COSMOS

ABN 27 648 890 126

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 December 2022

INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2022

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CORPORATE DIRECTORY

DIRECTORS

Jeremy Robinson (Executive Chairman)
Matthew Freedman (Non-Executive Director)
James Bahen (Non-Executive Director)

COMPANY SECRETARIES

James Bahen
Robbie Featherby

REGISTERED OFFICE

Level 1, 338 Barker Road
SUBIACO WA 6008

POSTAL ADDRESS

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SUBIACO WA 6008

PRINCIPAL PLACE OF BUSINESS

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Perth WA 6000

ASX CODE: C1X

DIRECTORS' REPORT

The directors of Cosmos Exploration Limited (ASX:C1X) and it subsidiary ("the Group") for the half-year ended 31 December 2022 (**Period**) and the auditor's review report thereon. The Interim Financial Report has been prepared in accordance with AASB 134 Interim Financial Reporting.

DIRECTORS

The names and particulars of the directors of the Company in office during the Period and until the date of this report are as follows. Directors were in office for the entire Period unless otherwise stated.

Director	Position
Jeremy Robinson	Executive Chairman
Matthew Freedman	Non-Executive Director
James Bahen	Non-Executive Director

The names of the secretaries in office at any time during or since the end of the period are:

Company Secretaries	Position
James Bahen	Company Secretary
Robbie Featherby	Company Secretary

OPERATING RESULTS

The Company has incurred a net loss after tax for the half-year ended 31 December 2022 of $911,057 (31 December 2021: $572,989).

PRINCIPAL ACTIVITIES

Cosmos Exploration Limited is a mineral exploration company focussed on discovery. Cosmos Exploration project portfolio continues to evolve as it pursues strategic land holdings in geological terranes and provinces with proven or emerging potential for the discovery of significant mineral deposits.

REVIEW OF OPERATIONS

Corvette Far East Lithium Project

During the period, Cosmos reached a conditional agreement to acquire the prospective Corvette Far East Lithium Project ("the Project"), located in the prolific James Bay district in Quebec, Canada.

The Project is located directly along trend from the exciting recent lithium discoveries made by Patriot Battery Metals Inc (ASX: PMT) at its Corvette Project.

The Project is located just 20km east of the Corvette Project within the same greenstone belt, where historic large-scale mapped pegmatites remain unexplored, and is prospective for lithium over 15km of strike (figure 1).

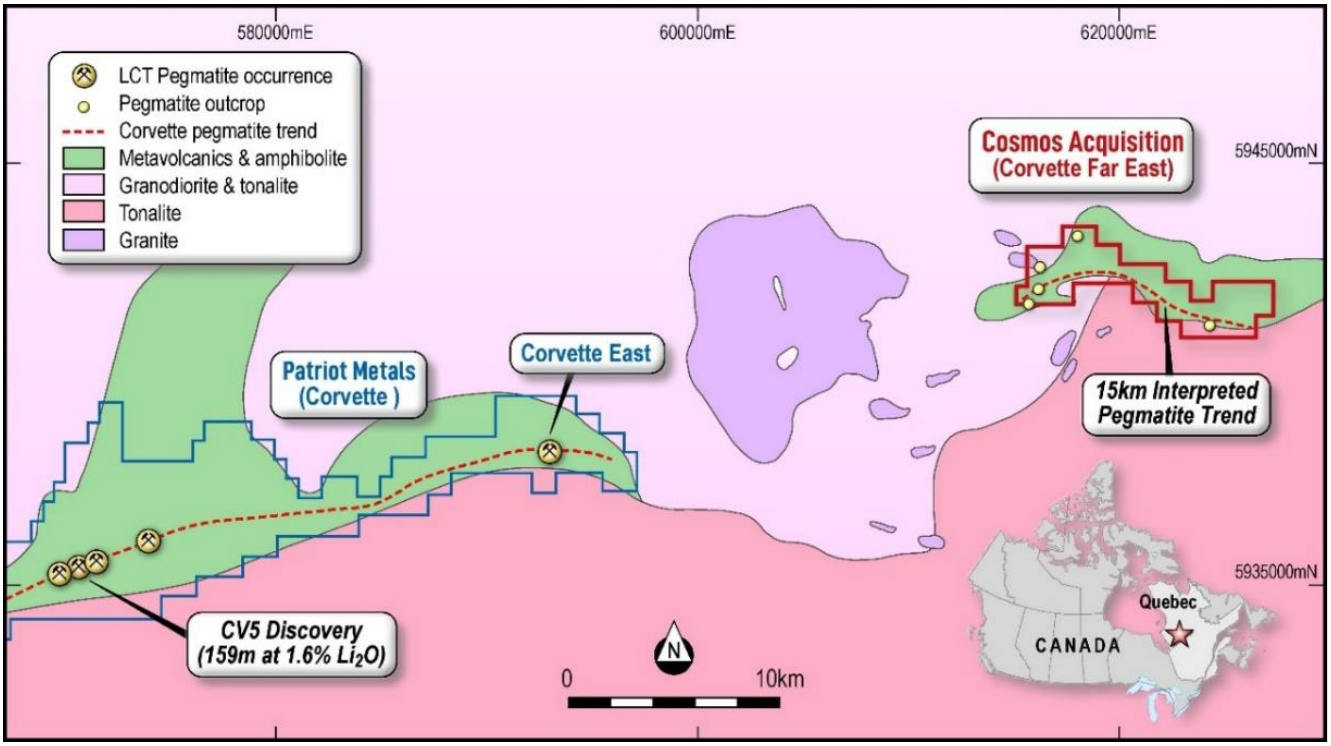

Figure 1 - Simplified bedrock geology map of the James Bay district showing the location of the Corvette Far East Project acquisition by Cosmos in relation to the Patriot Battery Metals Inc's CV5 discovery.

Geologically, the greenstone within the Corvette Far East Project is interpreted to be a 'dismembered' section of the exact same greenstone belt that hosts Patriot Battery Metals' CV5 discovery where recent outstanding drill intercepts of up to 156.9m at 2.12% Li2O have been announced (see Patriot Battery Metals Inc's announcement dated 19/01/23).

Both greenstone belts occur at the contact between the intrusive tonalite to the south and granodiorite to the north (Figure 1), both of which may be the source granites for the unusually large lithium-caesium-tantalum (LCT) pegmatites in the area.

This geological interpretation strongly supports the prospectivity of the Project for further lithium discoveries.

Cosmos has initiated exploration activities at Corvette Far East, with a view to establishing drill targets for a maiden drill program commencing in the second half of 2023.

