



COSMO

Gold Limited

Cosmo Gold Limited
ACN 636 743 649

Prospectus

For the initial public offer of a minimum of 25,000,000 and up to 30,000,000 fully paid ordinary shares in Cosmo Gold Limited (**Shares**) at an issue price of \$0.20 per Share together with one free attaching option for every two Shares issued, to raise a minimum of \$5,000,000 and up to a maximum of \$6,000,000 (**General Offer**).

This Prospectus also includes a priority offer as part of the General Offer of up to 10,000,000 Shares to shareholders of 3D Resources Limited registered at 5.00pm AEDT on Tuesday, 9 February 2021 (**Priority Offer**).

RM Corporate Finance Pty Ltd has been appointed to act as lead manager to the Offer and underwrite the Minimum Subscription.

IMPORTANT NOTICE

This is an important document and investors should read the document in its entirety and are advised to consult with their professional advisors before deciding whether to apply for securities pursuant to this Prospectus.

Any investment in the Company under this Prospectus should be considered speculative in nature.



Important Information

The Offer

The Offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares (**Shares**) and options to acquire Shares (**Options**) in Cosmo Gold Limited (ACN 636 743 649) (**Cosmo Gold** or the **Company**). This Prospectus is issued by the Company.

This Prospectus is dated 4 February 2021 and was lodged with ASIC on that date. ASIC, ASX and their respective officers do not take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares offered pursuant to the Prospectus to be admitted for quotation on ASX. The Company will not apply for quotation of the Options offered under this Prospectus.

There is a risk that the Company may not be able to satisfy the conditions of the Offer and meet the requirements of ASX for quotation on the ASX. In the event the conditions to the Offer are not satisfied or the Company does not receive conditional approval for quotation on ASX, then the Company will not proceed with the Offer and will repay all Application Monies received.

Securities will not be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Applying for Shares

An application for Shares under the Offer can only be made on an application form which accompanies this Prospectus (**Application Form**). The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

Persons wishing to apply for Shares pursuant to the Offer must do so using the relevant Application Form attached to or accompanying this Prospectus.

Before applying for Shares, potential investors should carefully read the Prospectus so that they can make an informed assessment of:

- the rights and liabilities attaching to the Shares;
- the assets and liabilities of the Company; and
- the Company's financial position and performance, profits and losses, and prospects.

Investors should carefully consider these factors in light of their own personal financial and taxation circumstances.

Speculative Investment

Any investments in the Company should be considered speculative. Refer to Section 8 of this Prospectus for details relating to risk factors. Applicants should read this document in its entirety and persons considering applying for Shares pursuant to the Prospectus should obtain professional advice from an accountant, stockbroker, lawyer or other advisor before deciding whether to invest.

No person is authorised to give any information or to make any representation in relation to the Offer which is not contained in this Prospectus. Any information or representation not in this Prospectus may not be relied upon as having been authorised by the Company or the Directors in relation to the Offer.

The Offer made pursuant to this Prospectus is not made to persons or places to which, or in which, it would not be lawful to make such an offer of securities. No action has been taken to register the Offer under this Prospectus or otherwise permit the Offer to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

This Prospectus may not be distributed to, or relied upon by, any person in the United States. The Shares will not be registered under the US Securities Act of 1933 or the securities laws of any state of the United States and may not be offered or sold in the United States unless the Shares are registered under the US Securities Act, or are offered or sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Forward-looking Statements

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, and are identified by words such as 'intends', 'may', 'could', 'believes', 'estimates', 'target' or 'expects'. Forward-looking statements are not based on historical facts but are based on current expectations of future results or events. These forward-looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward-looking statements. While the Company believes the expectations reflected in the forward-looking statements in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in Section 8, as well as other matters not yet known to the Company or not currently considered material by the Company, may cause actual results or events to be materially different from those expressed, implied or projected in any forward-looking statement. Any forward-looking statement in this Prospectus is qualified by this cautionary statement.

This Prospectus includes information regarding the past performance of the Company. A reference to past performance is not indicative of future performance.

Electronic Prospectus

An electronic version of this Prospectus can be downloaded from the Company's website at www.cosmogold.com.au. If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus. The electronic version of this Prospectus is only available to Australian residents and must only be accessed from within Australia. You may obtain a hard copy of this Prospectus free of charge by contacting the Company Secretary, Andrew Draffin, on +61 3 8611 5333 between 8.30am and 5.30pm AEDT.

Investment Decision

This Prospectus does not provide investment or financial advice.

You should seek your own investment or financial advice. The Offer contained in this Prospectus does not take into account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus carefully and in full before deciding to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the financial performance of the Company in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

No Cooling-off Rights

There are no cooling-off rights in relation to an investment in Shares acquired under this Prospectus. In most circumstances, investors will not be able to withdraw an Application to acquire Shares under this Prospectus once it has been accepted.

Exposure Period

The Corporations Act prohibits the Company from processing Applications for Shares under the Offer in the seven-day period after the date of lodgement of the Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC for a further

period of up to seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by ASIC and market participants prior to the raising of funds under the Offer. This Prospectus will be made generally available to Australian residents during the Exposure Period without an Application Form by being posted on the Company's website www.cosmogold.com.au. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

No Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and, although the Directors have confidence in the proposed activities of the Company, believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Persons Statement

The information in this Prospectus that relates to exploration targets, exploration results, mineral resources or ore reserves is based on, and fairly represents, information compiled by Mr Philip Ash, a Competent Person who is a member of the Australasian Institute of Geoscientists. Mr Ash is the Managing Director of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (**JORC Code**). Mr Ash consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

Miscellaneous

Photographs used in this Prospectus are for illustration only and should not be interpreted to mean that the assets or items shown in them are owned by the Company or that people depicted are employees of the Company.

All references to "\$", "AUD", "dollar" and "cents" are references to Australian currency unless otherwise stated. All references to time relate to the time in Melbourne, Victoria, Australia.

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 14.

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Chairman's Letter

4 February 2021

Dear Investor

On behalf of the Directors of Cosmo Gold Limited (ACN 636 743 649) (**Cosmo Gold** or **Company**), it gives me great pleasure to invite you to become a shareholder of the Company.

The Company was incorporated as a wholly-owned subsidiary of 3D Resources Limited (ASX:DDD) (**DDD**) in October 2019, with a view to becoming the holder of the Cosmo Newbery Project. The Company now holds the Cosmo Newbery Project located around the Cosmo Newbery aboriginal community approximately 90km north-east of Laverton in Western Australia (**Project**). The Project comprises five exploration licences and four exploration licence applications (**Tenements**). Due mainly to access restrictions, and with the exception of restricted reconnaissance in 2017, the Tenements have been unexplored since 2002. In December 2020, Cosmo Gold entered into the required YTAC Access Agreement with the Yilka Talintji Aboriginal Corporation in respect of approximately 87% of the land comprising the Project. The Company has also negotiated and signed a Heritage Agreement with the Waturta Native Title Claims Group (**Waturta**) in respect of land comprising the remaining 13% of the Project, and is awaiting execution by Waturta. Following issue of the required Mining Entity Permits these agreements will allow ground-based exploration work on the Tenements.

Under this Prospectus, Cosmo Gold is seeking to raise a minimum of \$5 million and up to \$6 million (before costs) by the issue of a minimum of 25 million fully paid ordinary shares in the Company (**Shares**) and up to 30 million Shares at the Offer Price of \$0.20 per Share by way of an initial public offering (**Offer**). Successful Applicants will also be issued a free attaching Option exercisable at \$0.25 and expiring 29 February 2024 (**Attaching Option**) for every two Shares issued under the Offer.

The Offer also incorporates an offer of up to 10 million Shares to Eligible DDD Shareholders to subscribe for further Shares in addition to the Shares that they will receive under the In-specie Distribution (as defined below) and spin out of Cosmo Gold from DDD (**Priority Offer**). Cosmo Gold intends that each such Eligible DDD Shareholder will receive a minimum of \$2,000 worth of Shares at the Offer Price of \$0.20 per Share applied for under the Priority Offer.

On 21 December 2020, DDD obtained shareholder approval for DDD to distribute the Shares it holds in the Company in-specie to eligible shareholders of DDD (**In-specie Distribution**). DDD proposes to undertake the In-specie Distribution on 18 March 2021, which will result in the Eligible DDD Shareholders directly holding the Shares previously held by DDD.

This Prospectus is issued, in part, for the purpose of supporting the Company's application for admission to the Official List of the Australian Securities Exchange (**ASX**). The Company believes that quotation on the ASX will provide a platform for growth and an ability to increase both efficiencies and potentially production and will position the Company to benefit from the stronger gold and other commodity prices.

I lead an experienced, well-balanced Board and exploration team who have extensive skills in resource development.

Cosmo Gold is also exposed to company-specific, industry-specific and general investment risks. Please refer to Section 8 (Risk Factors) for further information about the risks inherent to the investment.

I look forward to you joining the Company as a shareholder and participating in the exciting future ahead for the Company. Before making an investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours faithfully



Ian Hastings

Non-Executive Chairman
Cosmo Gold Limited

1. Key Dates and Offer Statistics

Indicative Timetable

Lodgement of Prospectus with ASIC	4 February 2021
Priority Offer Record Date	5.00pm (AEDT) on 9 February 2021
Opening Date for the General Offer and Priority Offer	12 February 2021
Closing Date for the General Offer and Priority Offer	11 March 2021
In-specie Distribution Record Date	5.00pm (AEDT) on 17 March 2021
Completion of the In-specie Distribution	18 March 2021
Allotment and issue of Shares under the General Offer and Priority Offer	18 March 2021
Dispatch of Statements of Shareholding	19 March 2021
Expected date for Shares to commence trading on ASX	24 March 2021

These dates are indicative only and may change. The Company, in consultation with the Lead Manager and Underwriter, reserves the right to amend any or all of these dates and times subject to the Corporations Act, the Listing Rules and other applicable laws, including closing the Offer early, extending the Offer, accepting late applications or withdrawing the Offer without prior notice.

