



COSMO METALS LIMITED
ABN 17 653 132 828

INTERIM CONSOLIDATED FINANCIAL REPORT
31 DECEMBER 2024

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CORPORATE DIRECTORY

DIRECTORS

Mr Peter Bird	Non-Executive Chairman
Mr Ranko Matic	Non-Executive Director
Mr Andrew Paterson	Non-Executive Director
Mr Ian Prentice	Managing Director

COMPANY SECRETARY

Ms Melanie Ross

REGISTERED OFFICE, PRINCIPAL PLACE OF BUSINESS & CONTACTS

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ABN: 17 653 132 828

SOLICITORS

Blackwall Legal LLP

Level 26, 140 St Georges Terrace

PERTH WA 6000

Mining+Heritage Legal

Level 28, AMP Tower, 140 St Georges Terrace

PERTH WA 6000

AUDITORS

Criterion Audit Pty Ltd

Suite 2, 642 Newcastle Street

Leederville WA 6007

SHARE REGISTRY

Automic Group

Level 5, 191 St Georges Terrace

PERTH WA 6000

Ph: 1300 288 664

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SECURITIES EXCHANGE LISTING

Australian Securities Exchnage (**ASX**)

Code: CMO (Fully Paid Ordinary Shares)

Code: CMOO (Listed Options)

CORPORATE DIRECTORY

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 consolidated entity (referred to hereafter as the 'Group') consisting of Cosmo Metals Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during the half-year ended 31 December 2024 ('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 (<i>resigned 12 August 2024</i>)
Mr Ranko Matic	Non-Executive Director (<i>appointed 12 August 2024</i>)
Mr Andrew Paterson	Non-Executive Director
Mr Ian Prentice	Managing Director (<i>appointed 26 August 2024 as Non-Executive Director until 17 February 2025 appointment as Managing Director</i>)

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 \$596,787 (31 December 2023: \$408,768).

On 5 August 2024, 1,296,981 fully paid ordinary shares were issued in lieu of payment for drilling services completed in June 2024.

On 27 August 2024, 1,539,396 fully paid ordinary shares were issued to complete the acquisition of two tenements from Yandal Resources Ltd (YRL).

On 28 October 2024, the Company announced it had entered into an agreement with brokers to raise \$500,000 through the issue of convertible notes to sophisticated and institutional investors, subject to shareholder approval at a general meeting (refer to note 7).

On 12 November 2024, 5,000,000 options with an exercise price of \$0.25 lapsed unexercised.

On 13 December 2024, the Company held a General Meeting to seek shareholders' approval to issue the below securities to complete the Company's placement, as announced on 28 October 2024:

- 500,000 convertible notes; and
- 5,000,000 options (exercisable on same terms as the Conversion Options) to brokers in part consideration for services provided in relation to the convertible notes.

All resolutions were passed at the Company's General Meeting and the convertible notes were issued on 20 December 2024.

Exploration

During the second half of 2024, the Company progressed exploration on the Kanowna Gold Project ("KGP"), with the completion of the Phase 1 drilling program, and progressed an exhaustive and highly focused evaluation of project generation opportunities to identify assets complementary to the existing portfolio with potential to add significant shareholder value.

Evaluation of strategic options for the Yamarna Region Projects progressed during the period, including opportunities to bring in a partner, or partners, to progress the development of these highly prospective projects.

DIRECTORS' REPORT

Post the end of the half yearly period Cosmo announced the signing of a Binding Heads of Agreement to acquire 100% of the Bingara and Nundle gold-antimony and copper projects in the New England Orogen of northern NSW (subject to shareholder approval)¹. These belt scale projects, located around 150km from Larvotto Resources (ASX:LRV) globally significant Hillgrove gold-antimony project, are highly prospective for orogenic gold (antimony) covering over 40km cumulative strike of the historic Bingara and Nundle goldfields, and VMS / Intrusion Related copper-gold with extensive high grade copper occurrences / historic mines. The projects cover areas of the highest antimony-gold prospectivity in NSW, as mapped by the NSW Mines Department, and contain historic antimony mines including the Zwer's Scheelite Mine which produced over 4.30t of Sb.

KANOWNNA GOLD PROJECT (CMO 100%)

The Kanownna Gold Project is located 13km by sealed road north of Kalgoorlie in the Eastern Goldfields of Western Australia, adjacent to Northern Star Resources' (ASX:NST) world-class Kanownna Belle gold operations which has produced more than 5.4Moz of gold since 1993 and currently runs at an annual production rate of approximately 150,000 oz gold.

KGP covers a total landholding of 32km² with two tenements acquired during the period, taking the contiguous project tenure to 17 granted Prospecting Licenses and four Prospecting License applications, covering more than 8km of prospective strike.

The project area is intersected by the Kanownna Shear Zone, a series of parallel shear zones bisecting the KGP from northwest to the southeast. Gold mineralisation at the nearby Kanownna Belle deposit is controlled by the Fitzroy Fault, an east-northeast trending splay off the Reward Shear, a regionally extensive NW-trending shear. The Company has now interpreted extensions of the Fitzroy Shear into the KGP in the vicinity of the Laguna Verde Prospect (refer Figure 1).

Several east-northeast trending splays and crosscutting structures have been identified along the Kanownna Shear within the KGP, with these structural zones associated with widespread pathfinder element (e.g. arsenic, antimony, bismuth, tellurium etc) anomalism and supergene gold identified from historical drilling.

The Phase 1 drilling program completed during the period consisted of 4,915m divided between 9 RC holes for 1,764m and 42 aircore holes for 3,151m.