The Corvette Far East Project will be acquired on the following terms:

- $300,000 cash
- 4,500,000 fully paid Cosmos shares
- 1,000,000 Performance Rights convertible into shares on a one-for-one basis upon a drilling or channel interval of at least 5m of at least 1% Li2O being achieved, as verified by an independent Competent Person under the JORC Code 2012 at the Corvette Project.
- Completion of the acquisition is subject to the satisfaction of standard condition precedents.

The securities to be issued in consideration for the acquisition of the Project were approved by shareholders at a General Meeting held on 8 February 2023.

Byro East Project

The Byro East Project is geologically located on the north-western margin of the Yilgarn Craton, in the Western Gneiss Terrane, approximately 300km north-west of Geraldton, Western Australia. The Yilgarn Craton has been divided into a series of major provinces, terranes, and domains and is globally significant for gold and nickel endowment, including other base metals and industrial minerals (figure 2). The Narryer Terrane is a sub-set of the Yilgarn Craton that has been historically underexplored in the view of RareX compared to other parts of the Craton.

The Bryro East Project is made up of 5 tenements primarily prospective for intrusive related Ni-Cu-PGE deposits and orogenic gold mineralisation. Byro East is a Greenfields project and one of the most extensive under-explored landholdings not held by Chalice Mining Ltd (Chalice) (ASX:CHN) within the West Yilgarn Ni-Cu-PGE province, with a substantial land holding of over >1,600 km2, prospective for intrusion-related Ni-Cu-Co-Au-PGE mineralisation (Fig 2). The discovery of the Gonneville (Julimar) PGE-Ni-Cu-Co-Au deposit by Chalice in March 2020 has demonstrated that the western margin of the Yilgarn craton is highly prospective for intrusion-related Ni-Cu-PGE deposits and can host large >10 Moz (Pt+Pd+Au) tier 1 deposits.

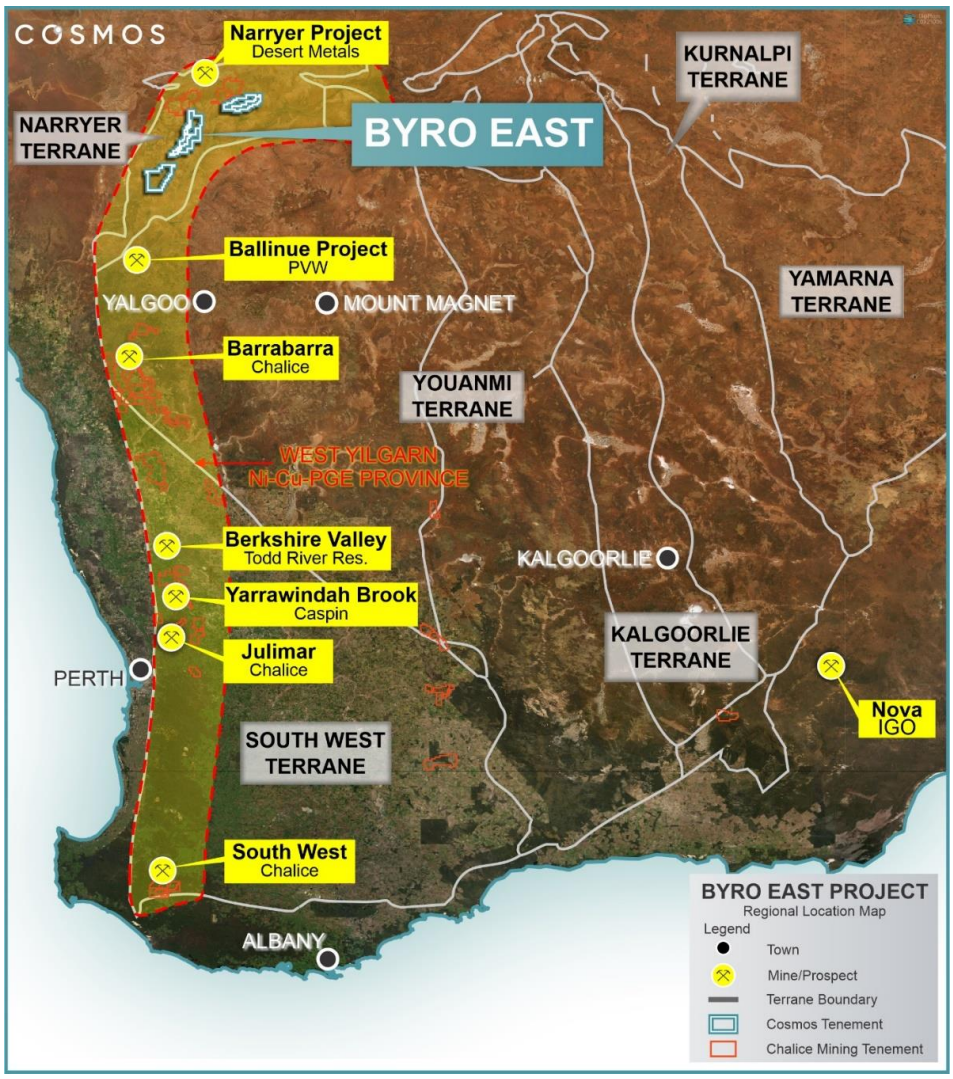

Figure 2 - Byro East Project Location within the West Yilgarn Ni-Cu-PGE Province

Airborne Electromagnetic survey (AEM)

A 2,395-line kilometre AEM survey utilising the UTS (Geotech) VTEM MaxTM system was completed over the central project tenure covering an area of 602km2. The VTEM survey targeted sulphide-rich Ni-Cu-PGE-related mineralisation over priority target areas identified from acquired ground gravity, regional surface geochemistry and airborne magnetic datasets.

Final levelled AEM survey data, highlighted 43 VTEM target areas prioritised on their EM characteristics, including 14 priority-1, 13 priority-2 and 16 priority-3 target areas.

The priority-1 VTEM targets represent significant isolated conductor anomalies interpreted to be related to conductive sources in bedrock, which could represent accumulations of sulphide enriched in Ni-Cu-PGE metals. Priority-2 and priority-3 VTEM target areas are still classified to represent isolated bedrock conductors but require additional support in other datasets to substantiate further testing.

Figure 3 is an RGB late-time EM decay dB/dt Z image of merged channels Ch42-38-36, where hot colours indicate anomalous zones of elevated electrical conductance. Conductor anomalies identified in later VTEM time decay channel data (Ch36-42) are generally related to stronger and deeper electrical sources within the bedrock. Priority bedrock conductors in these data appear as discrete "orange hot spots" and cooler blue-white colours are interpreted to represent palaeochannels masking the underlying bedrock.