1. Key Dates and Offer Statistics

Key Offer Statistics

Shares available under the Offer	A Minimum Subscription of 25,000,000 Shares at the Offer Price of \$0.20 per Share, and up to a Maximum Subscription of 30,000,000 Shares at the Offer Price of \$0.20 per Share (including 10,000,000 Shares under the Priority Offer to Eligible DDD Shareholders).																				
Proceeds of the Offer	\$5,000,000 under the Minimum Subscription, and up to \$6,000,000 under the Maximum Subscription (before costs of the Offer).																				
Offer Price	\$0.20 per Share.																				
Attaching Options	For every two Shares issued under the Offer, a free Attaching Option with an exercise price of \$0.25 and an expiry date of 29 February 2024 will be issued.																				
Total number of securities on issue following completion of the Offer	The tables below illustrate the Company's capital structure following completion of the Offer:																				
	<table border="1"> <thead> <tr> <th>Shares</th> <th>Minimum Subscription</th> <th>Maximum Subscription</th> </tr> </thead> <tbody> <tr> <td>Current Shares on issue</td> <td>21,080,000</td> <td>21,080,000</td> </tr> <tr> <td>Shares to be issued under the Offer</td> <td>25,000,000</td> <td>30,000,000</td> </tr> <tr> <td>Shares issued to the Lead Manager</td> <td>275,000</td> <td>275,000</td> </tr> <tr> <td>Post-Offer Shares*</td> <td>46,355,000</td> <td>51,355,000</td> </tr> <tr> <td>Market capitalisation**</td> <td>\$9,271,000</td> <td>\$10,271,000</td> </tr> </tbody> </table> <p>* Up to 750,000 Shares may be issued to YTAC following Admission, subject to achievement of certain milestones (as set out at Section 11.2).</p> <p>** Market capitalisation on completion of the Offer is defined as the Offer Price multiplied by the total number of Shares expected to be on issue at Admission.</p>			Shares	Minimum Subscription	Maximum Subscription	Current Shares on issue	21,080,000	21,080,000	Shares to be issued under the Offer	25,000,000	30,000,000	Shares issued to the Lead Manager	275,000	275,000	Post-Offer Shares*	46,355,000	51,355,000	Market capitalisation**	\$9,271,000	\$10,271,000
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	<p>At the date of this Prospectus, 3D Resources Limited (ASX:DDD) (DDD) holds 15,000,000 Shares in the Company, comprising 71.16% of the issued capital of the Company.</p> <p>DDD proposes to distribute the Shares it holds in the Company in-specie to Eligible DDD Shareholders (In-specie Distribution) recorded on the register of members of DDD on the In-specie Distribution Record Date, being 5:00pm (AEDT) on 17 March 2021. DDD proposes to undertake the In-specie Distribution to the Eligible DDD Shareholders on 18 March 2021.</p> <p>The Company will not be issuing any Shares under the In-specie Distribution.</p>																				



2.

Investment Overview

2. Investment Overview

This Section is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Shares offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Shares.

The Prospectus

TOPIC	SUMMARY	MORE INFORMATION
Who is the issuer of this Prospectus?	Cosmo Gold Limited (ACN 636 743 649) (Company or Cosmo Gold) was incorporated as an Australian proprietary limited company on 11 October 2019, and converted to a public company limited by shares on 20 November 2020.	Section 4.1
What is the Offer under the Prospectus?	<p>The Offer is an initial public offer for the issue of a minimum of 25,000,000 Shares and up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise a minimum of \$5,000,000 and up to \$6,000,000. For every two Shares issued under the Offer, Applicants will receive one free Attaching Option.</p> <p>Within the Offer under this Prospectus, the Company is making the Priority Offer of Shares to the Eligible DDD Shareholders. The Eligible DDD Shareholders will be entitled under the Priority Offer to apply for Shares under the Prospectus on a priority basis. Cosmo Gold intends that each such Eligible DDD Shareholder will receive a minimum of \$2,000 worth of Shares at the Offer Price of \$0.20 per Share applied for under the Priority Offer.</p> <p>The Shares offered under this Prospectus represent approximately 53.93% of the issued capital of the Company at Admission on a Minimum Subscription basis, and approximately 58.42% of the issued capital of the Company at Admission on a Maximum Subscription basis.</p> <p>The Offer is underwritten up to the Minimum Subscription by RM Corporate Finance Pty Ltd (RM Corporate Finance).</p> <p>An application will be made for admission to quotation on the Official List of the Australian Securities Exchange (ASX) under the ASX code "CSM".</p>	Section 3.1
Why is the Company making the Offer?	<p>The Company is undertaking the Offer to:</p> <ul style="list-style-type: none"> • fund the exploration, evaluation and potential development of the Cosmo Newbery Project; • increase the general working capital available for the ongoing business of the Company; • support an application for Admission to the Official List of the ASX by satisfying the listing requirements for admission; • increase the liquidity of the Company's securities for Shareholders; and • increase the Company's public profile. 	Section 3.2

2. Investment Overview

The Company

TOPIC	SUMMARY	MORE INFORMATION																																								
What is the Company's group?	The Company is the only entity within the group (that is, the Company does not have any subsidiaries).	Section 4.1																																								
What does the Company do?	<p>The Company owns and operates the mining tenements comprising the Cosmo Newbery Gold Project (Project). The Project is located around the Cosmo Newbery aboriginal community, approximately 90km north-east of Laverton in Western Australia. Due mainly to access restrictions, and with the exception of restricted reconnaissance in 2017, the Project has been unexplored since 2002.</p> <p>The Project comprises the following tenements (being the Tenements):</p> <table border="1"> <thead> <tr> <th>Tenement</th> <th>Status</th> <th>Holder</th> <th>Grant Date</th> </tr> </thead> <tbody> <tr> <td>E38/2274</td> <td>Granted</td> <td>Cosmo Gold 75%/Foley 25%</td> <td>10/6/11</td> </tr> <tr> <td>E38/2627</td> <td>Granted</td> <td>Cosmo Gold 100%</td> <td>11/5/12</td> </tr> <tr> <td>E38/2774</td> <td>Granted</td> <td>Cosmo Gold 100%</td> <td>29/7/13</td> </tr> <tr> <td>E38/2851</td> <td>Granted</td> <td>Cosmo Gold 100%</td> <td>12/3/14</td> </tr> <tr> <td>E38/3249</td> <td>Granted</td> <td>Cosmo Gold 100%</td> <td>18/7/18</td> </tr> <tr> <td>E38/3250</td> <td>Pending</td> <td>Adderstone Holdings Pty Ltd*</td> <td>–</td> </tr> <tr> <td>E38/3456</td> <td>Pending</td> <td>Cosmo Gold 100%</td> <td>–</td> </tr> <tr> <td>E38/3457</td> <td>Pending</td> <td>Cosmo Gold 100%</td> <td>–</td> </tr> <tr> <td>E38/3525</td> <td>Pending</td> <td>Cosmo Gold 100%</td> <td>–</td> </tr> </tbody> </table> <p>* Under an exclusive option agreement between Adderstone Holdings and the Company as set out at Section 11.4.</p> <p>The ownership rights to Tenements E38/3249 and the exclusive option to E38/3250 were assigned to the Company from DDD pursuant to the Adderstone Sale Agreement (as set out in detail in Section 11.4). The Company acquired the balance of the Tenements from DDD (when the Company was a wholly owned subsidiary of DDD) in 2020 for a total consideration of \$750,000 as reimbursement of expenditure incurred in developing those Tenements (as detailed in Section 3.14).</p> <p>Further information regarding the Tenements is set out in the Tenements Report set out at Section 7.</p> <p>The Project area is affected by the Yilka Talintji Aboriginal Corporation (YTAC) and the Waturta Native Title claim (Waturta) (such claim accepted for registration on 17 August 2018), that have been granted native title rights.</p>	Tenement	Status	Holder	Grant Date	E38/2274	Granted	Cosmo Gold 75%/Foley 25%	10/6/11	E38/2627	Granted	Cosmo Gold 100%	11/5/12	E38/2774	Granted	Cosmo Gold 100%	29/7/13	E38/2851	Granted	Cosmo Gold 100%	12/3/14	E38/3249	Granted	Cosmo Gold 100%	18/7/18	E38/3250	Pending	Adderstone Holdings Pty Ltd*	–	E38/3456	Pending	Cosmo Gold 100%	–	E38/3457	Pending	Cosmo Gold 100%	–	E38/3525	Pending	Cosmo Gold 100%	–	Section 4.2
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2. Investment Overview

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What does the Company do? continued	<p>On 17 December 2020, Cosmo Gold entered into the YTAC Access Agreement (as defined in Section 11.1) with YTAC. The Company has also negotiated and signed a Heritage Agreement with Waturta in respect of land comprising the remaining 13% of the Project, and is awaiting execution of that document by Waturta. If the Company does not obtain the Waturta Heritage Agreement signed by Waturta, it will carry out the Exploration Work Plan in relation to the area covered by the YTAC Access Agreement. Following issue of the required Mining Entry Permits, these agreements will allow for ground-based exploration work on the Tenements.</p> <p>The Company has developed an exploration work plan for Year 1 based on submission of required work programs and heritage surveys, geological mapping and development of local and regional mineralisation controls, initial orientation soil traverses followed by project wide soil geochemistry, with the potential for air core (AC)/percussion rotary air blast (RAB) drilling (as set out at Section 4.2). Drill targets will likely be developed and drilled, and heritage surveys conducted, in Year 2. The use of geoscience contractors is envisaged for completion of most field work.</p>	Section 4.2																																	
What is the proposed capital structure of the Company?	<p>Following completion of the Offer under this Prospectus and the In-specie Distribution, the capital structure of the Company will be as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>No. of Shares (Minimum Subscription)</th> <th>No. of Shares (Maximum Subscription)</th> </tr> </thead> <tbody> <tr> <td>Current Shares on issue</td> <td>21,080,000</td> <td>21,080,000</td> </tr> <tr> <td>Shares to be issued under the Offer</td> <td>25,000,000</td> <td>30,000,000</td> </tr> <tr> <td>Shares issued to the Lead Manager</td> <td>275,000</td> <td>275,000</td> </tr> <tr> <td>Post-Offer Shares*</td> <td>46,355,000</td> <td>51,355,000</td> </tr> </tbody> </table> <p>* Up to 750,000 Shares may be issued to YTAC following Admission (as set out at Section 11.2).</p> <table border="1"> <thead> <tr> <th></th> <th>No. of Options (Minimum Subscription)</th> <th>No. of Options (Maximum Subscription)</th> </tr> </thead> <tbody> <tr> <td>Current Options on issue*</td> <td>6,500,000</td> <td>6,500,000</td> </tr> <tr> <td>Options to be issued under the Offer**</td> <td>12,500,000</td> <td>15,000,000</td> </tr> <tr> <td>Options to be issued to the Underwriter</td> <td>2,000,000</td> <td>2,500,000</td> </tr> <tr> <td>Other Options***</td> <td>250,000</td> <td>250,000</td> </tr> <tr> <td>Post-Offer Options</td> <td>21,250,000</td> <td>24,250,000</td> </tr> </tbody> </table> <p>** Includes 500,000 Options issued to Philip Ash (as set out at Section 5.4).</p> <p>** One free Attaching Option issued on the basis of every two Shares issued under the Offer.</p> <p>*** The Company proposes to issue 250,000 Options to YTAC (as set out at Section 11.2) following Admission.</p>		No. of Shares (Minimum Subscription)	No. of Shares (Maximum Subscription)	Current Shares on issue	21,080,000	21,080,000	Shares to be issued under the Offer	25,000,000	30,000,000	Shares issued to the Lead Manager	275,000	275,000	Post-Offer Shares*	46,355,000	51,355,000		No. of Options (Minimum Subscription)	No. of Options (Maximum Subscription)	Current Options on issue*	6,500,000	6,500,000	Options to be issued under the Offer**	12,500,000	15,000,000	Options to be issued to the Underwriter	2,000,000	2,500,000	Other Options***	250,000	250,000	Post-Offer Options	21,250,000	24,250,000	Section 3.15
	No. of Shares (Minimum Subscription)	No. of Shares (Maximum Subscription)																																	
Current Shares on issue	21,080,000	21,080,000																																	
Shares to be issued under the Offer	25,000,000	30,000,000																																	
Shares issued to the Lead Manager	275,000	275,000																																	
Post-Offer Shares*	46,355,000	51,355,000																																	
	No. of Options (Minimum Subscription)	No. of Options (Maximum Subscription)																																	
Current Options on issue*	6,500,000	6,500,000																																	
Options to be issued under the Offer**	12,500,000	15,000,000																																	
Options to be issued to the Underwriter	2,000,000	2,500,000																																	
Other Options***	250,000	250,000																																	
Post-Offer Options	21,250,000	24,250,000																																	
What is the Company's strategy?	<p>Following completion of the Offer the Company intends to explore, evaluate and develop the Project. The initial exploration program for the first two years is set out at Section 4.2. The Company will continue to look for complementary and synergistic exploration opportunities and may acquire additional projects in the future.</p>	Section 4.2																																	

