PRE-QUOTATION DISCLOSURE

Cosmos Exploration Limited (**Company**) makes the following disclosures in accordance with ASX's listing conditions.

Capitalised terms not defined have the meaning given in the Company's prospectus dated 20 September 2021 (**Prospectus**).

1. **Update on the status of the tenement applications for ELA09/2443, ELA09/2525 and ELA09/2527**

   The application for tenement ELA09/2443 (now EL09/2443) was granted on 5 October 2021.

   The Company applied for ELA09/2525 on 7 May 2021, and ELA09/2527 on 11 May 2021. Cosmos is the registered applicant in respect of both tenement applications which, once granted, will form part of the Byro East Project. Both applications are currently pending.

2. **Confirmation of issue of securities**

   The Company confirms the issue of:

   (a) 10,000,000 Consideration Shares to RareX pursuant to the Demerger Implementation Deed;

   (b) 1,250,000 Options to the Lead Manager, Canaccord Genuity (Australia) Limited, with an exercise price of $0.25 each and expiring on the date that is 3 years from the Admission Date;

   (c) 1,750,000 Options to Golden Triangle Capital Pty Ltd with an exercise price of $0.25 each and expiring on the date that is 3 years from the Admission Date;

   (d) 350,000 Options to Kristian Hendricksen with an exercise price of $0.25 each and expiring on the date that is 3 years from the Admission Date; and

   (e) 3,000,000 Performance Rights to the Directors expiring 3 years from the date of issue, issued on the terms set out in Section 7.3 of the Prospectus.

3. **Confirmation of the establishment of the Orange East Joint Venture with RareX**

   The Company confirms that an unincorporated joint venture in respect of the Orange East Project has been formed between the Company and RareX on the terms summarised in Section 6.2(f) of the Prospectus.

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4. **Restricted securities**

The Company confirms that the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below:

Class	Number	Restriction Period
Shares	10,000,000	24 months from the date of official quotation
Options with an exercise price of $0.25 each and expiring on the date that is 3 years from the Admission Date	3,000,000	24 months from the date of official quotation
Performance Rights expiring 3 years from the date of issue, issued on the terms set out in Section 7.3 of the Prospectus	3,000,000	24 months from the date of official quotation

5. **Capital structure**

The Company's capital structure at the date of admission is:

Security	Number
Fully Paid Ordinary Shares	35,000,000
Options[1]	3,350,000
Performance Rights[2]	3,000,000

Note:

1. Options with an exercise price of $0.25 each and expiring on the date that is 3 years from the Admission Date.
2. Comprising:
   a. 999,999 Performance Rights which vest when the Company's Shares attain a VWAP of not less than $0.30 per Share over a period of 20 consecutive Trading Days on which trades were recorded and expire 3 years from the date of issue;
   b. 999,999 Performance Rights which vest when the Company's Shares attain a VWAP of not less than $0.35 per Share over a period of 20 consecutive Trading Days on which trades were recorded and expire 3 years from the date of issue; and
   c. 1,000,002 Performance Rights which vest when the Company's Shares attain a VWAP of not less than $0.40 per Share over a period of 20 consecutive Trading Days on which trades were recorded and expire 3 years from the date of issue.

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6. **Satisfaction of conditions precedent - Demerger Implementation Deed and Sale Agreement**

The Company confirms completion of the Demerger Implementation Deed and Sale Agreement between the Company and RareX Limited (**RareX**) dated 23 August 2021.

Completion of the Demerger Implementation Deed and Sale Agreement was subject to the satisfaction or waiver of certain conditions precedent prior to 15 December 2021. The key conditions precedent are summarised in Section 6.2(e) of the Prospectus as follows:

(i) RareX obtaining all necessary shareholder approvals for the Spin-out;

(ii) Cosmos receiving valid applications for not less than $5,000,000 under the Offers;

(iii) receipt of ASX conditional admission letter in relation to the admission of Cosmos to the Official List;

(iv) all authority consents and approvals necessary for the transfer of the Tenements being obtained, including, if required, the consent of the Minister under the *Mining Act 1978* (WA) and the Secretary under the *Mining Act 1992* (NSW) (or their respective delegates); and

(v) Cosmos and RareX and, if required under third party agreement, the relevant third party, executing, in relation to any third party agreement, a deed of assignment and assumption in a form acceptable to Cosmos and RareX, each acting reasonably.

The Company and RareX agreed, via a written agreement dated 19 November 2021, to waive condition precedent (iv) to the extent that it requires the parties to obtain the consent of the Minister under the *Mining Act 1978* (WA) and the Secretary under the *Mining Act 1992* (NSW) (or their respective delegates) (**Waived Condition**). The remainder of the conditions precedent to the Offers, Demerger Implementation Agreement and Sale Agreement have been satisfied.

The parties considered it appropriate to waive the Waived Condition to enable the Demerger Implementation Deed and Sale Agreement to proceed to completion and avoid delays to the Company's listing on ASX. Further, the Company does not expect the waiver to have any effect on the Company's ability to undertake the proposed activities disclosed in the Prospectus.

The *Mining Act 1978* (WA) requires the consent of the Minister (or their delegate) to transfer a granted exploration licence within 12 months from the date of grant. The Byro East Tenements are each within their first year of grant.

As contemplated in the Sale Agreement, the registered transfer of the Byro East Tenements will be effected on the 12 month anniversary of their respective dates of grant (or as soon as practicable thereafter), at which time Ministerial consent will not be required. RareX has executed a written and irrevocable power of attorney in favour of Cosmos sufficient to enable Cosmos to act on RareX's behalf in respect of the Byro East Tenements and Applications until Cosmos becomes the registered holder of the Byro East Tenements and any mining tenements granted pursuant to the Applications.

Consent of the Secretary under the *Mining Act 1992* (NSW) (or their delegate) is expected to be received on or around 3 December 2021 in relation to the transfer of Tenement EL8442.

7. **Satisfaction of Offer conditions**

The Company confirms that the conditions of the Offers set out in Section 1.2 of the Prospectus have been satisfied, save for the waiver of the Waived Condition referred to above.

8. **Terms of waivers granted**

ASX has granted the Company a waiver from ASX Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue 3,000,000 Performance Rights with a nil exercise price on condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's Prospectus.

A summary of the material terms and conditions of the Performance Rights can be found at Section 7.3 of the Prospectus.

9. **Confirmation of no legal, regulatory or contractual impediments**

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to entering its tenements and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

By order of the Board

Robert Featherby
Company Secretary
Cosmos Exploration Limited