It is highly encouraging to see conductive anomalies in these data as discrete anomalies. Discrete anomalies are features observed in imaging conductive sulphide deposits; however similar features can be produced by other highly conductive sources such as graphitic pods. Drilling is commonly required to resolve the source of the anomaly.

Conductor anomalies proximal to mafic geochemistry and/or gravity highs are of particular interest as these features may represent an underlying conductive sulphide source (VTEM anomaly) within a larger body of mafic host rock (Figure 3 & 4). AEM-10, 14, 20 & 22, coincide with oblate-shaped gravity highs and/or mafic Ni-Cr-Cu soil geochemistry. It is important to note that geochemical signatures in transported covered terranes (Figure 4 – right image) are largely ineffective and any underlying mafic units may be missed.

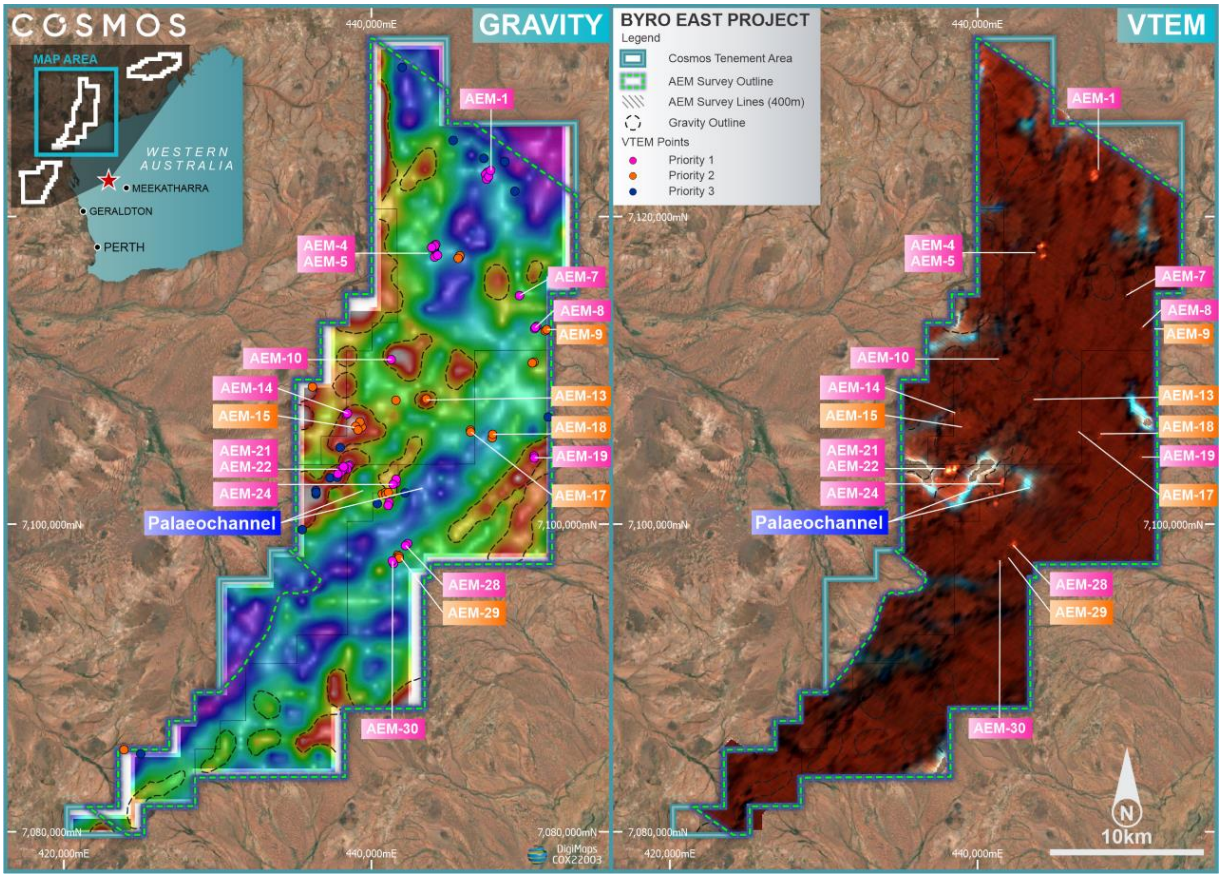

Figure 3 - Locations of Priority 1, 2 & 3 VTEM conductor picks (clusters) over Gravity (left) and RGB late-time EM decay dB/dt Z image of merged channels Ch42-38-36 (right). Priority 1 & 2 bedrock conductors appear in the VTEM decay image as discrete "orange hot spots". Palaeochannels appear as blue-white coloured areas. More information on the interpretation of RGB decay images can be found at tend of the announcement.

