

## Quarterly Activities Report Ending 30 September 2022

### HIGHLIGHTS

- Preliminary data has been received from recently completed VTEM Airborne Electromagnetic survey (AEM) over the Byro East Ni-Cu-PGE project in the West Yilgarn nickel province in WA.
- A total of 31 mid-to-late-time, high-priority bedrock EM conductors were identified.
- The survey utilised the UTS Geophysics VTEM MAX<sup>TM</sup> time-domain AEM system, flying a total of 2,395-line-km and covering 602km<sup>2</sup> of gneissic-mafic-ultramafic terrane prospective for magmatic nickel-copper-PGE sulphide-related mineralisation.
- The survey targeted Julimar and Nova-Bollinger style Ni-Cu-PGE sulphide mineralisation forming electrically conductive targets
- Ground field checks and preliminary EM source plate modelling is underway.
- Final VTEM survey data results to be announced once final levelled data are received from UTS.
- Key acquisition adjacent to the Company's Orange East Project and along strike from the +2Moz McPhillamys Gold Project in the Lachlan Fold Belt of NSW.
- The Company remains well funded with \$2.59 million as of 30 September 2022.

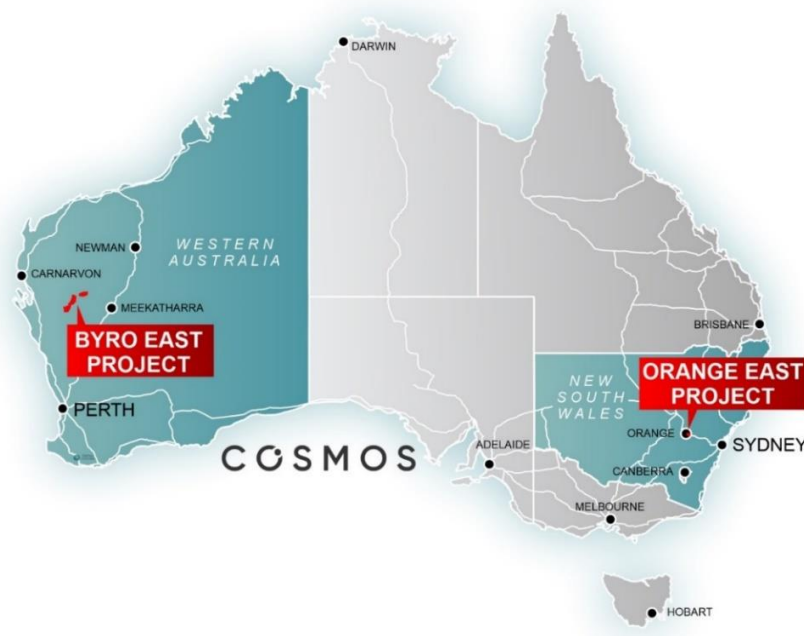


Figure 1 – Project Location Map

Cosmos Exploration (ASX: C1X) ("Cosmos" or "the Company") is pleased to announce its Quarterly Activities Report and Appendix 5B for the period ending 30 September 2022.

## Byro East Project

### Airborne Electromagnetic survey (AEM)

A 2,395-line kilometre AEM survey utilising the UTS (Geotech) VTEM Max<sup>TM</sup> system was completed over the central project tenure covering an area of 602km<sup>2</sup>. The VTEM survey targeted sulphide-rich Ni-Cu-PGE-related mineralisation over priority target areas identified from the recently acquired ground gravity, regional surface geochemistry and airborne magnetic datasets (Figures 2 and 3).

Flight lines were spaced at 400m and in-filled over priority target areas to 200m and 100m over priority bedrock conductors.