2. Investment Overview

Material Contracts

TOPIC	SUMMARY	MORE INFORMATION
What contracts has the Company entered into which could have a material effect on the Company's business and operations?	<p>The Company has entered into the following material contracts (and is awaiting execution of the Waturta Heritage Agreement by Waturta):</p> <p>(a) YTAC Access Agreement</p> <p>Cosmo Gold has entered into a mineral exploration and land access agreement with YTAC to allow ground-based exploration work on Tenements E38/2274, E38/2627, E38/2774, E38/2851, E38/3249, and applications E38/3525, E38/3456 and E38/3457 and any future exploration, prospecting or retention licences applied for by the Company within the Yilka Country during the term of the YTAC Access Agreement.</p> <p>(b) YTAC Milestone Securities Agreement</p> <p>Cosmo Gold has entered into a Milestone Securities Agreement with YTAC pursuant to which the Company has agreed to issue up to 750,000 Shares and 250,000 Options to YTAC (or its nominee) subject to completion of certain exploration milestones in relation to the Project.</p> <p>(c) Waturta Heritage Agreement</p> <p>Cosmo Gold has negotiated and signed a heritage agreement with Waturta to allow ground-based exploration work on Tenements E38/2627 and E38/3456, and any future exploration, prospecting or retention licences applied for by the Company within the Project area affected by the Waturta native title claim during the term of the Waturta Heritage Agreement. The Company is awaiting execution of that document by Waturta.</p> <p>(d) Adderstone Sale Agreement</p> <p>Cosmo Gold entered a Sale and Exclusive Option Agreement with Adderstone Holdings Pty Ltd (ACN 054 557 078) on 16 January 2020 in respect of Tenements E38/3249 and E38/3250, pursuant to which the Company acquired 100% of the right, title and interest to E38/3249 and an exclusive option to acquire 100% of the right, title and interest in application E38/3250.</p> <p>(e) E38/2274 Deed of Sale</p> <p>On 2 September 2011 DDD entered into a Deed of Sale with Michael Foley and Preston Flynn pursuant to which DDD obtained a 75% interest in Tenement E38/2274, and which was subsequently assigned to Cosmo Gold.</p> <p>There have also been variations to the Deed of Sale, which (amongst other things) provide for advance milestone payments to Mr Foley and acknowledgments by the parties in respect of access to E38/2274.</p> <p>(f) Transaction Implementation Deed</p> <p>Cosmo Gold and DDD have entered into a Transaction Implementation Deed which provides the formal structure for the implementation of the Spin Out, In-specie Distribution and Offer between the entities.</p>	Section 11

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
<p>What contracts has the Company entered into which could have a material effect on the Company's business and operations? continued</p>	<p>(g) Lead Manager Mandate and Underwriting Agreement</p> <p>Cosmo Gold separately executed a lead manager mandate and underwriting agreement with the Lead Manager and Underwriter, RM Corporate Finance, on 24 December 2020 and 3 February 2021, respectively, pursuant to which RM Corporate Finance acted as lead manager to the recent seed capital raising of the issue of 6,000,000 Shares at \$0.10 per Share together with one free-attaching Option for each Share issued, each Option exercisable at \$0.25 and expiring on 29 February 2024 (Seed Raising) and will act as lead manager (Lead Manager) and underwriter to the Offer (Underwriter).</p> <p>The Offer is underwritten by the Underwriter up to the Minimum Subscription amount of \$5,000,000 (Underwritten Amount) on the terms and conditions set out in the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Underwriter will receive the following fees in consideration for underwriting the Offer:</p> <ol style="list-style-type: none">a lead manager fee of \$25,000 (plus GST in cash) to be satisfied by the issue of 125,000 Shares in the Company;an underwriter manager fee in the amount of 1% (plus GST in cash) of the Underwritten Amount;an underwriting fee in the amount of 5% (plus GST in cash) of the Underwritten Amount;an oversubscription fee in the amount of 6% (plus GST in cash) in respect to the amount greater than \$5,000,000 placed or arranged by the Lead Manager under the Offer;a corporate advisory fee of \$30,000 (plus GST in cash) to be satisfied by the issue of 150,000 Shares; anda total of 2,000,000 Options, each exercisable at \$0.25 and expiring on 29 February 2024 (or otherwise on the same terms and conditions as the Options issued as part of the Offer), and an additional 500,000 Options (on the same terms and conditions as above) in the event that the Maximum Subscription is raised. <p>(h) Loan Agreement – Tenement Expenditure</p> <p>Cosmo Gold and DDD have entered into a loan agreement pursuant to which Cosmo Gold will repay to DDD \$750,000 for expenditure incurred in relation to the Tenements. The loan is unsecured and interest free. The Company has repaid \$500,000 from the proceeds of the Seed Raising, and the remaining \$250,000 will be repaid from the Offer Proceeds.</p> <p>(i) Loan Facility Agreement – Offer and Project Operation Costs</p> <p>Cosmo Gold and DDD have entered into a loan facility agreement in respect of funds paid or to be paid by DDD on Cosmo Gold's behalf relating to the costs associated with the Offer and incurred in relation to the Tenements up to \$400,000. The loan is unsecured and interest free, and will be repaid from the Offer Proceeds.</p>	<p>Section 11</p>

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
What contracts has the Company entered into which could have a material effect on the Company's business and operations? continued	<p>(j) Director documents</p> <p>Cosmo Gold has entered into the following agreements with the Directors:</p> <ul style="list-style-type: none">(i) an executive employment agreement with Mr Philip Ash as Managing Director;(ii) a letter of appointment and consultancy agreement as non-executive director with each of Mr Ian Hastings and Mr John Chegwiddden and their respective entities; and(iii) a deed of indemnity, access and insurance with each Director. <p>(k) Other</p> <p>The Company has also entered into a letter of appointment and consultancy agreement with DW Accounting and Advisory Pty Ltd in respect of services to be provided by Mr Andrew Draffin as Cosmo Gold's CFO and Company Secretary, along with accounting services to be provided to the Company.</p>	Section 11

Summary Financial Information

TOPIC	SUMMARY	MORE INFORMATION
What is the Company's financial position and performance?	A pro-forma statement of financial position as at 30 June 2020 showing the Company's financial position under the Minimum Subscription and the Maximum Subscription is set out at Section 9.	Section 9
What are the Company's forecast prospects?	There are no forecasts of future earnings of the Company provided in this Prospectus. This Prospectus does include information regarding the past performance of the Company. A reference to past performance is not indicative of future performance.	Section 3.21

2. Investment Overview

Summary of Key Risk Factors

RISK	SUMMARY OF THE RISK	MORE INFORMATION
What are the key risks of investing in Shares in the Company specific to the Company or its industry?	<p>COVID-19 Pandemic and Possible Similar Future Outbreaks Risk</p> <p>At the time of issue of this Prospectus, the global pandemic COVID-19 is having a significant and material impact on global markets and providing substantial impingement on the day-to-day operations of businesses. The pandemic may disrupt or prevent Cosmo Gold from undertaking its operations and intended programs and may impact Cosmo Gold's ability to raise capital in the near to medium term future.</p> <p>Tenure and Title Risk</p> <p>Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all.</p> <p>The Tenements currently also comprise a number of pending tenement applications. Whilst the Company's view is that the risk pending applications (with the exception of E38/3250 which covers primarily the Cosmo Newbery aboriginal community) are not granted is low, if those applications were not to be granted, then there is a risk that Cosmo Gold cannot commence its operations in respect of the Project area that is covered by the relevant application, and that the value of the Project is correspondingly diminished.</p> <p>If/once granted, the pending applications will be covered by the relevant access agreements.</p> <p>Access and Infrastructure Risk</p> <p>Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.</p> <p>Whilst Cosmo Gold has entered into the YTAC Access Agreement with YTAC, and has negotiated and signed the Waturta Heritage Agreement with Waturta (and is awaiting execution of that document by Waturta), to provide access to the Tenements making up the Project area to undertake exploration work, if the YTAC Access Agreement is terminated, or the Waturta Heritage Agreement is not countersigned by Waturta or is signed but is subsequently terminated, or any approvals required to be given under those agreements are not obtained, then there is a risk that Cosmo Gold cannot continue its operations in respect of some or all of the Project.</p> <p>Operational Risk</p> <p>Exploration for and mining of minerals is highly speculative and no assurance can be given that production will be obtained from the areas in which Cosmo Gold has or may acquire an interest, or that production and marketing of any materials discovered by Cosmo Gold will prove to be economic.</p> <p>Consequently, there can be no assurance that through the Project Cosmo Gold will be able to develop and commercialise mineral extraction from its tenements and generate positive cashflow to sustain Cosmo Gold's financial viability.</p>	Section 8