The RC program targeted²:

1. Widespread surficial and near-surface gold at WKL and Dugite (tested with four holes 24KGRC0001-0004)
2. High-grade gold in historical drilling intersections at Don Álvaro (24KGRC0009); and Laguna Verde (24KGRC0007-0008)
3. The association of gold anomalism with structures cutting the NE-trending Kanownna Shear which bisects the KGP from NW to SE (24KGRC0005-6).

The AC program focused on following up structural zones newly identified by Cosmo's technical team.

¹ Refer CMO ASX announcement 12 February 2025

² Refer CMO ASX Announcement 11 June 2024

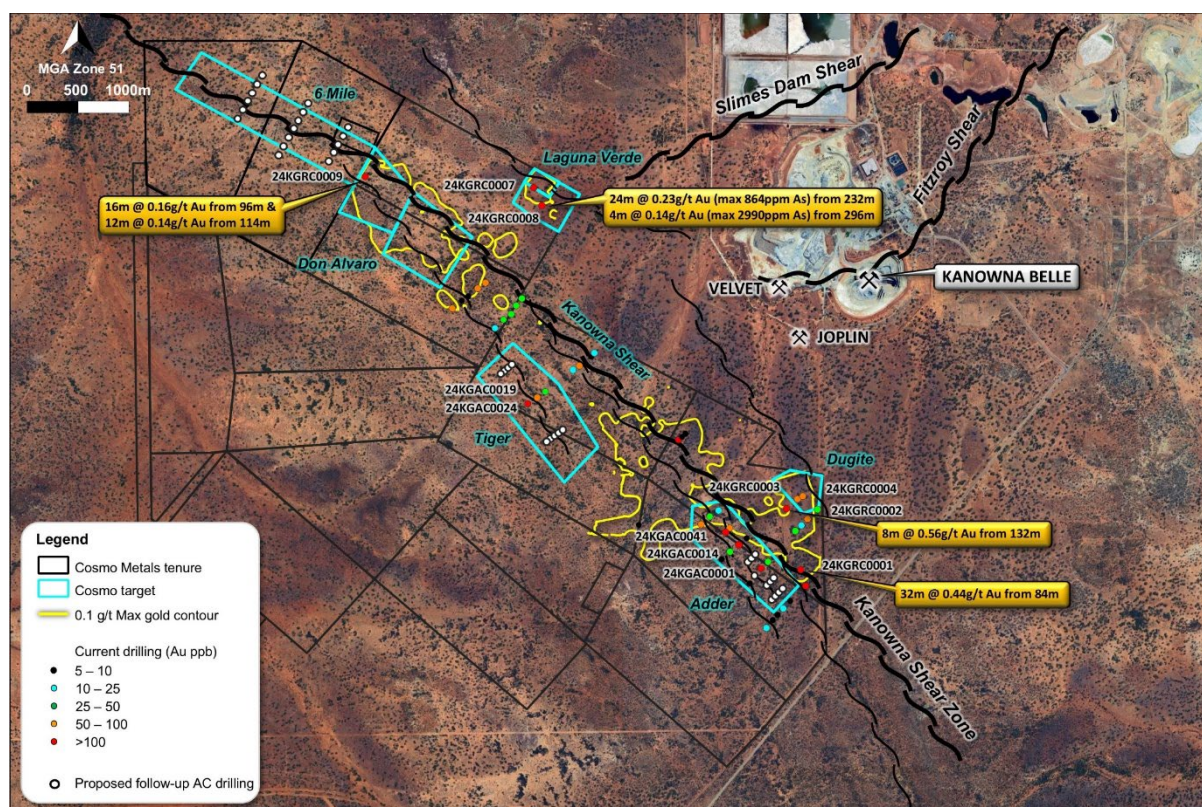


Figure 1: Kanowna Gold Project, targets on background aerial photo with RC holes (labelled) and aircore hole collars.

All RC holes intersected variably altered (quartz-albite-fuchsite), sheared and mineralised (pyrite) rocks with quartz veining noted in discrete intervals. Logged geology was dominated by Panglo Basin sediments (sandstones and shales) in holes 24KGRC001-0006 and 0009³. Aircore holes intersected 50 – 80m of weathered rocks with fresh basement comprising altered, sheared and (pyrite) mineralised Panglo Basin sediments.

The Phase 1 drilling delivered a number of broad zones of anomalous gold mineralisation across the project area, including⁴:

- 32m @ 0.44g/t Au from 116m in 24KGRC0001 at Dugite
- 8.0m @ 0.56g/t Au from 132m in 24KGRC0002 at Dugite
- 24m @ 0.23g/t Au from 232m in 24 KGRC0008 at Laguna Verde.

The geochemical, geological / alteration and structural data from the Phase 1 drilling program is being evaluated by Cosmo's technical team in support of refining the geological / structural interpretation for the KGP to assist in identifying priority targets for future follow up exploration.

YAMARNA REGION PROJECTS (CMO 100%)

The Yamarna Project, approximately 130km east of Laverton in Western Australia, includes the Mt Venn deposit (Cu-Ni-Co), the Minjina discovery (Zn-Pb-Cu-Ag) and the Eastern Mafic prospect (Cu-Ni-PGE). The contiguous Narragene tenement (E38/3640), covering a further 8km strike length of the Mt Venn greenstone, is prospective for both Mt Venn-style (Cu-Ni-Co) mineralisation as well as VMS (Zn-Pb-Cu-Ag) mineralisation associated with felsic volcanics (refer Figure 2). Yamarna comprises eight granted tenements with a total area of 370km² and six tenement applications.

Limited on-ground exploration was completed at the Yamarna Project during the period with desk-top studies ongoing to identify and refine targets for follow up exploration.

The Wurnda Lithium Project, approximately 40km north-west of the Yamarna Project, includes a more than 50km long zone of lithium and associated pathfinder element anomalism within exploration licence applications covering 480km².