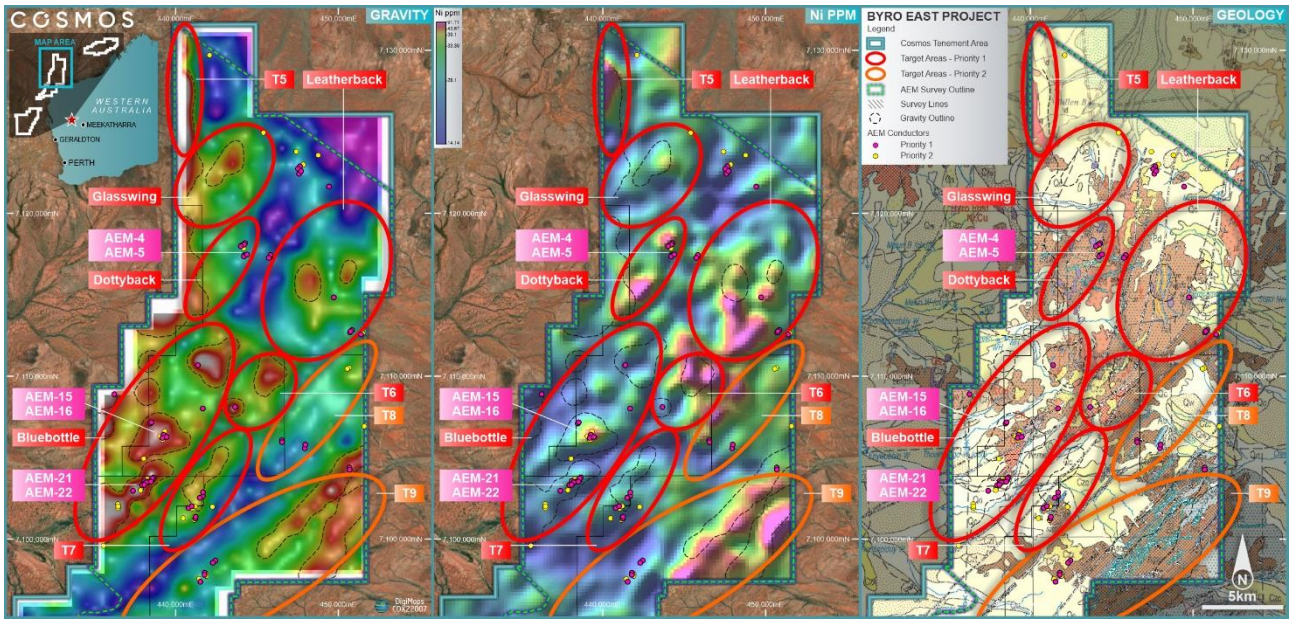

Figure 4 - Locations of Priority 1 and 2 AEM target areas over RGB late-time EM decay dB/dt Z image of merged channels Ch42-38-36 (left), Ni gridded image (middle), and DSWA 1:250,000 scale outcrop geology map (right) which shows transported regolith as cream-coloured areas. Note: the transported cover sediments commonly correlate with a subdued geochemical response indicating the soil geochemistry is ineffective in these transported domains rather than the absence of any underlying mafic rocks.

EM conductor plate modelling has been completed for four high-priority VTEM target areas, AEM-4, AEM-5, AEM-21 and AEM-22, to better understand the source bodies' depth, geometry and conductance, with additional modelling of other high-priority VTEM target areas ongoing.

AEM-4 (Fig 2) is characterised by discrete and highly conductive VTEM anomaly clusters trending NE-SW for a combined strike length of 350 m. A single steeply NE dipping EM conductor plate was modelled for AEM-4 with dimensions 120m x 380m, a conductance of 250 S, and the top of the plate at ~36m below ground level. The plate occurs to the east of outcropping ultramafics within the broader Ni-Cu-Cr soil geochemical signature overlying gneissic granite. The ultramafics are interpreted to dip easterly under the gneissic granite towards the modelled depth position of AEM-4 & AEM-5 conductors.

VTEM target area AEM-5 (Fig 3) is more complex and a highly conductive VTEM anomaly with clusters trending NE-SW for a combined strike length of 250 m and modelled using two steeply SW dipping EM conductor plates.

The western plate has dimensions 50mx 100m, a conductance of 500 S, and the top of the plate at ~34m below ground level. The eastern plate was modelled with dimensions 58m x 165m, a conductance of 400 S and with the top of the plate at 38m below ground level. The VTEM target area is located proximal to an N-S trending magnetic unit, possibly imaging a BIF however, still considered a drill target given the mafic Cr signature and the close proximity (<1km) to outcropping ultramafic. Both AEM-4 & AEM 5 represent a high-priority target for drill testing or ground-based EM surveys to define the source geometry and electrical conductance better.

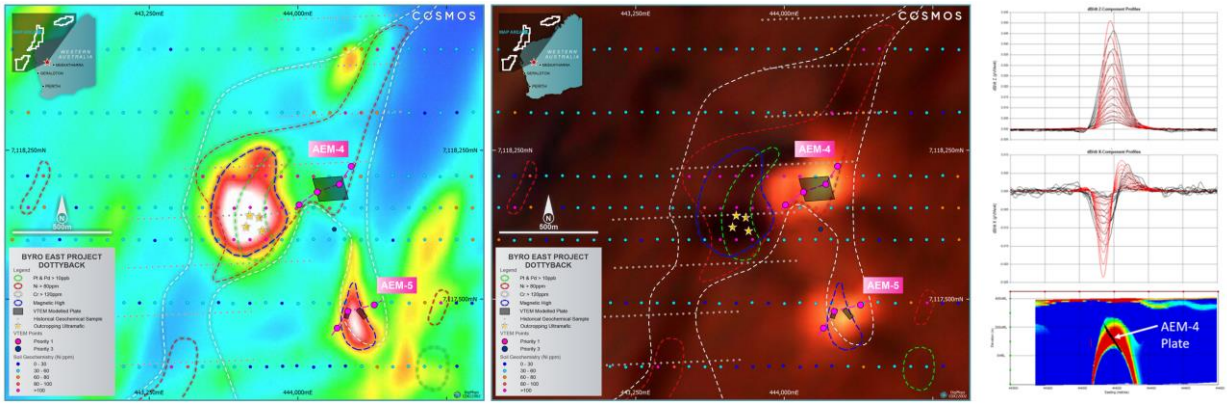

Figure 5 - Locations of AEM-4 & AEM-5 conductor picks (clusters), plate modelling, soil geochemistry over tmirtp magnetics (left), Merged RGB Ch42-38-36 late-time EM decay dB/dt Z image (middle) and AEM-4 modelling dB/dt Z component (top right), dB/dt X component with double peak (middle right) and CDI with modelled plate (bottom right).

All Priority 1 & 2 anomalies were field checked and, except AEM-7, do not relate to cultural artefacts such as metal tanks or fences. Field grab samples of mafic rocks in the vicinity of the AEM conductors were collected for whole rock analysis for further classification.
The additional geochemical results, in addition to relationships of the conductor with gravity highs (potentially representing a more significant accumulation of mafic host rocks), magnetic highs (possibly imaging serpentinised host ultramafics units) and ternary RGB radiometric lows (potentially imaging mafic host rocks), will assist in the ranking and drill order of targets.

Clay Hosted Rare Earth Element Mineralisation
Cosmos identified multiple, kilometre-long Rare Earth Element (REE) trends at Byro East Ni-Cu-PGE Project, located in the Narryer Terrane in Western Australia, after reviewing the rare earth potential in soil data results from soil surveys.

The breakthrough added a significant new dimension to upcoming exploration activity at Byro East, highlighting the opportunity to discover significant clay-hosted REE mineralisation in a district which is emerging as an exploration hot-spot for critical minerals following recent discoveries in the region.

The Byro East Project hosts large areas of Archean-aged granite and granitic gneiss, with a significant portion of these weathered granites producing clay-rich (kaolinite) accumulations within laterised profiles.

Several of these kaolinite-altered granites are associated with elevated concentrations of REE's with surface soil assays up to 1,283ppm TREO5 + Y, extending over multiple kilometres.