2. Investment Overview

RISK	SUMMARY OF THE RISK	MORE INFORMATION
What are the key risks of investing in Shares in the Company specific to the Company or its industry? continued	<p>Native Title Risk</p> <p>It is possible that, in relation to tenements which Cosmo Gold has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist.</p> <p>The Project area is affected by the YTAC and the Waturta Native Title parties that have been granted native title rights.</p> <p>The Directors continue to closely monitor the potential effect of native title claims involving tenements in which Cosmo Gold has or may have an interest.</p> <p>Ore Reserves and Mineral Resource Estimates</p> <p>Ore reserve and mineral resource estimates are expressions of judgment based on knowledge, experience and industry practice, and may require revision on actual production experience. All mineral resources estimates previously disclosed to the market are necessarily imprecise and depend to some extent on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.</p> <p>Commodity and Currency Price Volatility</p> <p>Commodity prices are subject to influencing factors beyond the control of Cosmo Gold and can be subject to significant fluctuations.</p> <p>Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on Cosmo Gold's operations and financial position.</p> <p>Development Risk/Profitability</p> <p>Cosmo Gold's commercial viability will be dependent upon the successful development and operation of Cosmo Gold's projects and any other activity that Cosmo Gold may undertake.</p> <p>Environmental Risks</p> <p>Environmental risks are inherent in mining operations. Cosmo Gold adopts practices which Cosmo Gold believes are appropriate to minimise the potential of causing environmental damage in all Cosmo Gold's operations, but no assurance can be made that Cosmo Gold will not be affected by environmental claims or issues in the future.</p> <p>Production and Cost Estimates</p> <p>By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from Cosmo Gold's estimates and assumptions and may materially and adversely affect Cosmo Gold's commercial viability and future results.</p> <p>Government and Regulatory Approvals</p> <p>There can be no assurance that all of the relevant approvals and permits necessary to conduct mining operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.</p>	Section 8

2. Investment Overview

RISK	SUMMARY OF THE RISK	MORE INFORMATION
What are the key risks of investing in Shares in the Company specific to the Company or its industry? continued	<p>Regulatory</p> <p>Cosmo Gold's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters along with the Company to obtain numerous government permits, leases, licences and approvals in respect of our exploration and mining operations.</p> <p>There is a risk that Cosmo Gold may not obtain or may lose permits, leases, licences or approvals, essential to its operations.</p> <p>Uninsured Loss and Liability</p> <p>Exploration for and development of minerals involves hazards and risks that could result in Cosmo Gold incurring losses and liabilities to third parties. There is a risk that Cosmo Gold may not be insured against all losses or liabilities that could arise from Cosmo Gold's operations.</p> <p>Occupational Health and Safety</p> <p>There is an inherent risk of work place accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy work place for Cosmo Gold's employees and contractors, where engaged from time to time.</p> <p>Future Capital Requirements</p> <p>Cosmo Gold's ongoing activities will require ongoing expenditures. There can be no guarantee that the funds raised by Cosmo Gold under the Seed Raising, the Offer and other capital raisings will be sufficient to successfully achieve all the objectives of Cosmo Gold's overall business strategy.</p> <p>Going Concern</p> <p>The ability of Cosmo Gold to continue as a going concern is dependent upon the ability of Cosmo Gold to secure funds by raising capital from equity markets and managing cash flow in line with available funds.</p> <p>Reliance on Key Management</p> <p>The responsibility of overseeing the day-to-day operations and the strategic management of Cosmo Gold may be dependent upon Cosmo Gold's senior management, key personnel and consultants.</p> <p>New Projects</p> <p>To achieve Cosmo Gold's objectives, Cosmo Gold may acquire or invest in new projects from time to time. However, there is always risk that Cosmo Gold may not be successful in negotiating for an acquisition of a new project.</p>	Section 8

2. Investment Overview

Directors & Key Management

TOPIC	SUMMARY	MORE INFORMATION
Who are the Company's Directors?	<p>The Directors are:</p> <ul style="list-style-type: none"> • Mr. Ian Hastings, independent Non-Executive Chairman • Mr. Philip Ash, Managing Director • Mr. John Chegwidden, independent Non-Executive Director 	Section 5.1
What experience do the Directors have?	<p>Mr Ian Hastings, independent Non-Executive Chairman (age 61)</p> <p>Mr Hastings is a corporate advisor with many years' experience in the field of finance, investment, securities markets compliance and regulation and has almost 40 years' experience in the finance industry and regulatory bodies.</p> <p>Mr Hastings has extensive experience in stockbroking and financial services, having acted as a principal of Barton Capital Securities Ltd, Centec Securities Pty Ltd, Ascot Securities Pty Ltd and Kollins Capital Pty Ltd. Mr Hastings is a Practitioner Member (Master Stockbroking of the Stockbrokers Association of Australia), and holds a Bachelor of Commerce and Bachelor of Laws Degree.</p> <p>Mr Hastings is the non-executive chairman of 3D Resources Limited (ASX:DDD), and the executive chairman of Gladiator Resources Limited (ASX:GLA).</p> <p>Mr Philip Ash, Managing Director (age 63)</p> <p>Mr Ash is an exploration geologist with mineral exploration and project development experience in a wide variety of geological terranes in Australia, Africa and Europe. His experience includes gold, iron, vanadium, base metals and tin tungsten with a strong focus on green-fields and mine-camp exploration, resource definition and feasibility study.</p> <p>Mr Ash was the team leader for Great Central Mines Limited and Placer Pacific Limited in the successful discovery and resource development at the Jundee and Granny Smith gold mine sites in Western Australia and for advanced resource projects in Tanzania. As former Chief Executive Officer of Accent Resources NL (ASX:ACS) he was responsible for the resource definition and feasibility study of a Midwest magnetite iron project and part of its successful sale to Chinese interests.</p> <p>Mr Ash holds a BSc (University of Witwatersrand) and MSc Mineral Exploration – cum laude (Grahamstown University).</p> <p>Mr John Chegwidden, independent Non-Executive Director (age 59)</p> <p>Mr Chegwidden is a Chartered Accountant with over 30 years' experience, including managing his own chartered accounting practice, and has acted as a director, company secretary and corporate advisor to public (including ASX-listed), private and not-for-profit companies. Mr Chegwidden has a strong knowledge of the mining, exploration, mineral processing and resources sector in Australia, with key competencies in providing corporate advice, tenement management, budgeting and modelling, operational management, OHS, corporate governance, capital raising, marketing and financial management services in relation to junior mining.</p> <p>Mr Chegwidden is a non-executive director of 3D Resources Limited (ASX:DDD), was formerly an executive director of ATC Alloys Limited (ASX:ATA) (delisted in 2020) and is a director of not-for-profit Southern Cross Care (WA) Inc.</p> <p>Mr Chegwidden holds a B.Bus (Curtin University) and is a member of the Institute of Chartered Accountants in Australia and New Zealand.</p>	Section 5.2

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
<p>Who are the Company's Senior managers?</p>	<p>Mr Andrew Draffin, Chief Financial Officer and Company Secretary (age 47)</p> <p>Mr Draffin will act as CFO in addition to his role as Company Secretary. Mr Draffin is an executive director and company secretary of Gladiator Resources Limited (ASX:GLA), company secretary of 3D Resources Limited (ASX:DDD), Mayfield Childcare Limited (ASX:MFD), and joint company secretary of Fatfish Group Limited (ASX:FFG), iCandy Interactive Limited (ASX:ICI) and LionHub Group Limited (ASX:LHB).</p>	<p>Section 5.2</p>
<p>What benefits are being paid to Directors?</p>	<p>The Company has entered into letters of appointment and consultancy agreements with the Non-executive Directors, Ian Hastings and John Chegwidden, and their respective related corporate entities.</p> <p>Pursuant to these documents, the Company has agreed to pay on and from Admission:</p> <ul style="list-style-type: none"> • an annual director's fee of \$96,000 (plus applicable GST) to Mr Hastings' nominee; and • an annual director's fee of \$36,000 (plus applicable GST) to Mr Chegwidden's nominee. 	<p>Section 5.3</p>
<p>What benefits are being paid to the Managing Director?</p>	<p>The Company has entered into an executive services agreement with the Managing Director, Philip Ash, for an initial term of 3 years.</p> <p>The Company will remunerate Mr Ash for his services with an executive remuneration package comprising the following:</p> <ul style="list-style-type: none"> • an initial base salary of \$160,000 per annum (exclusive of superannuation); • 500,000 Options subject to the satisfaction of certain milestones; and • reimbursement for reasonable expenses necessarily incurred by Mr Ash in the performance of his services as an executive. 	<p>Section 5.4</p>
<p>What are the significant interests and benefits payable to Directors and other persons connected with the Company or the Offer and any significant related party transactions?</p>	<p>Non-Executive Directors</p> <p>Each of the Non-Executive Directors has entered into a Director's letter of appointment and consultancy agreements with the Company in respect of their appointment as a Non-Executive Director of the Company. Under the terms of their respective appointment letter and consultancy agreement, they are entitled to a fee calculated per annum which accrues on a daily basis and which is payable in equal monthly instalments. The total pool of funds approved by the Company's shareholders out of which Non-Executive Directors are paid is \$400,000.</p> <p>Managing Director</p> <p>The Company has entered into an executive employment agreement with the Company's Managing Director, Mr Philip Ash, under which he is entitled to a salary and other benefits.</p>	<p>Sections 5.3, 5.4, 5.5 and 5.6</p>

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION																								
<p>What are the significant interests and benefits payable to Directors and other persons connected with the Company or the Offer and any significant related party transactions? continued</p>	<p>Deeds of confidentiality, access, indemnity and insurance</p> <p>The Company has entered into a deed of indemnity, access and insurance with each Director, which requires the Company to indemnify the Director against all losses or liabilities incurred as an officer of the Company. Under the deeds of indemnity, access and insurance, the Company must maintain a directors' and officers' insurance policy insuring a Director until seven years after a Director ceases to hold office as a Director.</p> <p>Employee Equity Incentive Plan</p> <p>The Company has adopted the Equity Incentive Plan in order to assist in the motivation and retention of selected eligible participants of the Company.</p>	<p>Sections 5.3, 5.4, 5.5 and 5.6</p>																								
<p>What interests do Directors have in the securities of the Company?</p>	<p>Other than 500,000 Options held by Philip Ash, the Directors and their related entities do not have any interests in Shares and Options as at the date of this Prospectus. Based on the intentions of the Directors at the date of this Prospectus and subject to the Company's allocation policy, the Directors and their related entities will have the following interests in Shares and Options upon Admission:</p> <table border="1"> <thead> <tr> <th rowspan="2">Director</th> <th colspan="2">Securities at the date of the Prospectus</th> <th colspan="2">Securities at Admission*</th> </tr> <tr> <th>Shares</th> <th>Options</th> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Ian Hastings</td> <td>Nil</td> <td>Nil</td> <td>664,770</td> <td>Nil</td> </tr> <tr> <td>Philip Ash</td> <td>Nil</td> <td>500,000</td> <td>415</td> <td>500,000</td> </tr> <tr> <td>John Chegwiddden</td> <td>Nil</td> <td>Nil</td> <td>176,783</td> <td>Nil</td> </tr> </tbody> </table> <p>* This is based on DDD's capital structure as at the date of this Prospectus. If DDD conducts a capital raising or if any options are exercised (resulting in the issue of new fully paid ordinary shares in DDD) after the date of this Prospectus and before the In-specie Distribution Record Date, then the number of Shares to be transferred to these persons will be less than the amounts set out above.</p>	Director	Securities at the date of the Prospectus		Securities at Admission*		Shares	Options	Shares	Options	Ian Hastings	Nil	Nil	664,770	Nil	Philip Ash	Nil	500,000	415	500,000	John Chegwiddden	Nil	Nil	176,783	Nil	<p>Section 5.3</p>
Director	Securities at the date of the Prospectus		Securities at Admission*																							
	Shares	Options	Shares	Options																						
Ian Hastings	Nil	Nil	664,770	Nil																						
Philip Ash	Nil	500,000	415	500,000																						
John Chegwiddden	Nil	Nil	176,783	Nil																						
<p>Who will be the substantial holders of the Company?</p>	<p>Based on the information known as at the date of this Prospectus, and assuming the Minimum Subscription is achieved, there will not be any persons having an interest in 5% or more of the Company's Shares on issue at Admission.</p>	<p>Section 12.3</p>																								