³ Refer CMO ASX Announcement 8 July2024

⁴ Refer CMO ASX Announcement 31 July 2024

DIRECTORS' REPORT

The Company is evaluating its strategic options for the Yamarna Region Projects, including opportunities to bring in a partner, or partners, to progress the development of these highly prospective projects.



Figure 2: Cosmo Metals' Yamarna Region Projects, Eastern Goldfields Western Australia.

The **Mt Venn Cu-Ni-Co deposit** is located within the core of the Yamarna Project. Mineralised intervals at Mt Venn comprise 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.

An Exploration Target of **10.2 to 32.3 million tonnes of Copper (Cu) – Nickel (Ni) – Cobalt (Co) mineralisation with grades ranging from 0.55% CuEq to 0.63% CuEq** was prepared for Mt Venn by leading global mining consulting group Entech⁵ (refer Table 1 and Figure 3):

Note: The potential tonnes and grades of the Exploration Target are conceptual in nature and should not be considered as an estimate of a Mineral Resource. There has been insufficient exploration (and drilling density) to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target, being conceptual in nature, takes no account of geological complexity or metallurgical recovery factors.

⁵ Refer CMO ASX Announcement 16/02/2023

Table 1: Mt Venn Exploration Target. Potential tonnes and grade ranges.

Deposit	Attribute	Upper Limit ≥ 0.3% CuEq + 200mRL			Lower Limit ≥ 0.3% CuEq + Inpit ⁴		
		Tonnes (Mt)	Metal (kt)	Grade (%)	Tonnes (Mt)	Metal (kt)	Grade (%)
Mt Venn	CuEq2023 ⁶	32.3	177.2	0.55	10.2	64.5	0.63
	Copper		99.1	0.31		37.3	0.36
	Nickel		26.1	0.08		8.9	0.09
	Cobalt		8.6	0.03		3.1	0.03

Notes: Tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding.

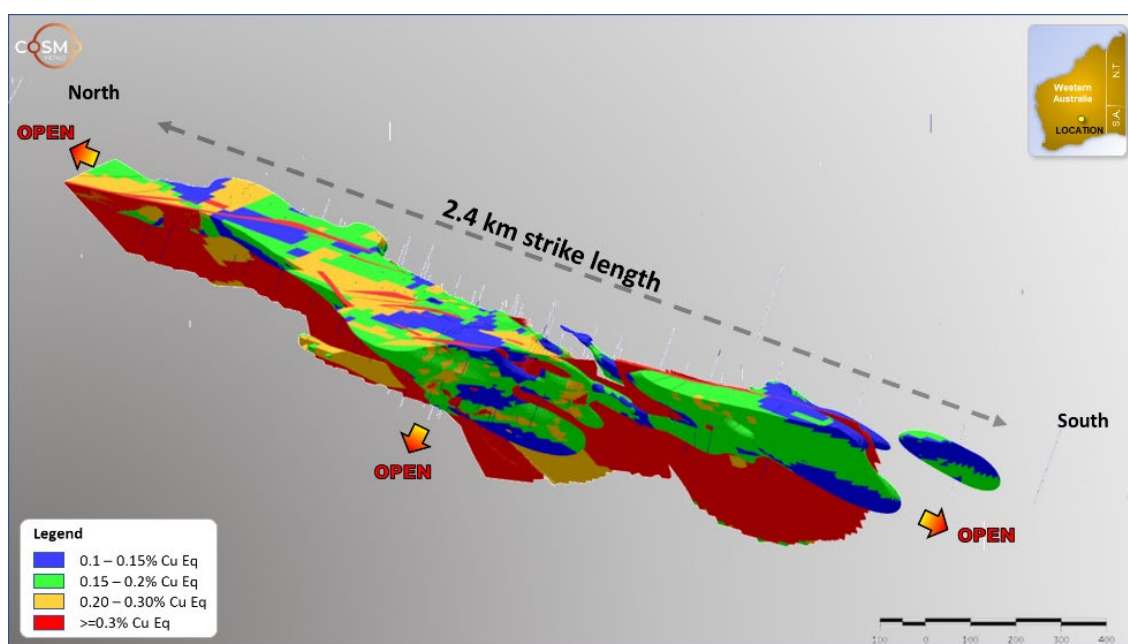


Figure 3: Mt Venn Exploration Target, 3D Block Model, Oblique View

The **Minjina Prospect**, approximately 1km north of Mt Venn, was first identified as a potential Volcanogenic Massive Sulphide (VMS) target from a review of historic hole 17MVRC004 which intersected:

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

Follow up drilling by Cosmo intersected broad Zn-Pb-Ag mineralisation including (refer Figure 4):

- MIRC003 7m @ 3.20% Zn, 0.82% Pb, 11.84 g/t Ag from 73m including
2m @ 5.0% Zn, 1.4% Pb, 18.83g/t Ag from 76m
- MIRC010 14m @ 0.47% Zn, 0.10% Pb, 8.96g/t Ag 0.12% Cu from 144m and
15m 1.25% Zn, 0.30% Pb, 8.33g/t Ag from 184m
- MIRC013 11m @ 1.03% Zn, 0.22% Pb, 33.50g/t Ag, 0.15% Cu from 212m including
6m @ 1.46% Zn, 0.29% Pb, 50.58g/t Ag, 0.21% Cu

Mineralisation at Minjina is contained within broad (more than 50m thick) zones of anomalous Zn-Pb-Ag in fresh rock, with the consistency of mineralisation between adjacent holes confirming that the individual intersections form part of a larger mineralised system.

⁶The Copper equivalent has been calculated using metal pricing, recoveries and other payability assumptions for copper, nickel and cobalt as detailed in 'Other Substantive exploration data' in Section 2 of the attached JORC Code Table 1.