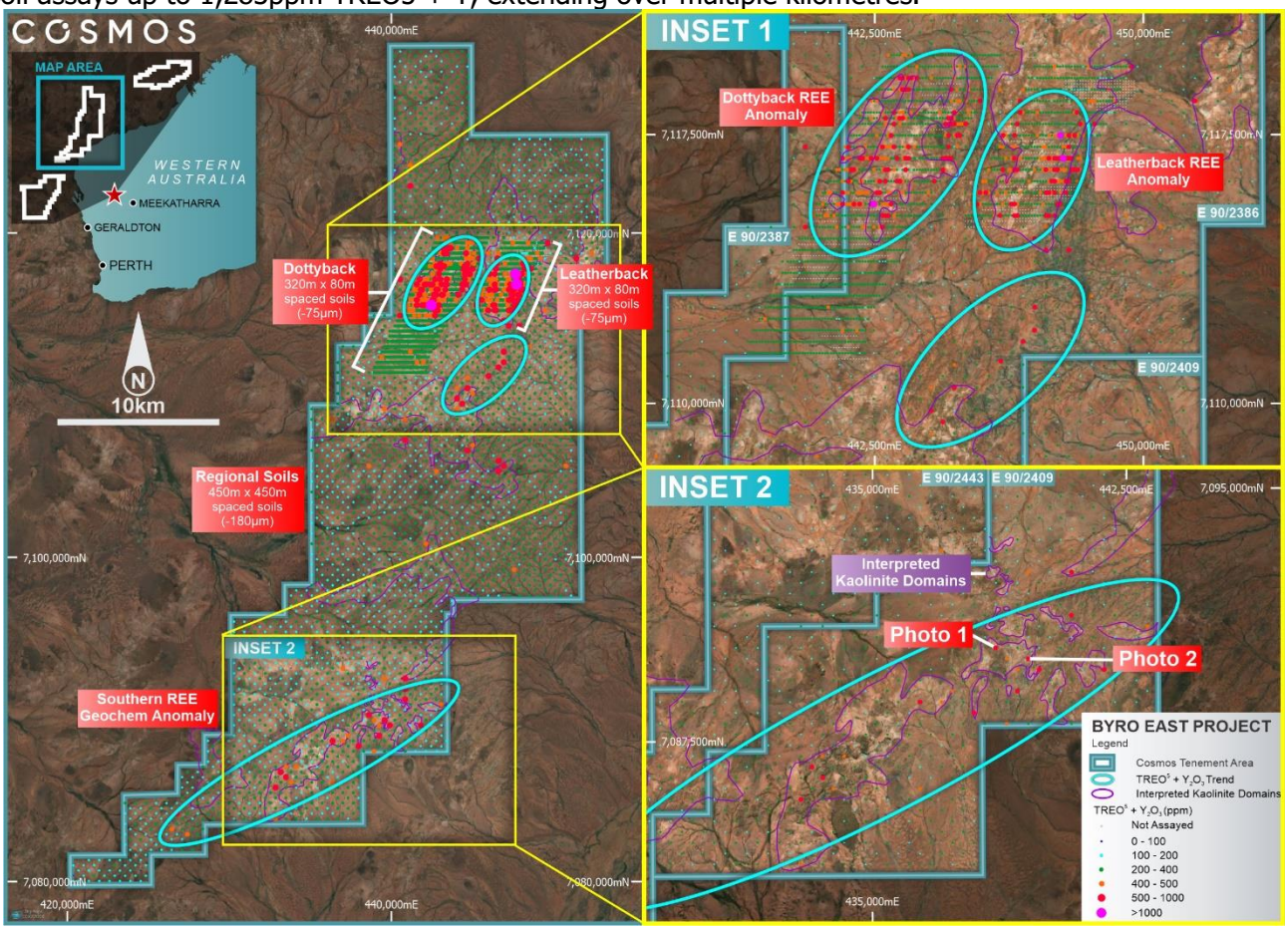

Figure 6 -Byro East TREO5 + Y geochemical trends and extensive interpreted kaolinite domains.

The initial interpretation of the Byro East anomalies is that they may represent Ionic-adsorption REE clay-type deposits that form from the in-situ weathering of granites enriched in REE's.
Field checks of the southern REE geochemical anomaly confirm the presence of kaolinite-rich lateritic profiles ranging in height up to 15m. These weathered profiles are in-situ overlying granitic lithologies and appear to be spatially consistent over several kilometres.



Figure 7 - Photos containing examples of the kaolinite (white clay) rich lateritic profiles at the southern REE geochemical anomaly. Photo 1 (left) 2m high kaolinite profile with laterised (brown) top surface. Photo 2 (right) – top half of a 15m high outcrop with laterite scree (brown) covering the kaolinite face and sample bag locations.

Orange East Project

During the period, Cosmos secured a drilling contractor to undertake its maiden exploration drill campaign at the Orange East Project, located in the world-class Lachlan Fold Belt in NSW, with drilling commencing subsequent to the end of the period.

In August 2022, Cosmos agreed to acquire an 80% interest in adjoining tenements (EL8807 and EL6378), located immediately south of its Orange East tenement (EL8442) and 10km along strike from Regis Resources NL's +2Moz McPhillamy's gold deposit (Figure 9).

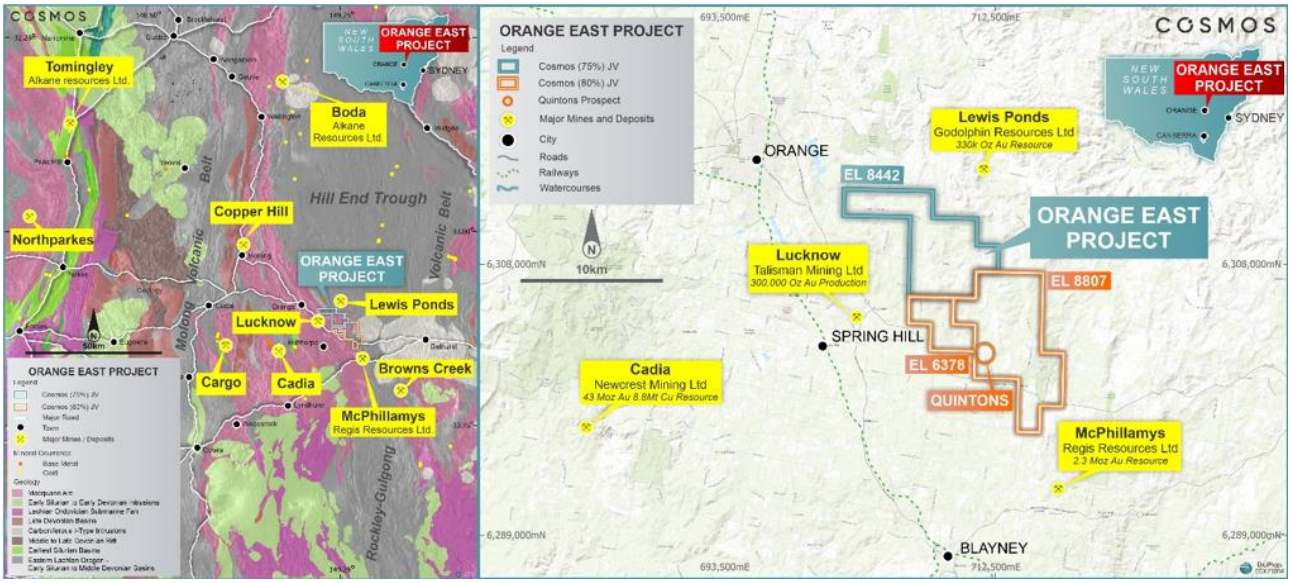

Figure 8 - Orange East Project Regional Geological Setting and Mineral Deposits (left) and base map (right) showing major towns and infrastructure.