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
<p>What are the Lead Manager's interests?</p>	<p>The Company entered into the Lead Manager Mandate appointing RM Corporate Finance as Lead Manager to the Offer on 24 December 2020 and the Underwriting Agreement appointing RM Corporate Finance as Underwriter to the Offer on 3 February 2021.</p> <p>The Lead Manager will receive the following fees under the Lead Manager Mandate and Underwriting Agreement (as defined in Section 11.6):</p> <ul style="list-style-type: none"> • Seed Raising: <ul style="list-style-type: none"> – Lead Manager Fee: a fee of 1% (plus GST in cash) of the funds raised under the Seed Raising. – Placement Fee: a fee of 5% (plus GST in cash) of the funds raised under the Seed Raising by the Lead Manager or its affiliates. – Corporate Advisory Fee: A fee of \$8,000 (plus GST in cash) to be satisfied by the issue of 80,000 Shares in Cosmo Gold. • Offer: <ul style="list-style-type: none"> – Lead Manager Fee: A fee of \$25,000 (plus GST in cash) for acting as Lead Manager/Underwriter to the Offer to be satisfied by the issue of 125,000 Shares in Cosmo Gold. – Underwriter Options: An issue of a total of 2 million Options for acting as Underwriter, each exercisable at \$0.25 on or before 29 February 2024 and an additional 500,000 Options (on the same terms and conditions) in the event that the Maximum Subscription is raised. – Corporate Advisory Fee: A fee of \$30,000 (plus GST in cash) to be satisfied by the issue of 150,000 Shares in Cosmo Gold. – Underwriter Manager Fee: A fee of 1% (plus GST in cash) of the Underwritten Amount, for management of the underwriting, to be paid in cash. – Underwriter Fee: A fee of 5% (plus GST in cash) of the Underwritten Amount, for acting as Underwriter, to be paid in cash. – Oversubscriptions Fee: A fee of 6% (plus GST in cash) in respect to the amount greater than \$5,000,000 placed or arranged by the Lead Manager under the Offer, to be paid in cash. 	<p>Section 11.6</p>

2. Investment Overview

Use of Funds

TOPIC	SUMMARY	MORE INFORMATION																																	
How will the Company use the funds raised under the Offer?	The Company proposes to use the funds raised under the Offer as follows:	Sections 3.14, 11.9 and 12.7																																	
	<table border="1"> <thead> <tr> <th>Use of funds</th> <th>Minimum \$</th> <th>%</th> <th>Maximum \$</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Payment to 3D Resources for the tenements</td> <td>250,000</td> <td>5%</td> <td>250,000</td> <td>4%</td> </tr> <tr> <td>Exploration work</td> <td>2,500,000</td> <td>50%</td> <td>3,000,000</td> <td>50%</td> </tr> <tr> <td>Offer costs payable in cash</td> <td>635,556</td> <td>13%</td> <td>709,484</td> <td>12%</td> </tr> <tr> <td>Project operating costs payable to 3D Resources*</td> <td>147,760</td> <td>3%</td> <td>147,760</td> <td>2%</td> </tr> <tr> <td>Working capital</td> <td>1,466,684</td> <td>29%</td> <td>1,892,756</td> <td>32%</td> </tr> <tr> <td>Total</td> <td>5,000,000</td> <td>100%</td> <td>6,000,000</td> <td>100%</td> </tr> </tbody> </table> <p>The Company will have working capital at Admission of at least \$1,500,000 as set out at Section 9.3</p> <p>* Represents exploration costs paid by 3D Resources subsequent to the transfer of tenements to Cosmo Gold in accordance with the loan facility agreement as set out in Section 11.9.</p>		Use of funds	Minimum \$	%	Maximum \$	%	Payment to 3D Resources for the tenements	250,000	5%	250,000	4%	Exploration work	2,500,000	50%	3,000,000	50%	Offer costs payable in cash	635,556	13%	709,484	12%	Project operating costs payable to 3D Resources*	147,760	3%	147,760	2%	Working capital	1,466,684	29%	1,892,756	32%	Total	5,000,000	100%
Use of funds	Minimum \$	%	Maximum \$	%																															
Payment to 3D Resources for the tenements	250,000	5%	250,000	4%																															
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Offer costs payable in cash	635,556	13%	709,484	12%																															
Project operating costs payable to 3D Resources*	147,760	3%	147,760	2%																															
Working capital	1,466,684	29%	1,892,756	32%																															
Total	5,000,000	100%	6,000,000	100%																															

The Offer

TOPIC	SUMMARY	MORE INFORMATION
What is the Offer?	<p>The Offer is an initial public offer for the issue of a minimum of 25,000,000 Shares and up to 30,000,000 Shares at an issue price of \$0.20 per Share to raise a minimum of \$5,000,000 and up to \$6,000,000. For every two Shares issued under the Offer, Applicants will receive one free Attaching Option. If the number of Shares to be issued is an odd number, the free Attaching Options will be rounded up to the nearest whole number.</p> <p>The Offer comprises the General Offer and incorporates the Priority Offer made specifically to Eligible DDD Shareholders.</p> <p>The Shares to be issued under the Offer will represent approximately 53.93% of the issued capital of the Company at Admission on a Minimum Subscription basis and approximately 58.42% of the issued capital of the Company at Admission on a Maximum Subscription basis.</p>	Section 3.1
What is the Priority Offer?	<p>Within the General Offer under this Prospectus, the Company is making a priority offer to the Eligible DDD Shareholders of 10,000,000 Shares at the Offer Price of \$0.20 per Share to raise up to \$2,000,000.</p> <p>Cosmo Gold intends that each such Eligible DDD Shareholder will receive a minimum of \$2,000 worth of Shares at the Offer Price of \$0.20 per Share applied for under the Priority Offer.</p>	Section 3.1
What is the Offer Price?	\$0.20 per Share.	Section 3.1

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
Will the Shares be quoted?	<p>The Company will apply to the ASX for its admission to the Official List and quotation of Shares on the ASX (expected to be under the code “CSM”) within seven days of the date of this Prospectus.</p> <p>The Attaching Options will not be quoted.</p>	Section 3.10
What are the conditions of the Offer?	<p>The Offer remains conditional upon the following events occurring:</p> <ul style="list-style-type: none"> • the Transaction Implementation Deed becoming unconditional; • the Company raising the Minimum Subscription, being \$5,000,000 (before costs), under the Offer; and • ASX granting in-principle approval to admit the Company to the Official List on conditions which the Directors are confident can be satisfied. <p>If these conditions are not satisfied then the Offer will not proceed and the Company will repay (without interest) all Application Monies received under the Offer in accordance with the Corporations Act.</p>	Section 3.5
Why is the Offer being conducted?	<p>The purposes of the Offer are to:</p> <ul style="list-style-type: none"> • raise a minimum of \$5,000,000 and up to \$6,000,000 (before costs); • assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission to the Official List; • provide funding for the purposes outlined in Section 3.2; • provide the Company with access to equity capital markets for future funding needs; and • increase the public profile of the Company. 	Section 3.2
What are the key dates of the Offer?	<p>The key dates are set out in Section 1.</p> <p>These dates are indicative only and may change without notice. The Company reserves the right (in consultation with the Lead Manager and Underwriter) to extend the Closing Date or close the Offer early without notice.</p>	Section 1
Is the Offer underwritten?	<p>The Minimum Subscription under the Offer is underwritten by RM Corporate Finance.</p>	Section 3.17
Who is the Lead Manager and Underwriter?	<p>RM Corporate Finance will act as Lead Manager and Underwriter in relation to the Offer.</p>	Section 3.17
Where will the Shares be quoted?	<p>An application will be made to the ASX for quotation of the Company's Shares on the Official List of ASX.</p>	Section 3.10
Will Attaching Options be quoted?	<p>No, the Company will not make an application for quotation of Attaching Options.</p>	Section 3.10

2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
Will any shares be subject to mandatory restriction?	<p>No securities issued under the General Offer or Priority Offer will be subject to mandatory restriction, however certain other Shares and Options will likely be subject to compulsory restriction arrangements under the Listing Rules.</p> <p>As at the date of this Prospectus the Company expects:</p> <ul style="list-style-type: none"> • 275,000 Shares and up to 2,500,000 Options (to be issued to the Underwriter) to be subject to 24 months' restriction from the date of Admission; • 3,000,000 Shares and 6,000,000 Options to be subject to restriction expiring 21 January 2022; • 250,000 Options to be issued to YTAC to be subject to 12 months' restriction from their date of issue; and • 500,000 Options held by Philip Ash issued under the Equity Incentive Plan to be subject to 24 months' restriction from the date of Admission. <p>The Company also anticipates that the In-specie Distribution Shares to be transferred to Eligible DDD Shareholders will not be subject to escrow.</p>	Sections 3.16 and 12.14
Will any shares be voluntarily escrowed?	No securities will be subject to voluntary escrow.	Section 3.16
Can the Offer be withdrawn?	<p>The Company reserves the right not to proceed with the Offer at any time before the date that Shares to be issued under the Offer are allotted.</p> <p>If the Offer does not proceed, Application Monies will be refunded and no interest will be paid on any refunded Application Monies.</p>	Sections 3.4, 3.8 and 3.10
Is there a cooling-off period?	Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.	Important Information
What are the tax implications of investing in the Shares?	<p>Given that the taxation consequences of an investment will depend on the investor's particular circumstances, it is the obligation of investors to make their own enquires concerning the taxation consequences of an investment in the Company.</p> <p>If you are in doubt as to the course you should follow, you should consult your stockbroker, solicitor, accountant, tax adviser or other independent and qualified professional adviser.</p>	Section 3.12
Is there any Brokerage, Commission or Stamp Duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.	Section 3.5
Can I speak to a representative about the Offer?	Questions relating to the Offers and Applications for Shares can be directed to the Company Secretary, Andrew Draffin, on +61 3 8611 5333.	Section 3.22