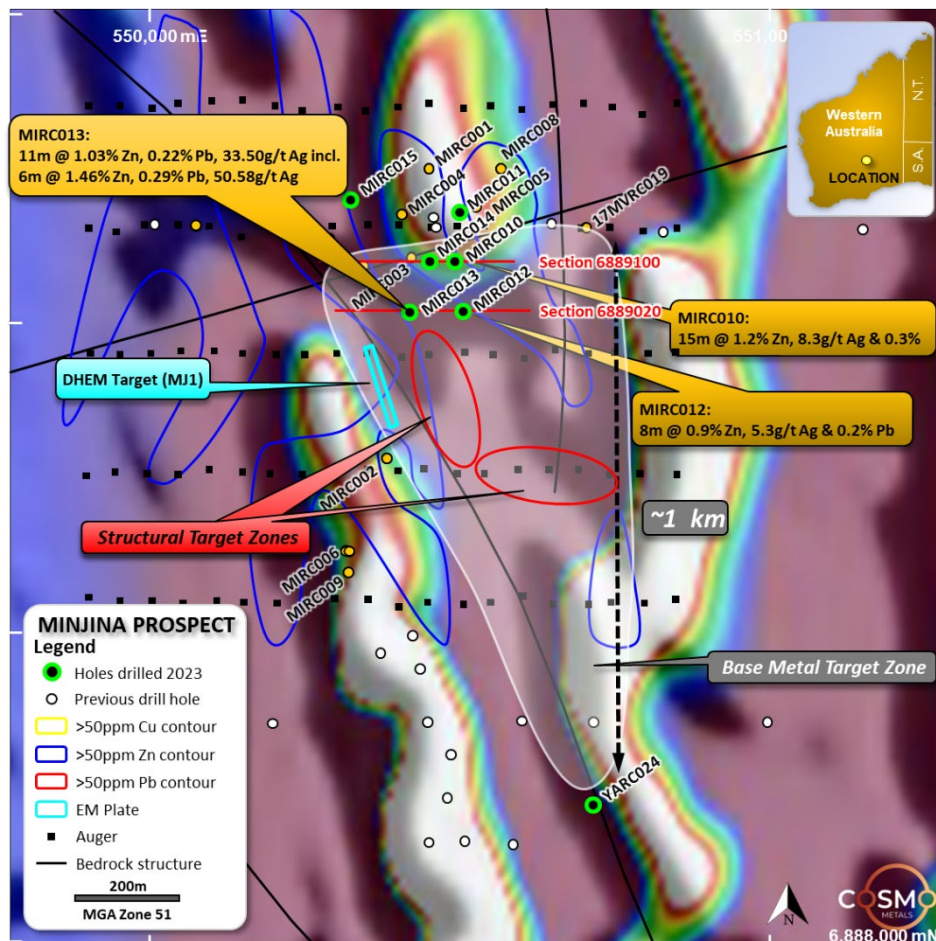


Figure 4: Minjina Prospect. Location of Cosmo and historical holes on regional airborne magnetics (RTP TMI). New structural target zones and MJ1, high conductance target identified from DHEM in MIRC012.

A downhole electromagnetic (DHEM) survey of MIRC012 identified a high conductance (5,700 S) anomaly approximately 150m to the south (refer Figure 4). This target (MJ1) is a compelling walk-up drill target given not only its strong conductance but also importantly the association of massive sulphides in MIRC013 with high-grade silver and significant base metals. MJ1 could be tested with two shallow (~200m) RC holes.

Narragene, covering a further 8km strike of the Mt Venn Igneous Complex to the north of Mt Venn and Minjina is considered prospective for Cu-Ni-Co and Zn-Pb-Cu-Ag mineralisation.

Review of historical data has identified numerous high-priority target areas prioritised based on:

- Widespread Cu-Ni mineralisation in rock chips and intersected in historical drilling, including hole MVRC010 with the highest-grade Ni intersection in the Mt Venn Greenstone Belt:
 - – 4m @ 1.2% Cu, 0.68% Ni from 33m including 1m @ 0.5% Cu, 1.8% Ni from 35m
- Extensive mafic/ultramafic rocks (host for magmatic Cu-Ni-Co±PGE mineralisation) associated with widespread Cu-Ni mineralisation identified in historical rock chip sampling.
- Widespread felsic volcanic rocks (potential host to VMS-style Zn-Pb-Ag mineralisation), which are interpreted to underlie extensive post-mineral cover.

In 2023 the Company undertook a moving loop electromagnetic (MLEM) survey targeting the contact of the mafic and felsic/intermediate rocks in an area associated with widespread copper and nickel mineralisation in historical rock chips and drilling. The MLEM identified a strong conductor which was followed up with a Fixed-Loop EM (FLEM) survey. The FLEM identified a 155 x 40m strong late-time conductor "NA1" associated with elevated Cu and Ni in surface sampling. A shallow (160m) drillhole has been proposed to test NA1.

The **Wurnda Lithium Project** consists of three exploration licence applications covering more than 480km² of the Deleta Greenstone Belt (DGB). Work by Cosmo's technical team led to the recognition of the Lithium-Cesium-

DIRECTORS' REPORT

Tantalum (LCT) Pegmatite potential of the DGB. The Wurnda applications cover a more than 60km long belt of anomalous lithium and associated LCT pegmatite pathfinder elements identified from historical (2011) auger soil sampling targeting gold mineralisation (refer Figure 5).

