7% Ni, 0.04% Co, 0.10g/t PGE**

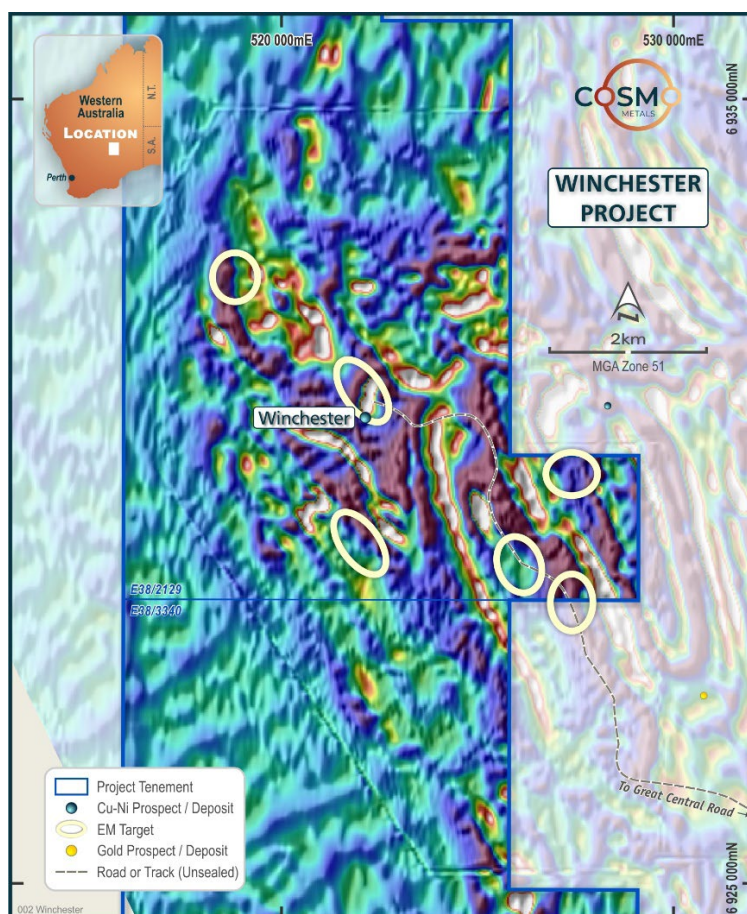


Figure 7: Cosmo Metals' Winchester Project with EM targets and location of the Winchester Prospect on background airborne magnetics (VD1 TMI)

During the half-year, the Company completed review of the results from a downhole electromagnetic (DHEM) survey in four holes (20WMRC001 to 20WMRC004) drilled in 2020.

The DHEM survey resolved several in-hole conductors adequately tested by the drilling. Two strong off-hole conductors at holes 20WNRC002 and 003 are interpreted to reflect stratigraphic conductors (e.g. graphitic sediments) rather than mineralisation, and therefore downgraded as potential targets.

Ongoing review of the Winchester area has highlighted several regional targets for follow up with further ground geophysics.

⁸ Refer Independent Geologist's Report within Cosmo Metals' Prospectus dated 22 November 2021

DIRECTORS' REPORT

PINGRUP (CMO 100%)

Cosmo Metals' Pingrup Project comprises two recently granted tenements in the southern Wheatbelt region of Western Australia (refer Figure 8).

The Pingrup tenements overlie farmland south of Lake Grace and are considered to be prospective for copper-nickel mineralisation associated with interpreted mafic-ultramafic intrusions within high metamorphic grade rocks of the South West Terrane (SWT) which also host Chalice Mining Limited's (ASX:CHN) Julimar deposit.

The Pingrup Project represents conceptual targets generated from desktop analysis of regional magnetic data with the positive meetings held by the Company with key landowners during the half-year.

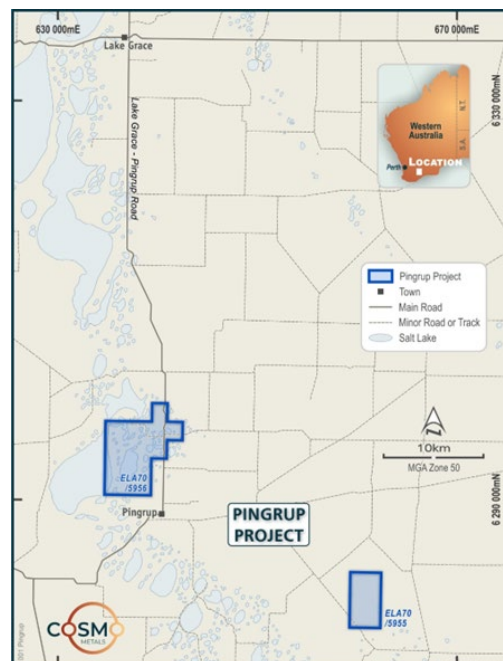


Figure 8: Cosmo Metals' Pingrup Project, SWT Western Australia

EVENTS AFTER THE REPORTING DATE

The directors are not aware of any matters or circumstances that have arisen since the end of the financial period, which significantly affected or may significantly affect the operations of the Company the results of those operations, or the state of affairs of the Company in future financial years.


SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial period.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' Independence declaration as required under section 307C of the *Corporations Act 2001* is included within this interim financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors, pursuant to section 303(3)(a) of the *Corporations Act 2001*.



James Merrillees
Managing Director

Date: 3 March 2023
Perth

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



		31 December 2022 \$	For the period 26 August 2021 to 31 December 2021 \$
	Notes		
Interest income		7,210	-
Depreciation expense		(9,074)	(324)
Non-capital exploration expenditure		(5,850)	-
Administration expenses		(370,094)	(275,356)
Share based payments	7	(15,592)	(486,000)
Loss before income tax		(393,400)	(761,680)
Income tax expense		-	-
Loss after income tax expense for the period		(393,400)	(761,680)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the owners of Cosmo Metals Limited		(393,400)	(761,680)
Loss per share			
Basic and diluted loss per share (cents)	11	(0.78)	(13.04)

The accompanying notes form part of this interim financial report.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**



		31 December 2022	30 June 2022
	Notes	\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	2	1,558,573	3,058,757
Trade and other receivables	3	103,102	103,454
Total current assets		1,661,675	3,162,211
Non-current assets			
Plant and equipment		61,480	69,693
Exploration and evaluation expenditure	4	7,414,279	5,963,499
Total non-current assets		7,475,759	6,033,192
Total assets		9,137,434	9,195,403
LIABILITIES			
Current liabilities			
Trade and other payables	5	432,130	116,280
Provisions		9,568	5,579
Total current liabilities		441,698	121,859
Total liabilities		441,698	121,859
Net assets		8,695,736	9,073,544
EQUITY			
Issued capital	6	9,197,642	9,197,642
Reserves	8	988,142	972,550
Accumulated losses		(1,490,048)	(1,096,648)
Total equity		8,695,736	9,073,544

The accompanying notes form part of this interim financial report.

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
Balance at incorporation 26 August 2021	1	-	-	1
Net loss for the period	-	-	(761,680)	(761,680)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(761,680)	(761,680)

Transactions with owners in their capacity as owners

Share issue	5,000,000	-	-	5,000,000
Share issue costs	-	-	-	-
Share based payments	-	486,000	-	486,000
Balance at 31 December 2021	5,000,001	486,000	(761,680)	4,724,321

	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2022	9,197,642	972,550	(1,096,648)	9,073,544
Net loss for the period	-	-	(393,400)	(393,400)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(393,400)	(393,400)

Transactions with owners in their capacity as owners

Share issue	-	-	-	-
Share issue costs	-	-	-	-
Share based payments	-	15,592	-	15,592
Balance at 31 December 2022	9,197,642	988,142	(1,490,048)	8,695,736

The accompanying notes form part of this interim financial report.

**STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



		31 December 2022	For the period 26 August 2021 to 31 December 2021
	Notes	\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(344,833)	(234,091)
Interest received		7,210	-
Net cash outflow from operating activities		(337,623)	(234,091)
Cash flows from investing activities			
Payments for property, plant and equipment		49,772	-
Payments for exploration and evaluation		(1,212,333)	(6,531)
Net cash outflow from investing activities		(1,162,561)	(6,531)
Cash flows from financing activities			
Proceeds from issue of shares		-	-
Capital raising costs		-	(86,897)
Proceeds from loan (Great Boulder Resources Ltd)		-	327,519
Repayment of loan (Great Boulder Resources Ltd)		-	-
Net cash inflow from financing activities		-	240,622
Net increase in cash held		(1,500,184)	-
Cash at the beginning of the period		3,058,757	-
Cash at the end of the period	2	1,558,573	-

The accompanying notes form part of this interim financial report.

1. Summary of significant accounting policies

Basis of Preparation

The interim financial report is a general purpose financial report that have been prepared in accordance with *Corporations Act 2001* and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The interim financial report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this interim financial report be read in conjunction with the Company's annual financial statements for the year ended 30 June 2022 and any public announcements made by Cosmo Metals Limited during the period in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise indicated.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New and revised accounting standards and interpretations

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



2. Cash and Cash Equivalents

	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Cash and cash equivalents in the statement of financial position and statement of cash flows</i>		
Cash at bank and on hand	1,558,573	3,058,757
	1,558,573	3,058,757

3. Trade and Other Receivables

	31 Dec 2022	30 Jun 2022
	\$	\$
GST receivable	66,833	62,942
Prepayments	36,268	40,511
Other	1	1
	103,102	103,454

4. Exploration and Evaluation

	31 Dec 2022	30 Jun 2022
	\$	\$
Exploration and evaluation – at cost	7,414,279	5,963,499

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period is set out below:

	31 Dec 2022	30 Jun 2022
	\$	\$
Opening balance	5,963,499	-
Acquisitions during the period	-	5,000,000
Expenditure incurred during the period	1,456,630	963,499
Impaired during the year	(5,850)	-
Closing balance	7,414,279	5,963,499

The Company currently holds thirteen tenements (Yamarna and Winchester Projects) located 130km northeast of Laverton in the Eastern Goldfields District of Western Australia. During the 2021-22 financial period, the Company entered into an agreement to acquire the Yamarna Project Assets from Great Boulder Resources Limited (ASX:GBR), the original parent company of Cosmo Metals. As consideration for these projects, Great Boulder Resources Limited received 25,000,000 fully paid ordinary shares in the Company at a deemed issue price of \$0.20.

