

Cosmos to acquire highly prospective Corvette Far East Lithium Project – James Bay, Quebec

Project located just 20km along trend from Patriot Battery Metals Inc’s world-class Corvette lithium discovery

Highlights:

Key points:

- Cosmos reaches conditional agreement to acquire the Corvette Far East Project for cash and shares.
- Outstanding addition to Cosmos’ exploration portfolio, being located in the prolific James Bay lithium province in Quebec, Canada.
- Corvette is located 20km east of Patriot Battery Metals Inc’s (ASX: PMT) CV5 discovery.
- Project interpreted to host a “dismembered” section of the same greenstone belt that hosts the CV5 discovery.
- Favourable geological structures for further lithium discoveries.
- Cosmos to undertake a conditional \$2.14M placement at \$0.16 to underpin the acquisition.
- Experienced geologist Leo Horn to join the Cosmos board, adding further technical and geological capability.

Cosmos Exploration Limited (ASX: C1X) (“Cosmos” or “the Company”) is pleased to advise that it has reached conditional agreement to acquire the prospective **Corvette Far East Lithium Project** (“the Project”), located in the prolific James Bay district in Quebec, Canada.

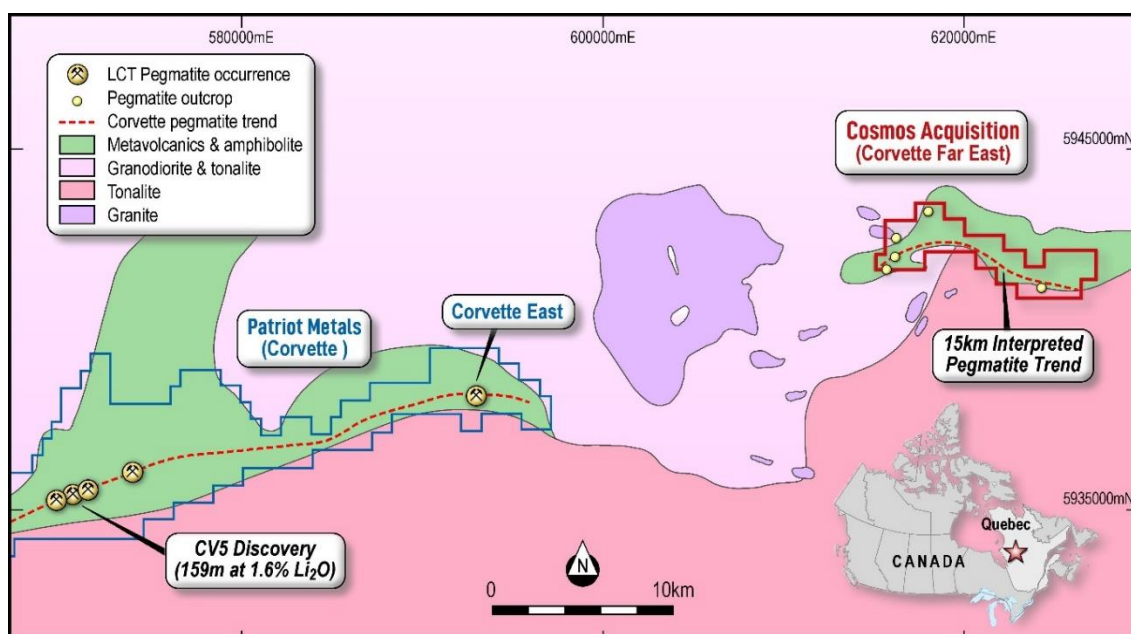


Figure 1: Simplified bedrock geology map of the James Bay district showing the location of the Corvette Far East Project acquisition by Cosmos in relation to the Patriot Battery Metals Inc’s CV5 discovery.

Cosmos Executive Chairman, Jeremy Robinson, said: *“This is an exceptional acquisition for Cosmos shareholders which adds further significant weight to our exploration portfolio. The Project is strategically located along strike from North America’s largest lithium project, in the heart of one of the world’s most exciting and fastest growing lithium provinces.*

“We look forward to exploring and drilling at this project next year following on from our maiden drill program at Orange East. With the addition of Corvette Far East, we now have three exceptional exploration opportunities, each of which is capable of delivering transformational discoveries for our shareholders.”

The Project represents a significant addition to its existing exploration portfolio, which includes the drill-ready Byro East Nickel-Copper-PGE Project in WA and the Orange East Gold Project in the Lachlan Fold Belt in NSW.

The Corvette Far East 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 (see Figure 1).

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 **159m at 1.6% Li₂O** have been announced (see Patriot Battery Metals Inc’s announcement dated 31/08/22).

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 intends to initiate exploration activities at Corvette Far East in the New Year, with a view to establishing drill targets for a maiden drill program commencing in the Spring.

The Corvette Far East Project is being acquired from Mr Leo Horn, Mr Ariel King and Mr Trent Potts 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 will be subject to shareholder approval at General Meeting to be convened in early February.

Board Appointment

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 Horn's 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.

Under the terms of Mr Horn's appointment, he will be paid the standard Non-Executive Director fee of \$36,000 (exclusive of statutory superannuation). Mr Horn currently does not hold any shares in the Company.

Capital Raising

As part of the acquisition, Cosmos has 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 will be subject to shareholder approval at a General Meeting to be convened in early February.

The proceeds from the placement will be used to underpin the acquisition, initial exploration activities at the Corvette Far East Project and for general working capital purposes.