The tenements contain extensions of highly prospective Anson formation (host to McPhillamys) and the mineralised Godolphin fault. The Quintons host lithology and structural position are analogous to the McPhillamys deposit.

The Quintons Prospect has not been drill tested to date and is the immediate focus for Cosmos as part of its maiden exploration campaign in January 2023. In parallel with the drill program, the Company also

intends to extend the surface soil geochemistry coverage across EL8807, targeting structural domains within prospective lithologies. Large areas of EL8807 were last sampled by BHP in 1971 collecting stream sediments. The Company believes there are opportunities in these areas to re-evaluate the prospectivity using low-detection soil sampling technologies and methods.

The Quintons Prospect is interpreted to be hosted by the volcaniclastic sediments of the Anson Formation and occurs at the favourable structural intersection of the regionally significant and mineralised Godolphin fault and adjoining north-south trending splay structure. This structural position and host stratigraphy are analogous to the McPhillamys deposit (2.02Moz Au Reserve), located ~10km to the south-east of the Quintons Prospect.

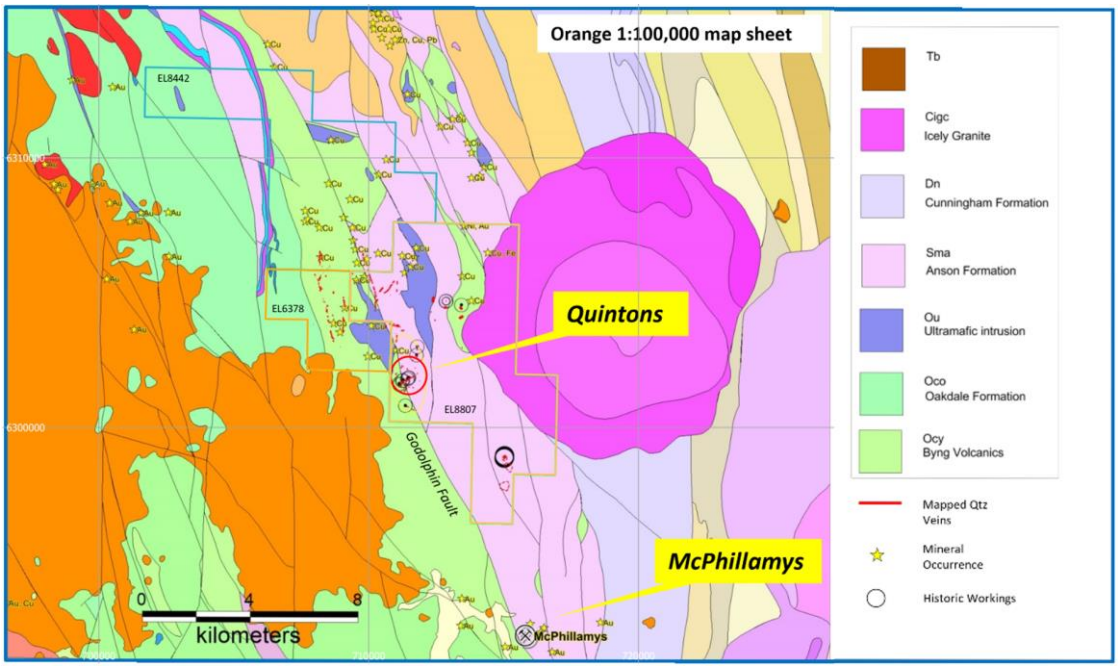

Figure 9 - Orange 1:100 000 Geology Map Sheet with mineral occurrences and historic workings (EL8807 only).

The Quintons prospect is defined by abundant multi-directional quartz veins up to 600m in length and 7m in width containing gossanous rocks and a broad 1km x 1km moderate to low As-Bi-Sb-Au geochemical anomaly in soil and rock chips. Rock chip samples returned maximum values of arsenic up to 3,170ppm, 80 ppb Au, 15.75ppm Bi & 279ppm Sb.

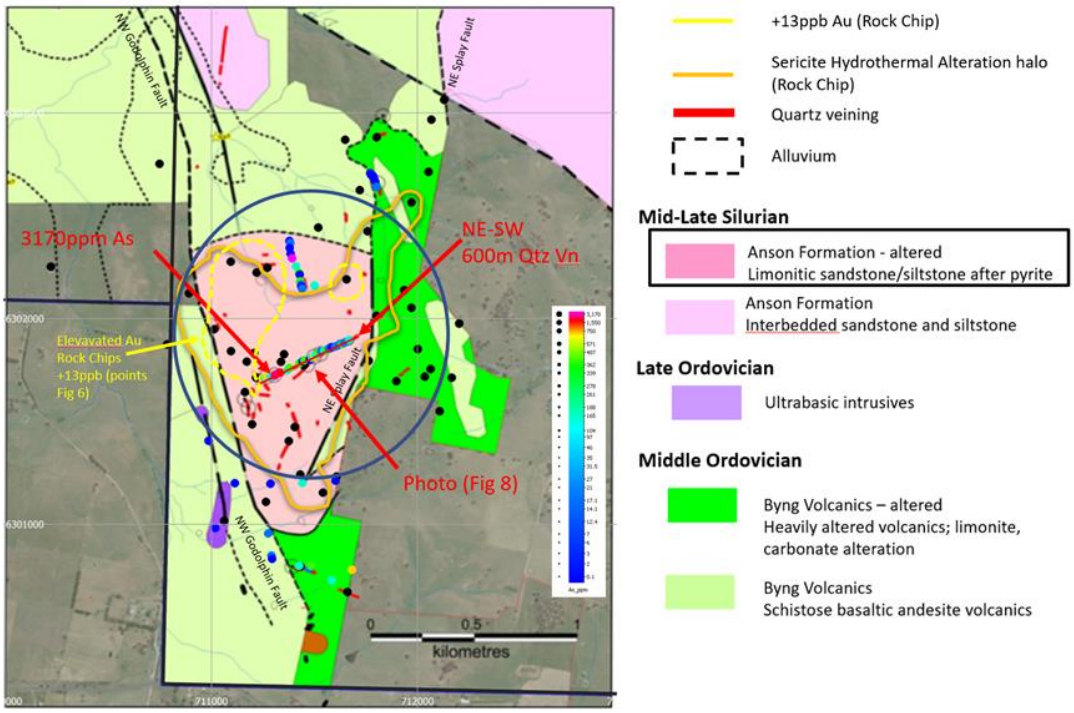

Figure 10 - 1:5000 Prospect Scale Geology Map – After B Stevens 2012 with Rock Chip Assays coloured by As values, max value 3170 ppm As

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.