5. Trade and Other Payables

	31 Dec 2022	30 Jun 2022
	\$	\$
Trade payables	340,188	31,673
Accrued expenses	25,000	24,285
Other creditors	66,942	60,322
	432,130	116,280

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)**



6. Issued Capital

	31 Dec 2022 \$	30 Jun 2022 \$
Ordinary shares – issued and fully paid	9,197,642	9,197,642

	No. of shares	Issue Price \$
<i>Movement in ordinary shares on issue</i>		
On issue at 30 June 2022	50,510,001	9,197,642
On issue at 31 December 2022	50,510,001	9,197,642

7. Share Based Payment Transactions

	31 Dec 2022 \$	30 Jun 2022 \$
Options – recognised as a Share-based Payment Expense	15,592	486,000
Options – recognised in Equity (share issue costs)	-	486,550
	15,592	972,550

Option Pricing Model

For the options issued during the current period, a Binomial Lattice ESO option pricing model was used with the valuation model inputs used to determine the fair value at the grant date as follows:

Grant date	Vesting date	Expiry date	Under-lying share price \$	Exercise price \$	Expected volatility %	Dividend yield %	Risk-free interest rate %	Number of Options	Fair Value at grant date \$	Total Value \$
1/07/2022	4/07/2023	15/09/2025	0.17	0.25	100	-	3.01	250,000	0.0796	19,900
1/07/2022	4/01/2024	15/09/2025	0.17	0.25	100	-	3.01	250,000	0.0830	20,750

The options vest and become exercisable subject to employment service conditions being met.

8. Reserves

	31 Dec 2022 \$	30 Jun 2022 \$
<i>Share-based payments reserve consists of:</i>		
Share options	988,142	972,550
At closing of reporting period	988,142	972,550

	Number	Number
<i>Movement in options on issue:</i>		
At beginning of reporting period	10,000,000	-
Options issued	500,000	10,000,000
Balance at end of reporting period	10,500,000	10,000,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)



9. Related Party Transactions

On 3 September 2021, the Company entered into an Agreement with Consilium Corporate Pty Ltd for the provision of CFO and Corporate Secretarial Services. Prior to that, Melanie Ross was appointed as a director to the Company on incorporation, 26 August 2021, and subsequently resigned on 10 November 2021. Ms Ross is a director of Consilium Corporate Pty Ltd. During the period Ms Ross was appointed as a director, Consilium Corporate Pty Ltd invoiced the Company \$4,020 for CFO and Corporate Secretarial Fees. As at 31 December 2021, all amounts owing to Consilium Corporate was paid through the loan payable to Great Boulder Resources Ltd.

During the period ending 31 December 2022, Great Boulder Resources Limited (parent entity of the Company), invoiced the Company \$20,749 for shared storage fees. As at 31 December 2022, all amounts owing to Great Boulder Resources Limited were paid.

There were no other transactions with related entities.

10. Commitments for Expenditure

Exploration and Evaluation

The Company is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances, these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however they are expected to be fulfilled in the normal course of operations.

The Company has tenement expenditure commitments payable of:

	31 Dec 2022 \$	30 Jun 2022 \$
Not later than 12 months	491,040	539,040
Between 12 months and 5 years	1,964,160	2,156,160
Total	2,455,200	2,695,200

11. Loss per Share

	31 Dec 2022 \$	31 Dec 2021 \$
Loss after income tax	(393,400)	(761,680)

	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic loss per share	50,510,001	5,842,392
Basic and diluted loss per share (cents)	(0.78)	(13.04)

12. Events after the Reporting Date

The directors are not aware of any matters or circumstances that have arisen since the end of the financial period, which significantly affected or may significantly affect the operations of the Company the results of those operations, or the state of affairs of the Company in future financial years.

12. Contingent Assets and Liabilities

The Company had no contingent assets and no contingent liabilities as at 31 December 2022 (30 June 2022: nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022 (continued)



13. Operating Segments

The Company is organised into one operating segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company operates as a single segment which is mineral exploration and in a single geographical location which is Australia.

14. Dividends

The Company has not declared nor paid a dividend for the period.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in dark ink, appearing to read "J. Merrillees", written over the printed name and title.

James Merrillees
Managing Director

Date: 3 March 2023
Perth

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Cosmo Metals Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM**RSM AUSTRALIA PARTNERS**A handwritten signature in black ink, appearing to read 'A Whyte'.

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 3 March 2023

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
COSMO METALS LIMITED**

Report on the Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of Cosmo Metals Limited, which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year ended 31 December 2022, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Cosmo Metals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Cosmo Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Directors' Responsibility for the Half-Year Financial Report

The directors of Cosmo Metals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Cosmo Metals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM
RSM AUSTRALIA PARTNERS


ALASDAIR WHYTE
Partner

Perth, WA
Dated: 3 March 2023