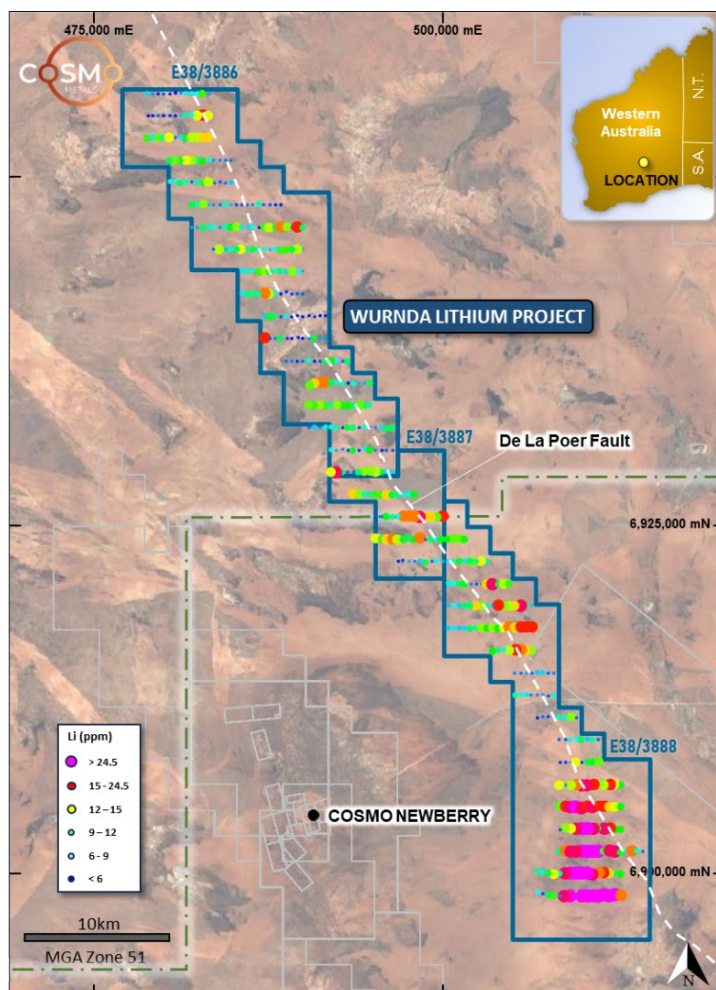


Figure 5: Wurnda Lithium Project. Anomalous lithium in auger soils geochemistry associated with the regional De la Poer fault on aerial photography.

The DGB is dominated by aeolian sands covering a poorly exposed package of granites and mafic-ultramafic rocks which were first recognised in the late 1990s. The area has received little systematic exploration, limited to wide spaced (1,600m x 400m) auger soil sampling with no drilling. Although historical auger targeted gold mineralisation all samples were submitted for a broad multi-element suite, including lithium and several Lithium-Cesium-Tantalum (LCT) pegmatite pathfinder elements (e.g., tin, cesium, rubidium, beryllium) using an aqua regia partial digest, only effective in weathered sample materials.

The Company's review of the Wurnda Project identified widespread lithium and pathfinder anomalism along the entire 60km long Wurnda Project area with the strongest anomalies forming a coherent zone of approximately nine kilometres by three kilometres in the south of the project area (refer Figure 5).

The Company considers the Wurnda Project a compelling target for follow up given:

- Limited and widely spaced, 1,600 x 400m, surface sampling with no drilling
- Widespread Li and associated pathfinder anomalism extending more than 60km over Yilgarn greenstone with limited outcrop and largely transported (aeolian sand) cover and
- LCT pathfinder anomalies associated with mapped greenstones and the De la Poer Fault, a major structural zone.

Data compilation and desktop prospectivity mapping is ongoing at Wurnda to refine targets in preparation for on-ground exploration following tenement grant.

DIRECTORS' REPORT

Cosmo relinquished its **Winchester Project** tenure during the period.

EVENTS AFTER THE REPORTING DATE

On 20 January 2025, 5,000,000 options with an exercise price of \$0.25 lapsed unexercised.

On 12 February 2025, the Company announced it had entered into a Binding Heads of Agreement (BHOA) to acquire 100% of the Bingara and Nundle gold – antimony and copper projects in the New England Orogen of northern NSW, subject to shareholder approval at a general meeting to be held on 28 March 2025. As a result, the Company made a non-refundable exclusivity fee payment of \$50,000. The Company also announced an underwritten non-renounceable entitlement offer of four (4) new shares for every five (5) shares held by eligible shareholders (refer to ASX announcement on 19 February 2025).

The directors are not aware of any other 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

On 12 August 2024, Mr Ranko Matic was appointed as non-executive director and Mr James Merrillees resigned as Managing Director.

On 16 August 2024, the Company changed its registered office and principle place of business to Level 1, 51 Colin Street, West Perth WA 6005.

On 16 August 2024, the Company announced its application to surrender tenements E38/3340 and E38/2129 (75% joint venture), known as the Winchester Project.

On 19 August 2024, the Company announced the acquisition of two tenements from Yandal Resources Ltd (YRL) for a consideration of \$50,000 payable in CMO ordinary shares at a deemed issue price calculated using the 5-day VWAP prior to the date of the agreement. Subsequently, on 27 August 2024, 1,539,396 fully paid ordinary shares were issued to complete the transaction (refer to note 7).

On 26 August 2024, Mr Ian Prentice was appointed as non-executive director, and subsequently appointed Managing Director on 17 February 2025

On 29 November 2024, the Company announced it had appointed Criterion Audit Pty Ltd as auditor of the Company following the resignation of RSM Australia Partners. The decision to change auditors was made following a review by the Board of the Company's external audit arrangements and a tender and consultation process.

There were no other significant changes in the state of affairs of the Group during the financial year.

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*.