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.

This 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 Interim Report can be found in the following announcements lodged on the ASX:

2 March 2023	Corvette Far East Exploration Commences
23 February 2023	Drill Program Commences at Orange East Gold Project
8 February 2023	Commencement of Field Activities at Orange East Gold Project
21 December 2022	Cosmos to Acquire Corvette Far East Lithium Project
25 November 2022	High-Priority Drill Targets Identified at Byro East
16 November 2022	Cosmos to Drill Highly Prospective Gold Target
2 November 2022	Extensive Rare Earth Element Trends
21 December 2022	Cosmos to Acquire Corvette Far East Lithium Project
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

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 21 December 2022, Cosmos announced the acquisition of the Corvette Far East Lithium Project. As part of the acquisition, Cosmos received firm commitments from professional and sophisticated investors for a conditional placement to raise $2.14 million via the issuance of 13,375,000 new shares at $0.16 per share, representing an 8.5% discount to the trading price of the Company's shares prior to the Company shares being placed in a trading halt on 19 December 2022.

The shares issued under this conditional placement were subject to shareholder approval which was granted at a General Meeting held on 8 February 2023 and the shares were issued on 14 February 2023.

Conditional to the approval of the Project acquisition, experienced geologist and vendor Leo Horn will join the Board of Cosmos, adding further technical and geological capability to the Company.

Mr. Horn is an executive technical geologist with 22 years' experience across the exploration and mining industry for precious, base, battery and rare earth metals, diamonds and uranium across Australia, SE Asia, Canada, South America, Africa and Europe. During that time, he has contributed to major discovery success including leading the team that delineated several large, high grade uranium resources in the prolific Athabasca Basin of Canada. Mr. Horns experience and network in Canada will be invaluable for Cosmos as well as his experience on various lithium pegmatite projects including the world-class Kenticha lithium-tantalum deposit in Ethiopia.

CAPITAL MANAGEMENT

The Company has 35,000,000 fully paid ordinary shares on issue and $2,359,579 in net cash as at the end of the Period.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On the 14 February 2023 the company had raised $2,140,000 via the issue of 13,375,000 ordinary shares at a share price of 16 cents per share. The Company had also issue 600,000 ordinary shares for acquisition of tenements on satisfaction of the conditions precedents.

The Company will be issuing 4,500,000 ordinary shares and 1,000,000 performance rights to complete the acquisition of Corvette Far East Lithium Project. This has yet to occur as at the date of signing this report.

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half-year is set out on page 13 of this report.

This report is presented in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors pursuant to section 306(a) of the Corporations Act 2001, by:



Jeremy Robinson
Executive Chairman
Perth, Western Australia this 14th day of March 2023

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Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF COSMOS EXPLORATION LIMITED

As lead auditor of Cosmos Exploration Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cosmos Exploration Limited and the entities it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

14 March 2023

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Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Cosmos Exploration Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the condensed half-year financial report of Cosmos Exploration Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed 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 condensed half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and

(ii) 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 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 the 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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. 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 Group's financial position as at 31 December 2022 and its financial 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 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.

BDO Audit (WA) Pty Ltd



Jarrad Prue

Director

Perth

14 March 2023

DIRECTORS' DECLARATION

The directors declare that the financial statements and notes are in accordance with the *Corporations Act 2001*:

(a) Comply with Australian Accounting Standards AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements ;

(b) Give a true and fair view of the financial position of the entity as at 31 December 2022 and of its performance for the period ended on that date.

In the directors' opinion there are reasonable grounds to believe that Cosmos Exploration Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors made pursuant to section 305(a) of the Corporations Act 2001.

For, and on behalf of, the Board of the Company,



Jeremy Robinson
Executive Chairman
Perth, Western Australia this 14th day of March 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 31 December 2022

	Note	Half-Year Ended 31 Dec 2022 $	Half-Year Ended 31 Dec 2021 $
Interest Income		25,874	8
Rarex Loan forgiveness	3	-	322,453
Expenses			
Corporate compliance costs		(25,036)	(10,824)
Accounting, Audit and Corporate fees		(61,399)	(272,053)
Directors' fees, salaries, superannuation, and consulting costs		(158,680)	(37,955)
Depreciation		(5,906)	-
Administration costs		(52,952)	(24,133)
Legal fees		(29,292)	(13,809)
Travel Expenses		(333)	(519)
Exploration expenditure expensed		(498,183)	(259,042)
Share based payment expensed	5	(105,150)	(277,115)
Total Expense		**(911,057)**	**(572,989)**
Income tax (benefit)/expense		-	-
Loss after tax from continuing operations		**(911,057)**	**(572,989)**
Other comprehensive loss for the period, net of tax		-	-
Total comprehensive loss net of tax for the Period		**(911,057)**	**(572,989)**
Basic and diluted loss per share (cents)		(2.60)	(9.717)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Note	As At 31 Dec 2022 $	As At 30 Jun 2022 $
Current assets			
Cash and cash equivalents	2	2,359,579	3,335,875
Trade and other receivables		174,072	226,223
Total current assets		**2,533,651**	**3,562,098**
Non-Current assets			
Plant and Equipment		73,197	-
Exploration Assets	3	2,000,000	2,000,000
Total Non-Current assets		**2,073,197**	**2,000,000**
Total assets		**4,606,848**	**5,562,098**
Current liabilities			
Trade and other payables		171,954	314,723
Provision for Employee Benefits		5,400	11,974
Total current liabilities		**177,354**	**326,697**
Total liabilities		**177,354**	**326,697**
Net Assets		**4,429,494**	**5,235,401**
Equity			
Issued capital	4	6,534,372	6,534,372
Reserve		588,255	483,105
Accumulated losses		(2,693,133)	(1,782,076)
Total Equity		**4,429,494**	**5,235,401**