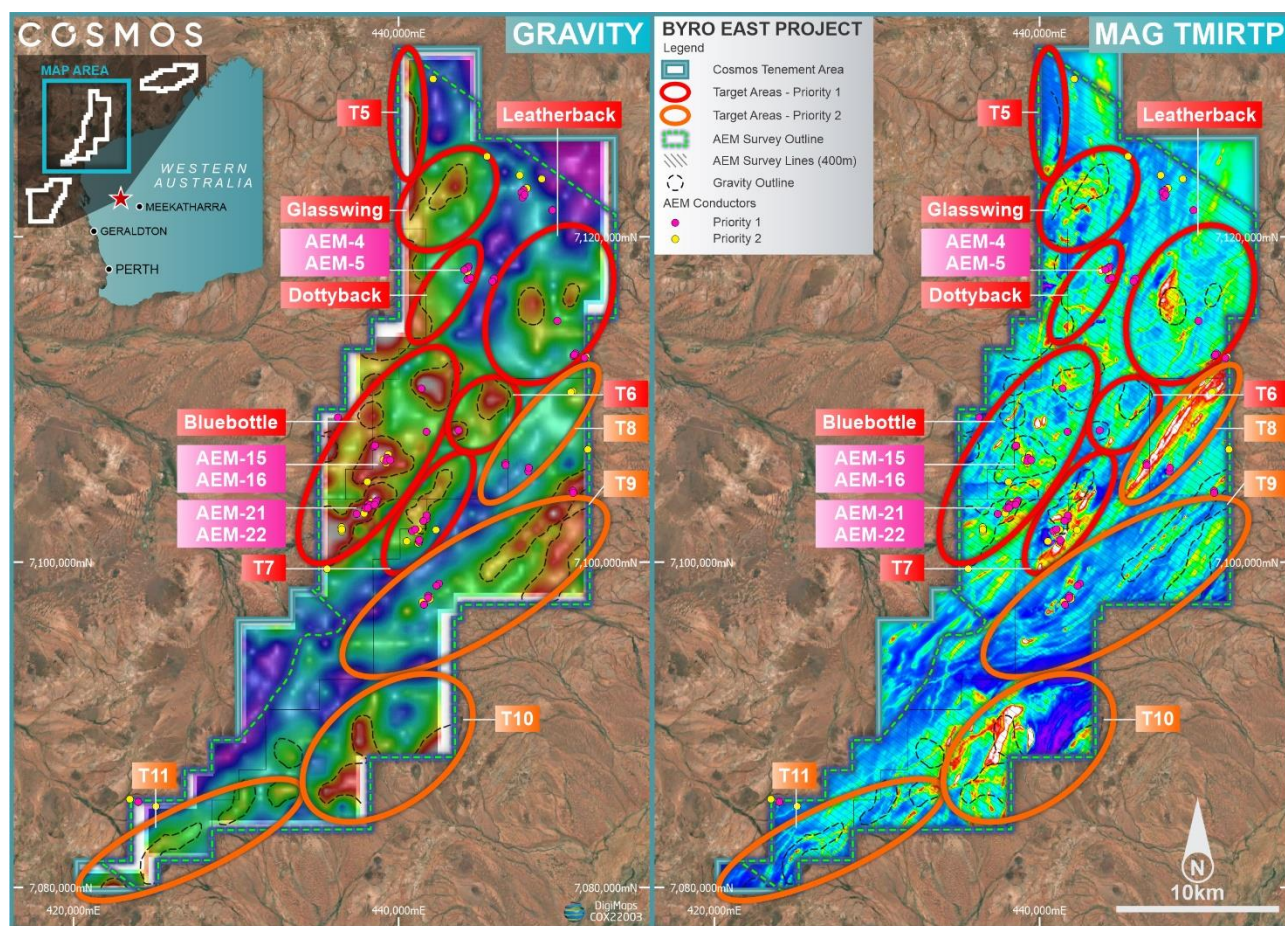


Figure 1-Locations of Priority 1 and 2 AEM conductor target areas, priority regional target areas over gravity (left) and magnetic (right) anomaly images. Note: EM conductive depth slices are not displayed in this announcement as final levelled data is required

These VTEM survey results have been highly encouraging, with 31 late-time bedrock conductors (Priority 1) identified in preliminary VTEM survey data and 32 early-to-mid-time (Priority 2) conductors identified (Figures 1 & 2). Bedrock conductors are of particular interest as these may represent direct detection of sulphide minerals associated with target Ni-Cu-PGE mineralisation.