On behalf of the directors



Ian Prentice
Managing Director

Date: 10 March 2025
Perth

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



		Consolidated 31 December 2024 \$	Company 31 December 2023 \$
	Notes		
Interest income		2,931	1,536
Depreciation expense		(9,979)	(10,406)
Non-capital exploration expenditure	6	(3,363)	(6,250)
Administration expenses	2	(364,375)	(252,569)
Finance expenses	3	(209,524)	-
Exploration asset impairment charges	6	(11,087)	(141,079)
Other Expenses		(1,392)	-
Loss before income tax		(596,789)	(408,768)
Income tax expense		-	-
Loss after income tax expense for the period	14	(596,789)	(408,768)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the owners of Cosmo Metals Limited		(596,789)	(393,400)
Loss per share			
Basic and diluted loss per share (cents)	14	(0.46)	(0.69)

The accompanying notes form part of this interim financial report.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**



		31 December 2024 \$	30 June 2024 \$
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	4	643,057	1,284,663
Trade and other receivables	5	68,816	97,883
Total current assets		711,873	1,382,546
Non-current assets			
Plant and equipment		29,618	40,988
Exploration and evaluation expenditure	6	9,752,127	9,373,141
Other		55,252	-
Total non-current assets		9,836,997	9,414,129
Total assets		10,548,870	10,796,675
LIABILITIES			
Current liabilities			
Trade and other payables	8	245,749	664,410
Interest-bearing liabilities	9	627,959	-
Provisions		-	16,890
Total current liabilities		873,708	681,300
Non-current liabilities			
Provisions		-	1,112
Total non-current liabilities		-	1,112
Total liabilities		873,708	682,412
Net assets		9,675,162	10,114,263
EQUITY			
Issued capital	10	11,964,944	11,857,308
Reserves	11	1,075,566	1,511,516
Accumulated losses		(3,365,348)	(3,254,561)
Total equity		9,675,162	10,114,263

The accompanying notes form part of this interim financial report.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



Company	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2023	9,544,309	1,151,350	(1,783,281)	8,912,378
Net loss for the period	-	-	(408,768)	(408,768)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(408,768)	(408,768)

Transactions with owners in their capacity as owners

Share issue	120,763	-	-	120,763
Share issue costs	(1,627)	-	-	(1,627)
Other	-	40	-	40
Balance at 31 December 2023	9,663,445	1,151,390	(2,192,049)	8,622,786

Consolidated Entity	Issued Capital \$	Share based payment reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	11,857,308	1,511,516	(3,254,561)	10,114,263
Net loss for the period	-	-	(596,787)	(596,787)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	-	(596,787)	(596,787)

Transactions with owners in their capacity as owners

Share issue	110,180	-	-	110,180
Share issue costs	(2,544)	50,000	-	47,456
Expiry of options		(486,000)	486,000	-
Other	-	50	-	50
Balance at 31 December 2024	11,964,944	1,075,566	(3,365,348)	9,675,162

The accompanying notes form part of this interim financial report.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**



	Notes	Consolidated 31 December 2024 \$	Company 31 December 2023 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(424,011)	(268,073)
Interest received		2,931	1,536
Net cash outflow from operating activities		(421,080)	(266,537)
Cash flows from investing activities			
Payments for exploration and business development		(486,987)	(342,187)
Payments for acquisition of tenements		(201,045)	-
Net cash outflow from investing activities		(688,032)	(342,187)
Cash flows from financing activities			
Proceeds from issue of shares		-	81,803
Proceeds from issue of convertible notes, net of costs		470,000	-
Proceeds from issue of options		50	-
Capital raising costs		(2,544)	(1,627)
Net cash inflow from financing activities		467,506	80,176
Net decrease in cash held		(641,606)	(528,548)
Cash at the beginning of the period		1,284,663	612,449
Cash at the end of the period	4	643,057	83,901

The accompanying notes form part of this interim financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024



1. Summary of material 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 2024 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.

Going Concern

These financial statements are prepared on a going concern basis. The Group had incurred a net loss after tax of \$596,787, cash outflows from operating activities of \$421,080 and cash outflows from investing activities of \$688,032 for the period ended 31 December 2024. As at that date, the Group had net current liabilities of \$161,835.

Whilst the above conditions indicate a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report, the Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- a) As announced on 12 February 2025, the Company has successfully received binding commitments to undertake an underwritten non-renounceable four (4) for five (5) entitlements offer of approximately 104.8m shares at the offer price of \$0.015 to raise proceeds of \$1.57m from existing eligible retail shareholders;
- b) In accordance with the *Corporations Act 2001*, the Company has plans to raise further working capital through the issue of equity during the financial year end 30 June 2025; and
- c) The Directors of the Company expect that major shareholders of the Company will support fundraising activities.

On this basis, the Directors are of the opinion that the financial statements should be prepared on a going concern basis and that the Group will be able to pay its debts as and when they fall due and payable.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

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 Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)



1. Summary of material accounting policies (continued)

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

2. Administration Expenses

	31 Dec 2024 \$	31 Dec 2023 \$
Staff costs	188,388	73,862
Legal, insurance and bank fees	19,341	23,629
Listing and compliance costs	22,311	18,099
Public relations expenses	57,105	21,875
Other administration expenses	77,227	115,104
	364,373	252,569

3. Finance Expenses

	31 Dec 2024 \$	31 Dec 2023 \$
Interest expense	2,959	-
Borrowing costs – broker fees on convertible notes	30,000	-
Borrowing costs – options granted to brokers for services provided	50,000	-
Borrowing costs – conversion discount on convertible notes (refer to note 9)	125,000	-
Unwinding on discount of deferred cash liability	1,565	-
	209,524	-

4. Cash and Cash Equivalents

	31 Dec 2024 \$	30 Jun 2024 \$
<i>Cash and cash equivalents in the statement of financial position and statement of cash flows</i>		
Cash at bank and on hand	643,057	1,284,663
	643,057	1,284,663