2. Investment Overview

Share Capital

TOPIC	SUMMARY	MORE INFORMATION
What is the current capital structure?	<p>There are currently 21,080,000 Shares on issue as at the date of this Prospectus, all of which are fully paid.</p> <p>There are currently 6,500,000 Options on issue in Cosmo Gold as at the date of this Prospectus, all of which have an exercise price of \$0.25 and an expiry date of 29 February 2024.</p>	Section 3.15
Will the Company pay dividends?	<p>The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company.</p> <p>While it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends, at the date of this Prospectus, the Company does not intend, or expect, to declare or pay any dividends in the immediately foreseeable future, given that its focus will be on long term growth.</p>	Section 4.6

Applying for Shares

QUESTION	RESPONSE	MORE INFORMATION
Who can apply for Shares under the Offer?	Investors who are eligible to participate in the Offer will be determined by the Directors in consultation with the Lead Manager, subject to compliance with applicable laws.	Section 3.6
How do I apply for Shares under the Offer?	<p>You may apply for Shares by completing a valid Application Form attached to or accompanying this Prospectus.</p> <p>The Priority Offer Application Form must be used to apply for Shares under the Priority Offer and the General Offer Application Form must be used to apply for Shares under the General Offer.</p> <p>To the extent permitted by law, an application by an Applicant under the Offer is irrevocable.</p>	Section 3.6
What is the minimum application size?	<p>Applications under the Offer must be for a minimum of 10,000 Shares (total cost of \$2,000) and then in increments of 2,500 Shares (\$500).</p> <p>There is no maximum Application under the Offer.</p> <p>The Company reserves the right to scale back any Applications under the Offer.</p>	Section 3.5
Where do I send the Application Form?	<p>Instructions on how to complete the relevant Application Form accompanying this Prospectus are set out in Section 3.6 and on the relevant Application Form itself.</p> <p>Applications for Shares under the Priority Offer or the General Offer should be made on the Priority Offer Application Form and the General Offer Application Form, respectively, or using the online form accessible via the Company's website www.cosmogold.com.au.</p>	Section 3.6

2. Investment Overview

QUESTION	RESPONSE	MORE INFORMATION
When are the Shares expected to commence trading?	<p>It is expected that the dispatch of holding statements will occur on or about 19 March 2021 and that Shares will commence trading on the ASX on a normal settlement basis on or about 24 March 2021.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading Shares. Applicants who sell Shares before they receive an initial holding statement do so at their own risk.</p>	Section 3.7
I am a DDD Shareholder. What do I need to do to receive my Shares under the In-specie Distribution?	<p>If you are an Eligible DDD Shareholder (being an eligible shareholder of DDD recorded on the register of DDD at the Priority Offer Record Date of 5:00pm (AEDT) on 9 February 2021, you do not need to do anything further. DDD will undertake the In-specie Distribution on 18 March 2021 and the Share Registry will dispatch a holding statement to you on 19 March 2021.</p> <p>The eligibility of DDD Shareholders to participate in the In-specie Distribution is set out in further detail in Section 3.3.</p>	Section 3.3
How can I obtain further advice?	<p>You can obtain further advice by speaking to your accountant, stockbroker or other professional adviser.</p> <p>If you require assistance or additional copies of this Prospectus, please contact the Company Secretary, Andrew Draffin, on +61 3 8611 5333 between 8.30am and 5.30pm (AEDT).</p>	Section 3.22
Contact details	For further details, see the Corporate Directory at the end of this Prospectus.	Corporate Directory

Additional Information

TOPIC	SUMMARY	MORE INFORMATION
Will the Company be adequately funded after completion of the Offer?	The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. Additionally, the proposed issue of the Attaching Options will provide an opportunity for further fundraising following Admission.	Section 3.14
What rights and liabilities are attached to the Shares being offered?	All Shares issued under the Offer will rank equally with Existing Shares on issue. For a summary of the material rights and liabilities attaching to the Shares under the Offer, please refer to Section 12.1.	Sections 3.18 and 12.1
What are the tax implications of investing in securities under the Offer?	<p>The tax consequences of any investment in Shares (and the free Attaching Options) under the Offer will depend upon your particular circumstances.</p> <p>Prospective investors should obtain their own tax advice before deciding to invest.</p>	Sections 3.12 and 12.4

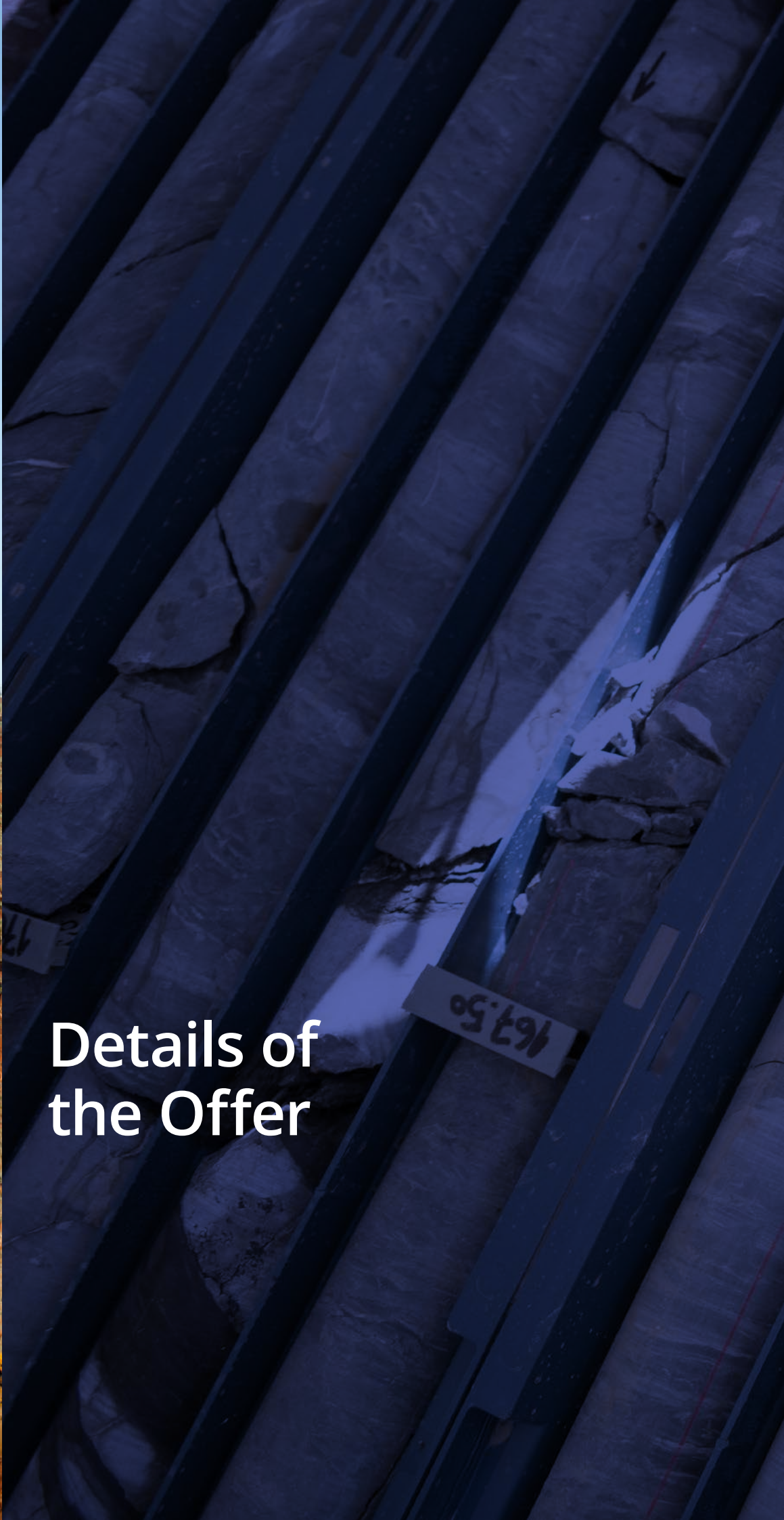
2. Investment Overview

TOPIC	SUMMARY	MORE INFORMATION
Who is eligible to participate in the Offer?	<p>Investors who are eligible to participate in the Offer will be determined by the Directors in consultation with the Lead Manager, subject to compliance with applicable laws.</p> <p>The Priority Offer is open to Eligible DDD Shareholders registered on the Priority Offer Record Date, being 5.00pm (AEDT) on 9 February 2021.</p>	Section 3.1
What is the allocation policy under the Offer?	<p>Priority will be given to Eligible DDD Shareholders in accordance with the terms of the Priority Offer to receive a minimum of \$2,000 worth of Shares at the Offer Price of \$0.20 per Share. Thereafter the Directors, in consultation with the Lead Manager, will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward.</p> <p>There is no assurance that any Applicant, other than the issue of \$2,000 worth of Shares to Eligible DDD Shareholders under the Priority Offer, will be allocated any Shares, or the number of Shares for which they have applied.</p>	Sections 3.1 and 3.7
When will I receive confirmation that my Application has been successful?	<p>It is expected that holding statements will be sent to successful Applicants by post on or about 19 March 2021.</p>	Section 1
What is the Company's dividend policy?	<p>The Company does not expect to pay dividends in the near future as its focus will primarily be on using its cash reserves to develop its projects.</p> <p>The Company's dividend policy is set out in further detail in Section 4.6.</p>	Section 4.6
How can I find out more about the Prospectus or the Offer?	<p>Questions relating to the Offer and Applications for Shares can be directed to the Company on + 61 3 8611 5333.</p>	Section 3.22



3.

Details of the Offer



3. Details of the Offer

3.1 The Offer

The Offer is an offer by the Company for a minimum of 25,000,000 and up to 30,000,000 Shares, including an offer of up to 10,000,000 Shares to Eligible DDD Shareholders, at a price of \$0.20 per Share to raise a minimum of \$5,000,000 and up to \$6,000,000. For every two Shares issued under the Offer, investors will receive one free Attaching Option exercisable at \$0.25 each expiring on 29 February 2024. If the number of Shares to be issued is an odd number, the free Attaching Options will be rounded up to the nearest whole number.

The Offer comprises the General Offer which incorporates the Priority Offer to Eligible DDD Shareholders.

Under the Priority Offer, the Company is offering Eligible DDD Shareholders the opportunity to subscribe for Shares in priority to other Applicants. Cosmo Gold will aim to ensure that each such Eligible DDD Shareholder will receive a minimum of 10,000 Shares, being \$2,000 worth of Shares at the Offer Price of \$0.20 per Share, applied for under the Priority Offer. Thereafter, the Directors, in consultation with the Lead Manager, will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward and to meet the ASX spread requirements.