Numerous Priority 1 anomalies coincide with oval to oblate-shaped gravity highs in the central and western parts of the survey area. Cosmos believes these gravity highs likely represent more significant accumulations of denser mafic-ultramafic host lithologies that have been incorporated into the Archean gneissic country rock, increasing the exploration potential for magmatic sulphide related mineralisation in these areas.

In areas of outcrop, several gravity highs show positive responses in mafic-ultramafic Ni-Cu-Cr soil geochemistry, strengthening the exploration concept that the gravity highs relate to increases in mafic composition within the country rock. This correlation will help elevate the ranking of AEM anomalies proximal to gravity highs where the surface geochemistry has been ineffective in transported covered terranes at the Bluebottle and T7 prospects (Figure 2).

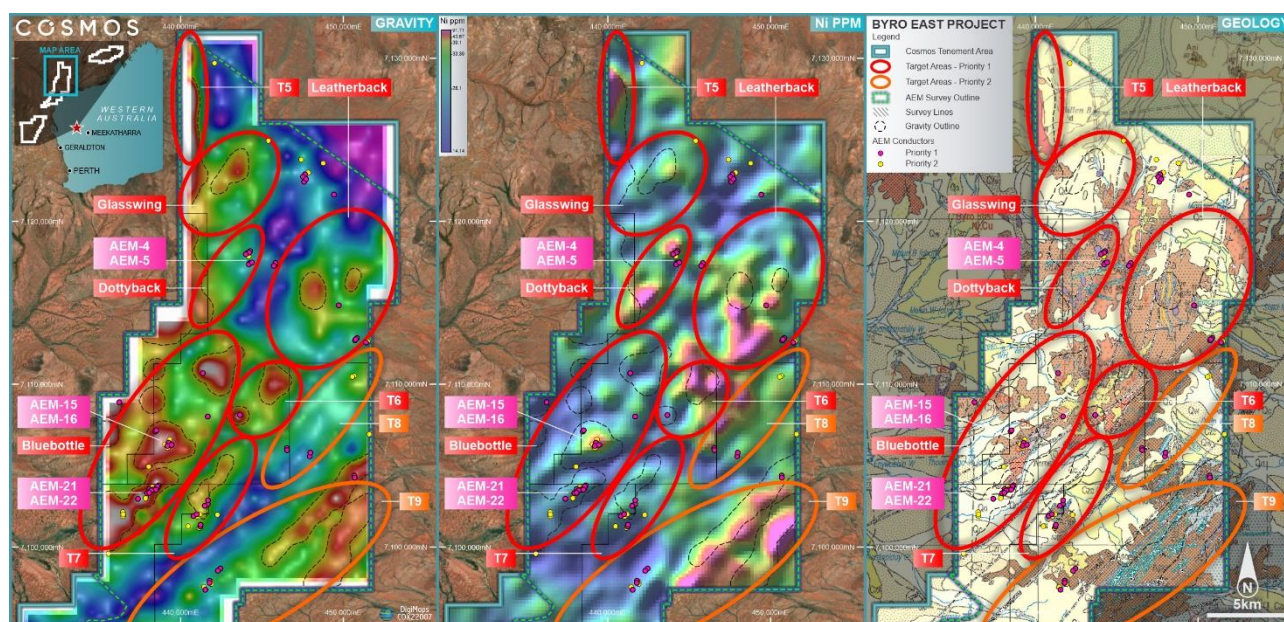


Figure 2 - Locations of Priority 1 and 2 AEM target areas over gravity (left), Ni gridded image (middle), and GSWA 1:250,000 scale outcrop geology map (right) which shows abundant transported regolith covered areas in cream-yellow.

Two of the six standout late-time bedrock AEM anomalies are AEM-4 and AEM-5, which are located at the Dottyback prospect. These anomalies coincide with mafic Ni-Cr soil geochemistry and occur across multiple 100m flight lines (Figures 2 & 3).