5. Trade and Other Receivables

	31 Dec 2024 \$	30 Jun 2024 \$
Trade debtors	-	5,476
GST receivable	15,398	41,843
Prepayments	53,418	50,521
Other	-	43
	68,816	97,883

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)



6. Exploration and Evaluation

	31 Dec 2024 \$	30 Jun 2024 \$
Exploration and evaluation – at cost	9,752,127	9,373,141

Reconciliations

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

	31 Dec 2024 \$	30 Jun 2024 \$
Opening balance	9,373,141	8,453,597
Acquisitions– La Zarza Minerals Pty Ltd (note 7)	-	844,278
Acquisitions– Kanowna Gold Project tenements (note 7)	51,045	132,930
Expenditure incurred during the year	342,391	817,157
Impaired during the year (a)	(11,087)	(860,333)
Written off during the year	(3,363)	(14,488)
Closing balance	9,752,127	9,373,141

- (a) During the year ended 30 June 2024, management of the Group tested the Mulgabiddy, Pingrup and Winchester projects for impairment mainly under AASB 6 Exploration for and Evaluation of Mineral Resources and concluded that it was unlikely future work would continue on the project given there was no future expenditure planned beyond 2024. This ultimately resulted in a provision for impairment to reduce the carrying amount of the projects to nil value. The Mulgabiddy and Pingrup projects were subsequently surrendered in January 2024 and the Winchester project in August 2024.

Subsequently, for the period ended 31 December 2024, an additional \$11,087 expenditure on the Winchester project was impaired.

7. Asset acquisition

On 28 March 2024, the Company acquired 100% of the issued capital of La Zarza Minerals Pty Ltd (LZM) for a cash consideration of \$400,000 and through the issue of 8,000,000 shares. La Zarza Minerals Pty Ltd is an unlisted private company incorporated in Australia and owns the Kanowna Gold Project in Western Australia.

As the transaction is not deemed a business acquisition, the transaction must be accounted for as an asset acquisition.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)**



7. Asset acquisition (continued)

The fair value of the assets acquired at the date of acquisition are outlined below:

	30 June 2024
	\$
Purchase consideration:	
Cash Consideration – LZM	200,000
8,000,000 shares to vendors – LZM	328,000
Deferred cash consideration (discounted)	190,612
Transaction and due diligence costs	125,666
Total purchase consideration	844,278
Deferred exploration and expenditure (note 7)	844,278
Net assets acquired	844,278

On 12 June 2024, La Zarza Minerals Pty Ltd acquired three tenements, adjacent to the Kanowna Gold Project (KGP), for a cash consideration of \$50,000 and through the issue of 1,762,050 shares at an issue price of \$0.043 per share (20 day VWAP).

The fair value of the assets acquired at the date of acquisition are outlined below:

	30 June 2024
	\$
Purchase consideration:	
Cash Consideration – KGP tenements	50,000
1,762,050 shares to vendors – KGP tenements	75,000
Transaction and due diligence costs – KGP tenements	7,930
Total purchase consideration	132,930

On 19 August 2024, La Zarza Minerals Pty Ltd acquired two tenements, adjacent to the Kanowna Gold Project (KGP), through the issue of 1,539,396 shares at an issue price of \$0.032 per share (5 day VWAP).

The fair value of the assets acquired at the date of acquisition are outlined below:

	31 December 2024
	\$
Purchase consideration:	
1,539,396 shares to vendors – KGP tenements	50,000
Transaction and due diligence costs – KGP tenements	1,045
Total purchase consideration	51,045

8. Trade and Other Payables

	31 Dec 2024	30 Jun 2024
	\$	\$
Trade payables	131,804	355,662
Accrued expenses	111,222	92,236
Deferred cash consideration – La Zarza Mineral Pty Ltd (note 7)	-	198,435
Other creditors	2,723	18,077
	245,749	664,410

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)**



9. Interest-bearing Liabilities

	31 Dec 2024 \$	30 Jun 2024 \$
<i>Convertible notes</i>		
Issue of 500,000 convertible notes at \$1.00 face value	500,000	-
Conversion discount (refer to note 3)	125,000	-
Interest accrued (refer to note 3)	2,959	-
	627,959	-

On 28 October 2024, the Company announced it had entered into an agreement with brokers to raise \$500,000 through the issue of convertible notes to sophisticated and institutional investors. The convertible notes were subsequently issued on 20 December 2024 and the terms are summarised below:

- **Security:** Unsecured
- **Interest Rate:** 12% per annum, accruing on daily balances on the basis of a year of 365 days until the convertible notes are either redeemed or converted into Shares.
- **Maturity:** on or before 6 months unless otherwise extended by written agreement between the Company and the brokers
- **Conversion:** The convertible notes will convert into ordinary shares at a 20% discount to the next capital raise price, subject to a ceiling price of \$0.025 and a floor price of \$0.007, or if the convertible notes convert on the maturity date, each convertible note will be convertible into shares at a conversion price of an amount equal to a 20% discount to the lowest 5-day VWAP during the period of the execution date of a binding terms sheet to the maturity date, subject to a ceiling price of \$0.025 and a floor price of \$0.007.

Additionally, the notes will attract one (1) option for every one (1) share issued upon conversion of the Notes, exercisable at a 25% premium to the conversion price with a three (3) year expiry from the date of issue.