The Shares to be issued pursuant to the Offer are of the same class and will rank equally in all respects with the Existing Shares in the Company. The rights and liabilities attaching to the Shares are further described in Section 12.1.

Applications for Shares under the Offer must be made on the relevant Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the General Offer and/or the Priority Offer should refer to Section 3.6 for further details and instructions.

The Minimum Subscription under the Offer is underwritten by RM Corporate Finance.

3.2 Purpose of the Offer

The Company is undertaking the Offer to:

- fund the exploration, evaluation and potential development of the Cosmo Newbery Project;
- increase the general working capital available for the ongoing business of the Company;
- support an application for Admission to the Official List of the ASX by satisfying the listing requirements for admission;
- increase the liquidity of the Company's securities for Shareholders; and
- increase the Company's public profile.

3.3 In-specie Distribution

At the date of this Prospectus, DDD holds 15,000,000 Shares in the Company, comprising 71.16% of the issued capital of the Company.

DDD proposes to distribute the Shares it holds in the Company in-specie under the In-specie Distribution to Eligible DDD Shareholders recorded on the register of DDD at 5:00pm AEDT on the In-specie Distribution Record Date of 17 March 2021. DDD proposes to undertake the In-specie Distribution to the Eligible DDD Shareholders on 18 March 2021.

3.4 Minimum Subscription

The Minimum Subscription for the Offer is 25,000,000 Shares to raise \$5,000,000 (before costs).

None of the Shares offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within three months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

3. Details of the Offer

3.5 Conditional Offer

The Offer made under this Prospectus is conditional upon the following events occurring:

- the conditions precedent to the Transaction Implementation Deed being satisfied or waived (see Section 11.7 for details of the conditions precedent);
- the Company raising the Minimum Subscription under the Offer; and
- receipt of a conditional admission letter from ASX in respect of the Company on terms which the Directors are confident can be satisfied.

If these conditions are not satisfied then the Offer will not proceed and the Company will repay all Application Monies (without interest) received under the Offer in accordance with the Corporations Act.

Applications under the Offer must be for a minimum of 10,000 Shares (total cost of \$2,000) and then in increments of 2,500 Shares (\$500). No brokerage, stamp duty or other costs are payable by Applicants. Refer to Section 3.6 below for payment and lodgement details.

3.6 How to Apply

Investors who are eligible to participate in the Offer will be determined by the Directors in consultation with the Lead Manager, subject to compliance with applicable laws.

In order to apply under the Offer, please either:

- complete the online Application Form accessible via the Share Registry's website:
 - <https://investor.automic.com.au/#/ipo/cosmogold> for the General Offer; or
 - <https://investor.automic.com.au/#/ipo/cosmogoldpriority> for the Priority Offer;
- complete the relevant Application Form that forms part of, is attached to, or accompanies this Prospectus, being the Priority Offer Application Form and/or the General Offer Application Form, as appropriate; or
- complete a printed copy of the relevant Application Form attached to the electronic version of the Prospectus.

The Application Form must be completed in accordance with the accompanying instructions.

Applications for Shares under the Priority Offer should be made on the Priority Offer Application Form.

If paying for an online Application:

Once completed, a B_{PAY}[®] Client Reference Number will be provided on screen to facilitate electronic payment for the Shares. Additionally, a copy of the completed Application, including relevant B_{PAY}[®] details, will be forwarded to the Applicant's nominated email address. Further, an acknowledgement will be forwarded by email once the funds are received and matched to the Application.

If paying by cheque:

Once completed, please send your Application Form and Application Monies to the Company's Share Registry at the address set out below.

Mailing Address:

Cosmo Gold Limited
C/- Automic Group
GPO Box 5193
SYDNEY NSW 2001

Hand Delivery Address:

Cosmo Gold Limited
C/- Automic Group
Level 5, 126 Phillip Street
SYDNEY NSW 2000

3. Details of the Offer

How to complete and attach your cheque for the Application Monies or pay electronically

The Application Monies must be paid by electronic BPAY® or cheque.

Cheque payments must be:

- in Australian currency;
- drawn at an Australian branch of a financial institution;
- crossed “Not Negotiable”; and
- made payable to “Cosmo Gold Limited”.

If paying by cheque, Applicants should ensure that sufficient funds are held in the relevant account to cover your cheque. If the amount of your cheque for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

3.7 Allocation and Allotment of Shares

The Directors, in conjunction with the Lead Manager/Underwriter, reserve the right to reject any application or to allot a lesser number of Shares than that applied for. If the number of Shares allocated is less than that applied for, or if no allotment is made, the surplus Application Monies will be refunded without interest.

Subject to ASX granting approval for quotation of the Shares, the allotment of Shares applied for under this Prospectus will occur as soon as practicable after the Offer closes. All Shares issued pursuant to the Offer will rank equally in all respects with the Existing Shares of the Company. Statements of shareholding will be dispatched as required by ASX. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares.

Applicants who sell the Shares before they receive their statement of shareholding will do so at their own risk.

3.8 Application Monies to be held in Trust

The Application Monies for Shares to be issued pursuant to the Offer will be held in a separate bank account on behalf of Applicants until the Shares are allotted. If the Company is not admitted to the Official List within three months after the date of this Prospectus, no Shares will be issued. Application Monies will be refunded in full without interest in accordance with the Corporations Act. Applicants in the Offer whose Applications are not accepted, or who are issued a lesser dollar amount of Shares than the amount applied for, will be sent a refund (without interest) of all or part of their Application Monies as soon as practicable after the Closing Date. All interest earned on Application Monies (including those which do not result in allotment of Shares) will be retained by the Company.

3.9 CHESS and Issuer Sponsorship

The Company will participate in the Clearing House Electronic Sub-register System (CHESS). CHESS is operated by ASX Settlement, a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASX Settlement Operating Rules. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

The Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be dispatched to Shareholders as soon as practicable after allotment. The statements will set out the number of Shares allotted under the Prospectus and provide details of a Shareholder's Holder Identification Number (for Shareholders who elect to hold Shares on the CHESS sub register) or Shareholder Reference Number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register).

Updated holding statements will also be sent to each shareholder following the month in which the balance of their Shareholding changes, and also as required by the Listing Rules or the Corporations Act.

3. Details of the Offer

3.10 Admission to ASX

The Company will apply to ASX no later than seven days from the date of this Prospectus for ASX to admit the Company to the Official List and quotation of the Shares of ASX, other than those that are determined by the ASX to be restricted securities in accordance with the Listing Rules.

The Company will not apply for the Attaching Options to be quoted on ASX.

If the Shares are not admitted to quotation within three months after the date of this Prospectus, no Shares will be issued. Application Monies will be refunded in full without interest in accordance with the Corporations Act.

Neither ASX nor ASIC take responsibility for the contents of this Prospectus. The fact that ASX may grant official quotation to the Shares issued pursuant to this Prospectus is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

It is not anticipated that ASX will impose conditions on listing outside conditions standard for a listing of this type.

3.11 Risks

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 8. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

3.12 Taxation

The Australian taxation consequences of any investment in Shares will depend upon your particular circumstances. It is your obligation to make your own enquiries concerning the taxation consequences of an investment in the Company. The Company, and its advisers, do not accept responsibility or liability for any taxation consequences to you in respect of the issue of Shares under this Prospectus.

You should seek appropriate independent professional advice that considers the taxation implications of your own specific circumstances.

3.13 Overseas Investors

This document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this document or otherwise to permit a public offering of Shares in any jurisdiction outside Australia. It is the responsibility of non-Australian resident investors to obtain all necessary approvals for the issue to them of Shares offered pursuant to this document.

This document may not be released or distributed in the United States or elsewhere outside Australia unless it has attached to it the selling restrictions applicable in the jurisdictions outside Australia and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

Each Applicant under the Offer will be required to make certain representations, warranties and covenants. In particular, this document may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

The document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (FMC Act)*.

The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

3. Details of the Offer

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, pledged or transferred directly or indirectly, in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable laws.

Each Applicant will be taken to have represented, warranted and agreed as follows:

- (i) it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, or sold, pledged or transferred directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;
- (ii) it is not in the United States;
- (iii) it has not and will not send this document or any other material relating to the Offer to any person in the United States; and
- (iv) it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

3.14 Use of Funds

The Company intends to apply the funds raised from the Offer as follows over the next two years:

Use of funds	Minimum \$	%	Maximum \$	%
Payment to 3D Resources for the tenements	250,000	5%	250,000	4%
Exploration work	2,500,000	50%	3,000,000	50%
Offer costs payable in cash	635,556	13%	709,484	12%
Project operating costs payable to 3D Resources*	147,760	3%	147,760	2%
Working capital	1,466,684	29%	1,892,756	32%
Total	5,000,000	100%	6,000,000	100%

* Represents exploration costs paid by 3D Resources subsequent to the transfer of tenements to Cosmo Gold in accordance with the loan facility agreement as set out in Section 11.9.

The Company will have working capital at Admission of at least \$1,500,000 as set out at Section 9.3. The Directors are satisfied that upon completion of the Offer, the Company will have sufficient working capital to meet its stated objectives.

As set out at Section 11.9, any additional loan funds advanced by DDD to the Company prior to Admission to assist the Company to carry out its exploration program and costs associated with access to the Tenements has been included as part of the Exploration Work Plan.

Following Admission, the use of further equity funding or share placements will be considered by the Directors where it is appropriate to accelerate a specific project.

It is also possible that future project acquisitions that may be contemplated may exceed the current or projected financial resources of the Company and it is expected that these acquisitions would be funded by project finance and/or equity issues (subject to any necessary shareholder approvals).

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the results of exploration, outcome of offtake marketing and development activities, studies, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

3. Details of the Offer

3.15 Capital Structure of the Company

	No. of Shares (Minimum Subscription)	% of Shares	No. of Shares (Maximum Subscription)	% of Shares
Current Shares on issue	21,080,000	45.48%	21,080,000	41.05%
Shares to be issued under the Offer	25,000,000	53.93%	30,000,000	58.42%
Shares issued to the Lead Manager	275,000	0.59%	275,000	0.53%
Post-Offer Shares*	46,355,000	100%	51,355,000	100%

* Up to 750,000 Shares may be issued to YTAC following Admission (as set out at Section 11.2).

	No. of Options (Minimum Subscription)	% of Options	No. of Options (Maximum Subscription)	% of Options
Current Options on issue*	6,500,000	30.59%	6,500,000	26.80%
Options to be issued under the Offer**	12,500,000	58.82%	15,000,000	61.86%
Options to be issued to the Underwriter	2,000,000	9.41%	2,500,000	10.31%
Other Options***	250,000	1.18%	250,000	1.03%
Post-Offer Options	21,250,000	100.00%	24,250,000	100.00%

* Includes 500,000 Options issued to Philip Ash (as set out at Section 5.4).