This area was initially identified in April 2022 as being a significant area of interest in which soil sampling confirmed mafic lithologies coincident with a pipe-like, magnetic "bull's eye" feature (see Company ASX announcement on 4 April 2022).

Due to delays in AEM anomaly source plate modelling to assess the geometry, depth and conductance of the sources of high priority AEM anomaly target areas, ranking of the AEM anomalies is still ongoing. Therefore, drill testing is now anticipated for early 2023, pending statutory government and Heritage approvals.

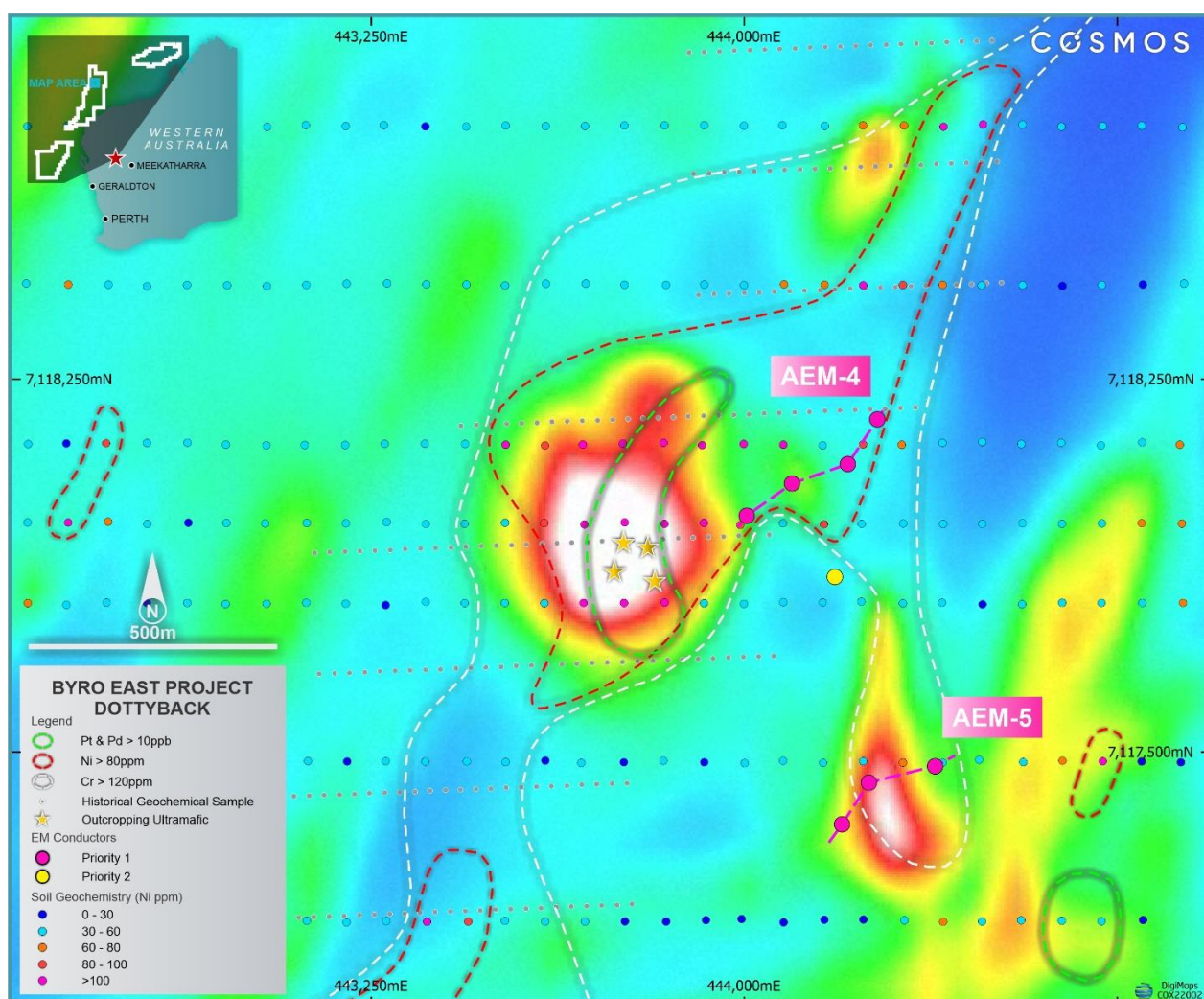


Figure 3 - Dottyback AEM-4 and AEM-5 target anomaly areas with surface Ni geochemistry outlines over magnetic image (tmirtp) highlighting a coincident bull's eye magnetic anomaly.

## Orange East Project

During the quarter, the Company agreed to acquire an 80% interest in adjoining tenements (EL 8807 and EL 6378), located immediately south of its Orange East and directly along strike from Regis Resources NL's +2Moz McPhillamys gold deposit (Figure 4).

The tenements contain extensions of the mineralised Godolphin fault (Figure 5) and the Anson formation (McPhillamys host sequence) and remain under-explored given the location along strike from McPhillamys.

The project is highly prospective for orogenic gold, porphyry-related copper-gold and volcanic-hosted massive sulphide (VHMS) type deposits. The acquisition more than doubles the Company's presence in the region and will become part of an expanded exploration program in the coming months and years.