10. Issued Capital

	31 Dec 2024 \$	30 Jun 2024 \$
Ordinary shares – issued and fully paid	11,964,944	11,857,308

	No. of shares	Issue Price	\$
<i>Movement in ordinary shares on issue</i>			
On issue at 30 June 2024	128,156,497		11,857,308
Shares issued as consideration for exploration projects (refer to note 7)	1,539,396	0.032	50,000
Shares issued in lieu of payment	1,296,981	0.046	60,180
Transactions costs	-	-	(2,544)
On issue at 31 December 2024	130,992,874		11,964,944

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)**



11. Reserves

	Number	\$
<i>Share-based payments reserve consists of:</i>		
Share options	57,318,202	1,511,516
Balance at 1 July 2023	10,500,000	1,151,350
Options issued	52,318,202	360,076
Options forfeited	(500,000)	-
Subscription monies received for issue of options	-	90
Balance at 30 June 2024	62,318,202	1,511,516
Balance at 1 July 2024	62,318,202	1,511,516
Options granted (a)	-	50,000
Options forfeited	(5,000,000)	(486,000)
Subscription monies received for issue of options	-	50
Balance at 31 December 2024	57,318,202	1,075,566

(a) On 13 December 2024, 5,000,000 options were granted but not yet issued. These are subject to shareholder approval at the Company's next general meeting to be held on 28 March 2025.

12. Related Party Transactions

During the period ending 31 December 2024, Andrew Paterson, a director of the Company, is also an officer of Dampier Consulting Pty Ltd, a company who provided Director services and invoiced the Company \$30,662 (31 December 2023: \$10,175), including GST. As at 31 December 2024, all amounts owing to Dampier Consulting Pty Ltd was paid.

During the period ending 31 December 2024, Ranko Matic, a director of the Company, is also an officer of Consilium Corporate Pty Ltd, a company who provided Director services, CFO and company secretarial services and invoiced the Company \$81,213, including GST. As at 31 December 2024, \$14,790 was owing to Consilium Corporate Pty Ltd.

During the period ending 31 December 2024, Ian Prentice, a director of the Company, is also an officer of Newstead Consulting Pty Ltd, a company who provided Director services and invoiced the Company \$21,431, including GST. As at 31 December 2024, all amounts owing to Newstead Consulting Pty Ltd was paid.

During the period ending 31 December 2024, Great Boulder Resources Limited (shareholder of the Company), invoiced the Company nil amounts (31 December 2023: \$11,061) for shared storage fees. As at 31 December 2024, all amounts owing to Great Boulder Resources Limited (31 December 2023: \$11,061).

There were no other transactions with related entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)



13. Commitments for Expenditure

Exploration and Evaluation

The Group 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 2024 \$	30 Jun 2024 \$
Not later than 12 months	553,440	538,320
Between 12 months and 5 years	2,213,760	2,153,280
Total	2,767,200	2,691,600

14. Loss per Share

	31 Dec 2024 \$	30 Jun 2024 \$
Loss after income tax	(596,787)	(1,471,280)

	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic loss per share	130,253,872	79,007,970
Basic and diluted loss per share (cents)	(0.46)	(1.86)

15. Events after the Reporting Date

On 20 January 2025, 5,000,000 options with an exercise price of \$0.25 lapsed unexercised.

On 12 February 2025, the Company announced it had entered into a Binding Heads of Agreement (BHOA) to acquire 100% of the Bingara and Nundle gold – antimony and copper projects in the New England Orogen of northern NSW, subject to shareholder approval at a general meeting to be held on 28 March 2025. As a result, the Company made a non-refundable exclusivity fee payment of \$50,000. The Company also announced an underwritten non-renounceable entitlement offer of four (4) new shares for every five (5) shares held by eligible shareholders (refer to ASX announcement on 19 February 2025).

The directors are not aware of any other 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.

16. Contingent Assets and Liabilities

Contingent assets

The Company had no contingent assets as at 31 December 2024.

Contingent liabilities

As part of the La Zarza Minerals Pty Ltd Share Purchase Agreement executed on 18 February 2024 with Robbie Wayne Parr and Anna Karina Reis-Parr, and Andrew James Wood and Bianca Jae Wood, the following contingent liability exists at 31 December 2024:

- 0.25% of the Net Smelter Return on the products mined and sold from the tenements listed in the deed payable within 30 days after the end of the quarter.

As part of the Kanowna Gold Project Tenement Purchase Agreement executed on 29 May 2024 with Jake Walter Wilson, the following contingent liabilities exist at 31 December 2024:

- 1.0% of the Net Smelter Return on the products mined and sold from the tenements listed in the deed payable within 30 days after the end of the quarter; and
- \$125,000 Milestone Payment in cash or shares due 10 business days after ASX announcement confirming discovery of ore grade drilling intercepting 20 gram-metres of Gold or more from the Sale Tenement Area listed in the agreement.

17. Operating Segments

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

18. Dividends

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

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached consolidated 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 consolidated financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2024 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 black ink, appearing to read "Ian Prentice".

Ian Prentice
Managing Director

Date: 10 March 2025
Perth

Criterion Audit Pty Ltd

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Phone: 9466 9009

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Cosmo Metals Limited and its controlled entities for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 10th day of March 2025

Independent Auditor's Review Report

To the Members of Cosmo Metals Limited

Conclusion

We have reviewed the half-year financial report of Cosmo Metals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, 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 accompanying half-year financial report of Cosmo Metals Limited does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *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 Group in accordance with the ethical 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 the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 Going Concern, to the half year report, which indicates that the Consolidated Entity incurred a loss from ordinary activities of \$596,787, cash outflows from operating activities of \$421,080 and cash outflows from investing activities of \$688,032 for the period ended 31 December 2024. As at that date, the Consolidated Entity had net current liabilities of \$161,835. As stated in Note 1 Going Concern, these events or conditions, along with other matters as set forth in Note 1 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Half-Year Financial Report

The Directors are responsible for the preparation of the half-year financial report that gives us 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 gives a true and fair view is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 2024 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*.

A review of a 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.

Criterion Audit

CRITERION AUDIT PTY LTD



CHRIS WATTS CA
Director

DATED at PERTH this 10th day of March 2025