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2022

	Note	Issued Capital $	Option Reserve	Accumulated Losses $	Total Equity $
Balance at 1 July 2022		**6,534,372**	**483,105**	**(1,782,076)**	**5,235,401**
Other Comprehensive loss		-	-	-	-
Loss for the Period		-	-	(911,057)	(911,057)
Total comprehensive loss for the Period	**-**	**-**	**-**	**(911,057)**	**(911,057)**
Share based payments	**5**	-	105,150	-	105,150
Shares issued during the period		-	-	-	-
Capital raising costs		-	-	-	-
Balance at 31 December 2022		**6,534,372**	**588,255**	**(2,693,133)**	**4,429,494**
Balance at 1 July 2021		**1**	**-**	**(141,877)**	**(141,876)**
Other Comprehensive loss		-	-	-	-
Loss for the Period		-	-	(572,989)	(572,989)
Total comprehensive loss for the Period		**-**	**-**	**(572,989)**	**(572,989)**
Share based payments	**5**	1,920,000	277,115	-	2,197,115
Shares issued during the period		5,000,000	-	-	5,000,000
Capital raising costs		(385,629)	155,000	-	(230,629)
Balance at 31 December 2021		**6,534,372**	**432,115**	**(714,866)**	**6,251,621**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2022

	Note	Half-Year Ended 31 Dec 2022 $	Half-Year Ended 31 Dec 2021 $
Cash flows from operating activities			
Payments to suppliers and employees		(360,901)	(102,664)
Payment for exploration activities		(552,166)	(94,470)
Interest received		25,874	8
Net cash (used in)/generated by operating activities		**(887,193)**	**(197,126)**
Cash flows from investing activities			
Payment for spin-out of RareX		-	(235,534)
Purchase of Plant and equipment		(79,103)	-
Payment for acquisition of exploration assets		(10,000)	-
Net cash (used in)/generated by investing activities		**(89,103)**	**(235,534)**
Cash flows from financing activities			
Proceeds from issue of shares		-	5,000,000
Issued capital cost		-	(230,629)
Net cash (used in)/generated by financing activities		**-**	**4,769,371**
Net (decrease)/ increase in cash and cash equivalents		**(976,296)**	**4,336,711**
Cash and cash equivalents at the beginning of the Period		3,335,875	1
Foreign exchange differences		-	-
Cash and cash equivalents at the end of the Period	2	**2,359,579**	**4,336,712**

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

1. BASIS OF PREPARATION

1.1. BASIS OF PREPARATION

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Cosmos Exploration and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

1.2. COMPARATIVE FIGURES

Comparative figures for the statement of financial position are that of 30 June 2022. Comparative figures are available for the statement of profit or loss.

1.3. STATEMENT OF COMPLIANCE

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

1.4. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for those disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

1.5. SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2022.

1.6. NEW AND REVISED ACCOUNTING STANDARDS

Standards and Interpretations applicable to 31 December 2022

In the period ended 31 December 2022, the Directors have reviewed all of the new and revised standards and interpretations issued by the AASB that are relevant to the Group's operations. It has been determined that there is no material impact of the standards and interpretations and therefore, no change is required to the Group's accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to the Group's accounting policies.

2. CASH AND CASH EQUIVALENTS

	As At 31 Dec 2022 $	As At 30 Jun 2022 $
Current		
Cash at bank	2,359,579	3,335,875

3. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	As At 31 Dec 2022 $	As At 30 Jun 2022 $
Opening Balance:	2,000,000	-
Project Acquisition[1]	-	2,000,000
Closing Balance	2,000,000	2,000,000

[1]During the previous period Cosmos completed the satisfaction of the conditions precedent to the Demerger Implementation Deed and Tenement Sale Agreement, on completion, the Company issued to RareX 10,000,000 Shares for the purchase of a 75% interest in the Orange East Project, and a 100% of the Byro East Project, reimburse RareX $30,000 for expenditure incurred on the Byro East Project tenements, and reimburse RareX $50,000 for expenditure incurred on the Orange East Project tenements. As part of the Demerger from RareX costs associated with the IPO will be split between RareX and Cosmos on a 50:50 basis. This had led to 322,453 being forgiven by RareX Limited.

The ultimate recoupment of the expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

4. ISSUED CAPITAL

	As At 31 Dec 2022 No.	As At 30 Jun 2022 No.
Fully paid ordinary shares	35,000,000	35,000,000

	As At 31 Dec 2022		As At 30 Jun 2022	
	No.	$	No.	$
Opening Balance	35,000,000	6,534,372	1	1
Elimination of Share Capital	-	-	(1)	-
Shares issued under the Public Offer	-	-	25,000,000	5,000,000
Consideration Shares issued to RareX – Note 6	-	-	10,000,000	1,920,000
Capital raising costs	-	-	-	(385,629)
Balance at end of the period	35,000,000	6,534,372	35,000,000	6,534,372

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

5. SHARE BASED PAYMENT RESERVE

	As At 31 Dec 2022 $	As At 30 Jun 2022 $
Opening Balance:	483,105	-
Issue of Director rights (share-based payment expensed)[1]	69,473	67,705
Issue of Corporate Advisors Options (share-based payment expensed)	-	217,000
Issue of Exploration Manager Options (share-based payment expensed)[2]	35,677	43,400
Issue of Advisor Options (cost of equity)	-	155,000
Closing Balance	588,255	483,105

[1]These share-based payment continues to vest from the previous period.

The Advisor Options and the Director Options are defined as share based payments. The valuation of share based payment transactions is measured by reference to fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The below outlines the inputs of equity instruments issued during the period.

ITEM	VALUE OF INPUT Exploration Manager Options[2]
Fair value per instrument	$0.05487
Number of options	650,000
Expected volatility	98.7%
Implied option life	2.4 years
Expected dividend yield	Nil
Risk free rate	3.17%
Exercise Share Price	$0.25
Underlying share price at grant date	$0.13

6. SEGMENT REPORTING

The Company has adopted AASB 8 'Operating Segments' which requires operating segments to be identified on the basis of internal reports about components of the Company that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Company reviews internal reports prepared as consolidated financial statements and strategic decisions of the Company are determined upon analysis of these internal reports.

The Company operates in the mineral exploration sector in Australia. All assets and liabilities are held in Australia other than, capitalised exploration costs which is outlined in note 3.

7. SUBSEQUENT EVENTS

On the 14 February 2023 the company had raised $2,140,000 via the issue of 13,375,000 ordinary shares at a share price of 16 cents per share. The Company had also issue 600,000 ordinary shares for acquisition of tenements on satisfaction of the conditions precedents.

At the time of this report there were no further events subsequent to the reporting date that required disclosure.

8. RELATED PARTY TRANSACTIONS

There has been no change in related party transactions since 30 June 2022.

9. COMMITMENTS AND CONTINGENT LIABILITIES

There has been no significant changes to the commitments and contingencies disclosed in the most recent financial report.