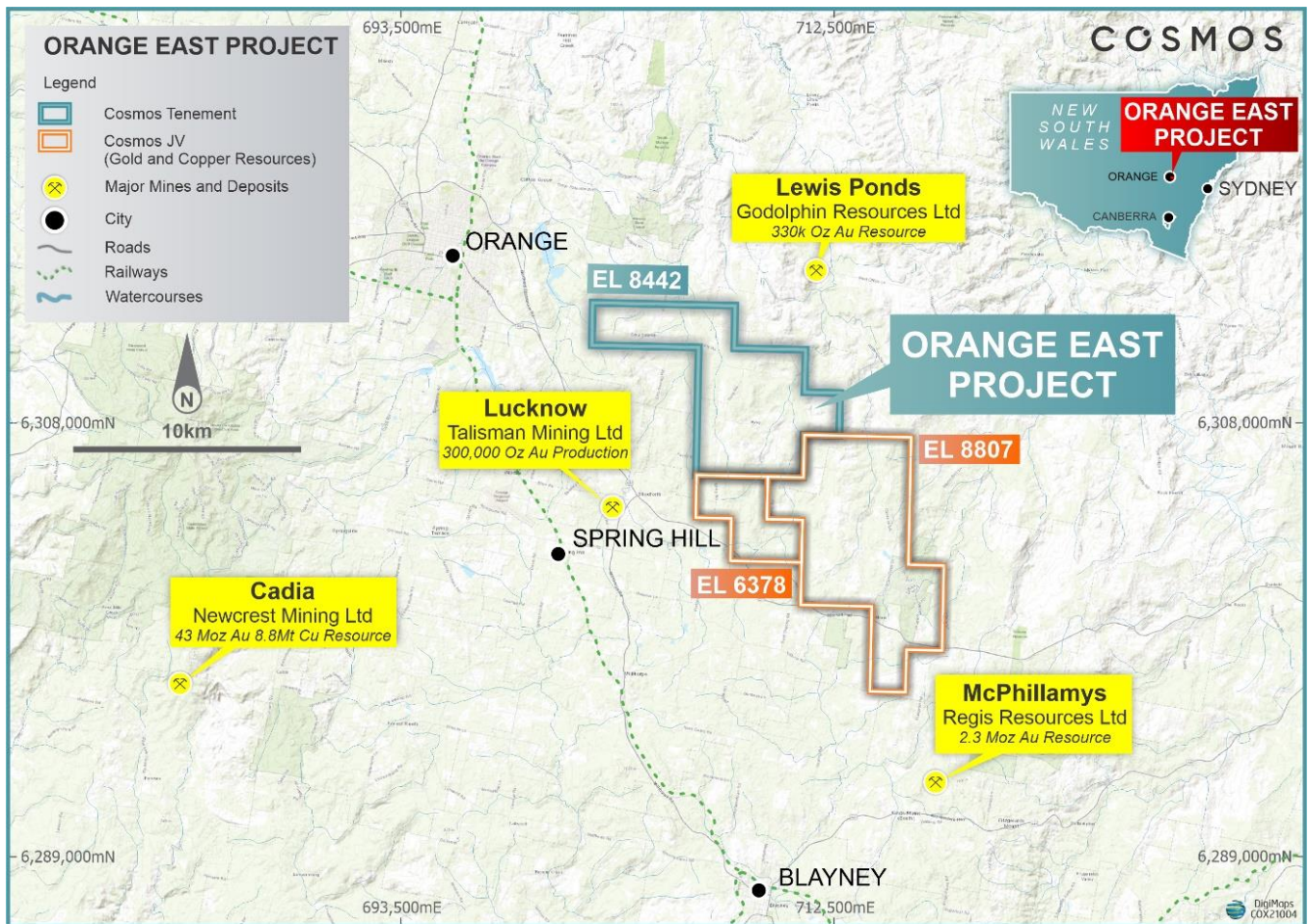


Figure 4 - Location of the new tenements adjacent to the +2Moz McPhillamys gold project development (Regis Resources)