Churchill SIG Pty Ltd has acted as Lead Manager to the Placement and will receive a fee of 6% of all funds raised under the Placement. Executive Chairman Jeremy Robinson is also a Director of Churchill SIG Pty Ltd and the Company confirms the terms of the Lead Manager mandate were negotiated at arm's length. The Company also notes that Churchill SIG Pty Ltd has subscribed for 2,000,000 shares under the placement, which will be subject to shareholder approval.

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

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About Cosmos Exploration

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 Leo Horn. Mr Horn is a vendor of the Corvette Far East Project and a proposed incoming Non-Executive Director of the Company. Mr Horn is a Member of the Australian Institute of Geoscientists (AIG).

Mr Horn 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 Horn 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.

Appendix One – JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad</i> 	<ul style="list-style-type: none"> Not Applicable – no sample results reported.

	<p><i>meaning of sampling.</i></p> <ul style="list-style-type: none"> ● <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> ● <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> ● <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	
<i>Drilling techniques</i>	<ul style="list-style-type: none"> ● <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> ● Not Applicable – no drilling results reported.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> ● <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> ● <i>Measures taken to maximise sample recovery and ensure</i> 	<ul style="list-style-type: none"> ● Not Applicable – no drilling results reported.

	<p><i>representative nature of the samples.</i></p> <ul style="list-style-type: none"> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	
<p><i>Logging</i></p>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Not Applicable – no drilling results reported.
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field</i> 	<ul style="list-style-type: none"> • Not Applicable – no geochemical results reported.

	<p><i>duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Not Applicable – no geochemical results reported
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Not Applicable – no drilling results reported.
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine</i> 	<ul style="list-style-type: none"> • Outcrop locations were collected using a handheld GPS (+/- 5m accuracy). • The grid system used was NAD83 UTM

	<p><i>workings and other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> ● <i>Specification of the grid system used.</i> ● <i>Quality and adequacy of topographic control.</i> 	<p>(Zone 18N)</p> <ul style="list-style-type: none"> ● Outcrop locations sourced from ‘Geofiche outcrops’ data at: https://sigeom.mines.gouv.qc.ca/signet/classes/l1108_afchCarteIntr <table border="1" data-bbox="863 501 1453 958"> <thead> <tr> <th>UTM zone</th> <th>Easting</th> <th>Northing</th> <th>Geology</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>18</td> <td>615692</td> <td>5943269</td> <td>Pegmatite</td> <td></td> </tr> <tr> <td>18</td> <td>616052</td> <td>5943980</td> <td>Granite</td> <td>PEGMATITE</td> </tr> <tr> <td>18</td> <td>624287</td> <td>5942234</td> <td>Pegmatite</td> <td>50 * 30 M DE PEGMATITE BLANCHE</td> </tr> <tr> <td>18</td> <td>618029</td> <td>5946491</td> <td>Pegmatite</td> <td>Pegmatite blanche</td> </tr> <tr> <td>18</td> <td>616114</td> <td>5945078</td> <td>Pegmatite</td> <td></td> </tr> </tbody> </table>	UTM zone	Easting	Northing	Geology	Comment	18	615692	5943269	Pegmatite		18	616052	5943980	Granite	PEGMATITE	18	624287	5942234	Pegmatite	50 * 30 M DE PEGMATITE BLANCHE	18	618029	5946491	Pegmatite	Pegmatite blanche	18	616114	5945078	Pegmatite	
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<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> ● <i>Data spacing for reporting of Exploration Results.</i> ● <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> ● <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> ● The data is not appropriate for use in estimating a Mineral Resource and is not intended for such use. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. ● No sample compositing was undertaken. 																														
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> ● <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> ● <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> ● The outcrops were recorded at selected sites and it is unknown if these results are biased or unbiased. 																														

<i>Sample security</i>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Unknown.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been completed.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Quebec exploration claims: 2648168, 2648019, 2648020, 2648043, 2648044, 2648021, 2648022, 2648023, 2648024, 2648025, 2648169, 2648045, 2648047, 2648048, 2648049, 2648050, 2648051, 2648661, 2648662, 2648663, 2648664, 2648665, 2648666, 2648026, 2648027, 2648028, 2648029, 2648030, 2648031, 2648032, 2648033, 2648034, 2648035, 2648036, 2648037, 2648038, 2648039, 2648040, 2648041, 2648042, 2648052, 2648053, 2648054, 2648012, 2648013, 2648014, 2648015, 2648016 Are owned 100% by Mr Leo Horn, Mr Ariel King and Mr Trent Potts. The tenures are located in Quebec, Canada. All regulatory and heritage approvals have been met. There are no known impediments to operate in the area.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Information on the project has been compiled from information collected by SOQUEM government geologists in 2012, and can be sourced from 'Geofiche outcrops' data at: https://sigeom.mines.gouv.qc.ca/signet/classes/l1108_afchCarteIntr
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Archean aged La Grande sub-Provence fractionated pegmatites LCT type, late in orogenic history

<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	<ul style="list-style-type: none"> • Not Applicable – no sample results reported
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No metal equivalents are reported.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’). 	<ul style="list-style-type: none"> • Not Applicable – no sample results reported
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and 	<p>Appropriate maps, sections and tables are included in this ASX announcement.</p>

	appropriate sectional views.	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Not Applicable – no sample results reported
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Everything meaningful and material is disclosed in the body of the report. Geological observations are included in the report. No bulk samples, metallurgical, bulk density, groundwater, geotechnical and/or rock characteristics test were carried out. There are no known potentially deleterious or contaminating substances.
<i>Further work</i>	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Given the prospectivity of the newly acquired project, the company plans to initiate exploration activities at Corvette Far East, with a view to establishing drill targets.