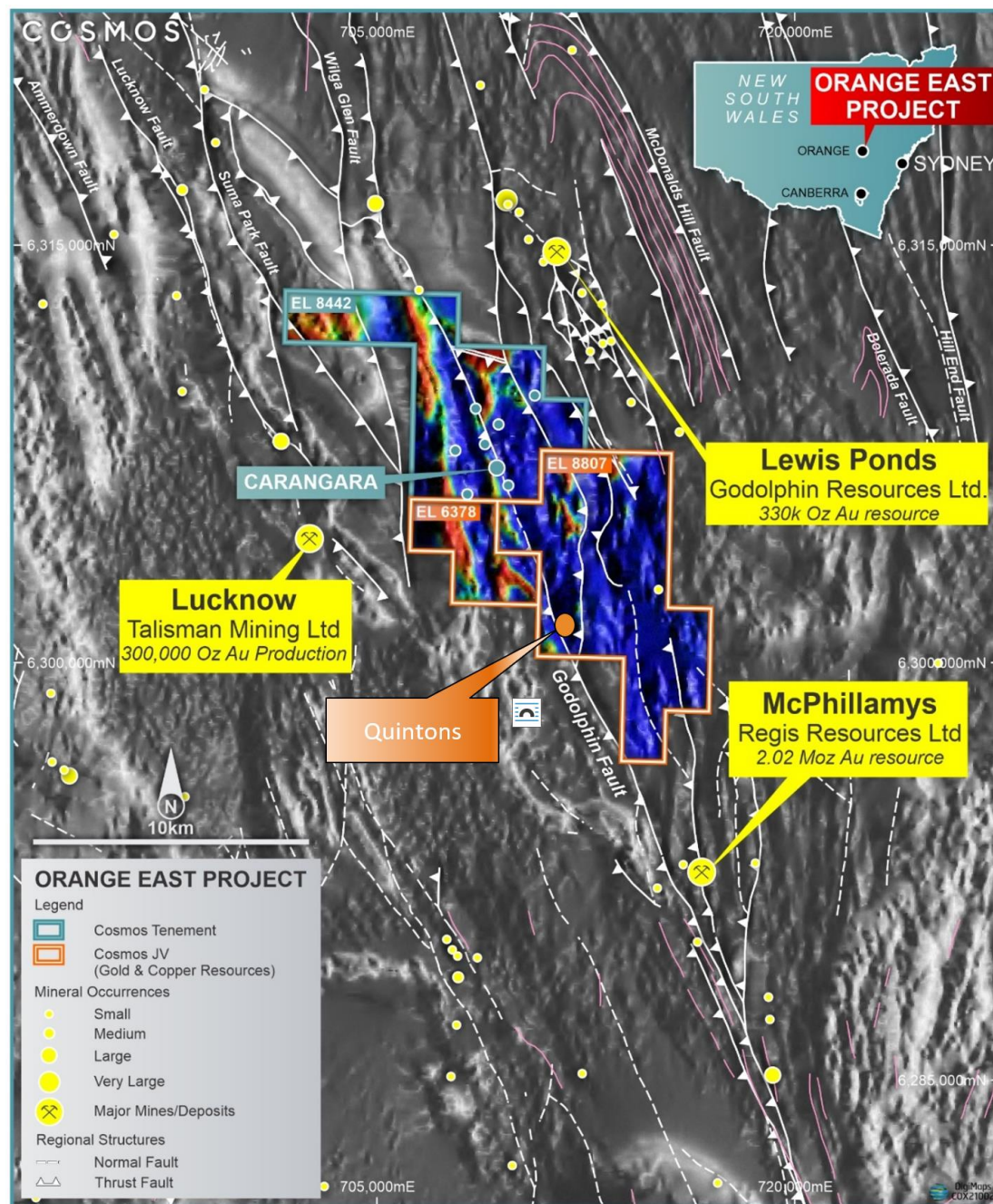


Figure 5 - Major structures (Godolphin Fault) and Mineral Occurrences over regional magnetics.

## Next Quarter Highlights

Activities planned for the December 2022 quarter include:

### Byro East Ni-Cu-PGE Project (100% Cosmos)

- VTEM target drill Planning & POW regulatory approvals
- Pending availability, Ground EM over priority VTEM targets



- Review of the Rare Earth Element potential using acquired soil geochemistry

#### Orange East – Au-Cu Project (75% EL8442 & 80% EL8807 Cosmos)

- Quintons target drill Planning & POW regulatory approvals

## Corporate

### Cashflows for the Quarter

Attached to this report is the Appendix 5B containing the Company's cash flow statement for the quarter. The significant cashflows outflows relating to the quarter included \$481,000 spent on exploration and evaluation expenditure. This was primarily associated with the costs relating to exploration activities at Byro East. \$156,000 was spent on expenditure on administration and corporate costs of which \$97,000 were payments made to related parties. These payments relate to the remuneration agreements for Executive and Non-Executive Directors.

Cash held by the Company at 30 September 2022 was \$2.59 million.

Pursuant to ASX listing rule 4.7C.2, the Company advises the proposed use of funds contained in section 1.3 of Cosmos's Prospectus in comparison to the actual use of funds following admission of Cosmos to the official list of the ASX:

Use of Funds	Prospectus Amount (24 Months)	Actual to Date
Repayment of estimated expenses associated to the IPO to RareX	\$100,000	\$124,236
Payment to RareX as reimbursement of expenditure - Byro East Project tenements	\$30,000	\$30,000
Payment to RareX as reimbursement of expenditure - Orange East Project tenements	\$50,000	\$50,000
Exploration expenditure - Byro East Project	\$2,476,300	\$1,278,354
Exploration expenditure – Orange East Project	\$767,500	\$56,546
Directors' fees	\$344,000	\$159,282
General administration fees and working capital	\$795,097	\$421,334
Public Offer expenses	\$437,103	\$296,068
<b>Total</b>	<b>\$5,000,000</b>	<b>\$2,415,818</b>

The Company confirms that it expects to utilise the funds raised under its Prospectus in accordance with the use of funds statement and the key business objectives underlying the expected use of funds remain intact.

### September Quarter - ASX Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

30 August 2022	Cosmos Expands Orange East Project with Key Acquisition
5 August 2022	Investor Presentation
5 August 2022	Preliminary VTEM Results at Byro East
5 August 2022	Investor Webinar Presentation opens
27 July 2022	Quarterly Activities/Appendix 5B Cash Flow Report
25 July 2022	Notification regarding unquoted securities - C1X
11 July 2022	VTEM Commences Over High Priority Anomalies - Byro East

These announcements are available for viewing on the Company's website [www.cosmosx.com.au](http://www.cosmosx.com.au). Cosmos confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

**This announcement has been authorised by the Board of Cosmos Exploration Limited.**

**For further information please contact:**

**Jeremy Robinson**  
**Executive Chairman**  
[jeremy@cosmosx.com.au](mailto:jeremy@cosmosx.com.au)

### About Cosmos Exploration Limited

**Cosmos Exploration (ASX: C1X)** is an ASX listed and Australian focussed Nickel-Copper-PGE and Gold-Copper explorer focussed on making world class discoveries at both its highly prospective Byro East Nickel-Copper-PGE Project located in Western Australia and Orange East Gold Project located in New South Wales.

Byro East (100% Cosmos) was identified by RareX prior to the Julimar Discovery and has potential for mafic-ultramafic intrusion related nickel-copper and PGE mineralisation.

Orange East (75% Cosmos) is an advanced exploration project located on the boundary between the Molong Arc and Hill End Trough within the Lachlan Fold Belt, a major mineral province, within a similar geological setting and along strike from the multi-million-ounce McPhillamys Gold Mine.



### **Competent Person Statement**

This report's information related to Exploration Results is based on information and data compiled or reviewed by Mr Kristian Hendricksen. Mr Hendricksen is an employee and shareholder of Cosmos Exploration Limited (Cosmos) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Mr Hendricksen has sufficient experience relevant to the style of mineralisation under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Accordingly, Mr Hendricksen consents to the inclusion of the matters based on the information compiled by him, in the form and context it appears.

Information on historical results outlined in this announcement is contained in the Independent Geologist Report within Cosmos' Prospectus dated 20 September 2021, released in an ASX announcement on 29 November 2021.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases. The form and context of the announcement have not materially changed. This announcement has been authorised for release by the Board of Cosmos Exploration Ltd.

## Appendix A - Tenement Information

Tenement ID	Status	State	Location	Project Name	Area Km2	Interest at the beginning of the quarter - %	Interest acquired or disposed - %	Interest at the end of the quarter - %
E09/2386	Granted	WA	350km NE of Geraldton	Byro East	271.0	100	-	100
E09/2387	Granted	WA	345km NE of Geraldton	Byro East	40.0	100	-	100
E09/2408	Granted	WA	400km NE of Geraldton	Byro East	243.7	100	-	100
E09/2409	Granted	WA	334km NE of Geraldton	Byro East	225.4	100	-	100
E09/2443	Granted	WA	326km NE of Geraldton	Byro East	119.9	100	-	100
E09/2525	Granted	WA	402km NE of Geraldton	Byro East	175.8	-	-	100
E09/2527	Application	WA	402km NE of Geraldton	Byro East	530.2	-	-	-
EL8442	Granted	NSW	20km E of Orange	Orange East	40.0	75	-	75
EL6378	Granted	NSW	20km E of Orange	Orange East	25.8	-	-	80
EL8807	Granted	NSW	25km E of Orange	Orange East	48.7	-	-	80
E80/5763	Application	WA	265km SE of Halls Creek	Tanami West	632.2	-	-	-
E80/5764	Application	WA	295km SE of Halls Creek	Tanami West	637.7	-	-	-
E80/5765	Application	WA	285km SE of Halls Creek	Tanami West	641.5	-	-	-



E80/5766	Application	WA	260km SE of Halls Creek	Tanami West	417.6	-	-	-
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## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cosmos Exploration Limited

ABN

27 648 890 126

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(481)	(481)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(47)	(47)
	(e) administration and corporate costs	(156)	(156)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(672)</b>	<b>(672)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(78)	(78)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(78)</b>	<b>(78)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,336	3,336
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(672)	(672)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(78)	(78)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,586</b>	<b>2,586</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	586	836
5.2	Call deposits	2,000	2,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,586</b>	<b>3,336</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	97
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 <b>Total financing facilities</b>		
7.5 <b>Unused financing facilities available at quarter end</b>		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(672)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(672)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,586
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,586
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.85
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: ...28 October 2022.....

Authorised by: ...Board of the Company.....  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.