** One free Attaching Option issued on the basis of every two Shares issued under the Offer.

***The Company proposes to issue 250,000 Options to YTAC (as set out at Section 11.2) following Admission.

3.16 Restricted Securities

Securities received by the Lead Manager in respect of the IPO and the Seed Raising and by participants of the Seed Raising are subject to restriction requirements in accordance with the Listing Rules. The table below sets out the periods during which the Company anticipates that certain securityholders will be restricted from dealing in their Shares and Options pursuant to the Listing Rules:

Holder	Number of Shares	Number of Options	Expected restriction period
Unrelated seed capitalists	3,000,000	6,000,000	Expiring 21 January 2022
RM Corporate Finance	355,000	2,500,000*	24 months from quotation
Philip Ash	–	500,000	24 months from quotation
YTAC	–	250,000	Expiring 12 months from the date of issue (anticipated at Admission)
Total	3,355,000	9,250,000	

* On the basis that the Maximum Subscription is raised. 2,000,000 Options will be issued if the Minimum Subscription is raised.

Immediately following Admission, the Company's free float is expected to be 92.76% if the Minimum Subscription is raised, and 93.47% if the Maximum Subscription is raised, assuming that ASX grants a waiver for the In-specie Distribution Shares not being subject to restriction under the Listing Rules (see Section 12.5 for further information).

No securities are subject to voluntary escrow.

3. Details of the Offer

3.17 Lead Manager and Underwriter

RM Corporate Finance:

- (a) has been appointed as Lead Manager to the General Offer; and
- (b) has agreed to underwrite the Minimum Subscription under the Offer, on the terms and conditions summarised in Section 11.6 of this Prospectus.

3.18 Nature of the Shares

The Shares the subject of the Offer are fully paid ordinary shares in the capital of the Company and will, once issued, rank equally with Existing Shares. Further information about the rights and liabilities attaching to the Shares is set out in Section 12.1.

3.19 Privacy Disclosure

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Shares, to provide facilities and services to shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares will not be processed. In accordance with privacy laws, information collected in relation to specific shareholders can be obtained by that shareholder through contacting the Company or the Share Registry.

3.20 Electronic Prospectus

In addition to issuing the Prospectus in printed form, a version of the Prospectus is also available on the Company's website www.cosmogold.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

3.21 No Forecasts

The business of mining and exploration is speculative where there are no proved reserves and there are significant uncertainties associated with forecasting revenues and expenses of such operations. Accordingly, the Directors believe that reliable forecasts cannot be prepared and forecasts have therefore not been included in this Prospectus.

3.22 Enquiries

This document is important and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offer or completion of Application Forms can be directed to the Company Secretary, Andrew Draffin, on +61 3 8611 5333 between 8.30am and 5.30pm (AEDT).



4.

Company and Project Overview



4. Company and Project Overview

4.1 Corporate Structure

Cosmo Gold Limited (ACN 636 743 649) was incorporated as an Australian proprietary limited company on 11 October 2019, and converted to a public company limited by shares on 20 November 2020.

Cosmo Gold is a gold exploration and development company focussed on the Cosmo Newbery Project located in Western Australia.

On 21 December 2020, DDD obtained shareholder approval for the In-specie Distribution and for DDD to distribute the Shares it holds in the Company in-specie to Eligible DDD Shareholders. DDD proposes to undertake the In-specie Distribution on 18 March 2021, and which will result in the DDD Eligible Shareholders directly holding Shares previously held by DDD.

As at the date of this Prospectus, the Company has 21,080,000 Shares on issue, 71.16% of which are owned by DDD, with the remaining 28.84% held by seed investors and the Lead Manager.

The Company is the only entity within the group (that is, the Company does not have any subsidiaries).

4.2 Business Model and Corporate Strategy

The Cosmo Newbery Project, which comprises the Tenements, is located around the Cosmo Newbery aboriginal community approximately 90km north-east of Laverton in Western Australia. Due mainly to access restrictions, and with the exception of restricted reconnaissance in 2017, the Tenements have been unexplored since 2002. In December 2020, Cosmo Gold entered into the required YTAC Access Agreement with YTAC in respect of approximately 87% of the land comprising the Project. The Company has also negotiated and signed the Waturta Heritage Agreement with Waturta in respect of land comprising the remaining 13% of the Project, and is awaiting execution of that document by Waturta. Following issue of the required Mining Entry Permit, these agreements will allow ground-based exploration work on the Tenements.

Austwide Mining Title Management Pty Ltd (**Austwide**) has prepared a Tenements Report, set out in Section 7, which provides a detailed description of the status and extent of the Tenements as well as the Company's title to the Tenements.

The ownership rights to Tenements E38/3249 and the exclusive option to E38/3250 were assigned to the Company from DDD pursuant to the Adderstone Sale Agreement (as set out in detail in Section 11.4). The Company acquired the balance of the Tenements from DDD (when the Company was a wholly owned subsidiary of DDD) in 2020 for a total consideration of \$750,000 as reimbursement of expenditure incurred in developing those Tenements (as detailed in Section 3.14).

The Tenements cover the entire interpreted Cosmo Newbery greenstone belt (approximately 50km long by 3-11km wide) and its extensions, which is one of the last significantly underexplored greenstone belts in the Yilgarn Craton. The Cosmo Newbery greenstone belt is traversed by the regional NNW trending Sefton Shear Zone and other major margin faults. The belt has analogous geological and structural features to the Mt Venn (approximately 60km long by 10km wide), Yamarna (250km long by 3-30km wide) and poorly exposed Dorothy Hills (90km long by 3-10km wide) greenstone belts to the east where significant exploration and mining activity is occurring. The nearby Dorothy Hills belt includes the major Gruyere gold deposit commissioned by Gold Road Resources (ASX:GOR) in June 2019 (see GOR's ASX entitled '*Gruyere 2020 Guidance and Resource Update*' dated 12 February 2020).

Historic gold workings are located within outcrop areas immediately north of the Cosmo Newbery aboriginal community. The majority of the Cosmo Newbery greenstone belt (approximately 75%) is obscured by colluvium and sand cover which has restricted previous exploration work. This substantially unexplored and covered area represents considerable exploration opportunity using systematic first pass modern targeting and geochemistry methods. Ongoing integration and understanding of local and regional mineralisation controls using all geoscientific data with suitable regional geochemical surveys and expert interpretation will be required to delineate drill targets, which form part of the Company's work plan as set out below, which has been formulated based on comprehensive data compilation by the Company.

CSA Global Pty Ltd (**CSA Global**) has prepared an Independent Technical Assessment Report on the geology of the area covered by the Project, including the Cosmo Newbery greenstone belt, which is set out at Section 6. Future targets, surveys and strategy in respect of the Project are planned and will be prioritized, along with preparation of high-level exploration work plans with costings to allow for rapid implementation once field access is allowed. Initially, the Company views the historic workings area to be a secondary priority to the regional and covered areas.

The Company has developed an exploration work plan for Year 1 (following Admission) based on submission of required work programs and heritage surveys, geological mapping and development of local and regional mineralisation controls, initial orientation soil traverses followed by a project wide soil geochemistry (as set out below). Drill targets will be developed, and heritage surveys conducted, and drilled in Year 2. Subject to completion of soil sampling and required heritage surveys/approvals, the Company has made provision to complete AC/RAB drilling late in Year 1 if possible and envisages the use of geoscience contractors for completion of most field work.

4. Company and Project Overview

Table 1: Year 1 and 2 Work Plans

Exploration Work Plan – Year 1

Task	Budget* (Min Raising)	Budget* (Max Raising)	Program and Objective
Tenement Rate and Rents	\$90,000	\$90,000	For all tenements granted.
Reconnaissance Field Trip	\$20,000	\$20,000	Meet Native Title Parties and assess geology (workings, mineral occurrences, outcrop), regolith (cover thickness, calcrete distribution and thickness), access, IGM anomalies and selected high priority aeromagnetic target areas.
Submission of Work Programs for Year 1 Exploration	\$10,000	\$10,000	Complete Year 1 Exploration Work Programs for approval by Native Title Parties.
Heritage Surveys	\$50,000	\$50,000	Complete project heritage surveys for regional geochemical sampling and infill.
Geological Mapping of Central Outcrop Area and Historic Gold Workings	\$25,000	\$25,000	Expert mapping and reporting of historic mining centres and other outcrop to establish and apply mineralisation controls.
Orientation Soil Traverses	\$30,000	\$30,000	Complete orientation soil traverses to establish best sampling method.
Regional Soil Geochemistry	\$800,000	\$800,000	Complete tenement wide regional surface soil sampling (400m x 100m spaced) and infill using probable ultrafine <2micron technique and expert interpretation.
Infill Soil Geochemistry in Central Outcrop Area (provisional)	\$100,000	\$100,000	Due to location and data quality issues existing geochemical anomalies circa 1994 & 2001 in the area of historic mining centers are only a relative measure of potential. Provision is made for 100m x 50m resampling of this area and extensions to the north.
AC or RAB drilling (provisional)	\$150,000	\$150,000	AC or RAB drilling of soil geochemical anomalies. Subject to completion of soil sampling and heritage surveys/approvals, provision is made to complete AC/RAB drilling late in Year 1.
Submission of Work Programs for Year 2 Exploration	\$5,000	\$5,000	Complete detailed Year 2 Exploration Work Programs for approval by Native Title Parties.
Total	\$1,280,000	\$1,280,000	

4. Company and Project Overview

Exploration Work Plan – Year 2

Task	Budget* (Min Raising)	Budget* (Max Raising)	Program and Objective
Tenement Rates and Rents	\$90,000	\$90,000	
RAB or AC drilling	\$450,000	\$450,000	AC or RAB drilling of soil geochemical anomalies.
Reverse Circulation (RC)/ Diamond Drilling (DD)	\$600,000	\$1,100,000	RC/DD drill follow up of anomalous AC/RAB.
Heritage Surveys	\$80,000	\$80,000	
	\$1,220,000	\$1,720,000	
TOTAL Years 1 & 2	\$2,500,000	\$3,000,000	

* Does not include access costs.

4.3 The Cosmo Gold Assets

As noted in Section 4.2 above, Cosmo Newbery is one of the few remaining underexplored greenstone belts in Western Australia with the Company holding the major part of this greenstone belt under granted exploration licences, applications and options. The majority of the Tenements comprising the Project are located on an Aboriginal Reserve which is subject to special access requirements and the Company has maintained its tenement position whilst negotiating access. Delays were incurred due to overlapping claimants and in September 2019 the Federal Court ratified an agreement between the Yilka claimant group and the Sullivan Edwards claimant group which facilitated the forming of a body corporate to administer the Aboriginal Reserve on which certain of the Tenements are located. The absence of such a body corporate had prevented the Company from finalising an access agreement to progress exploration.

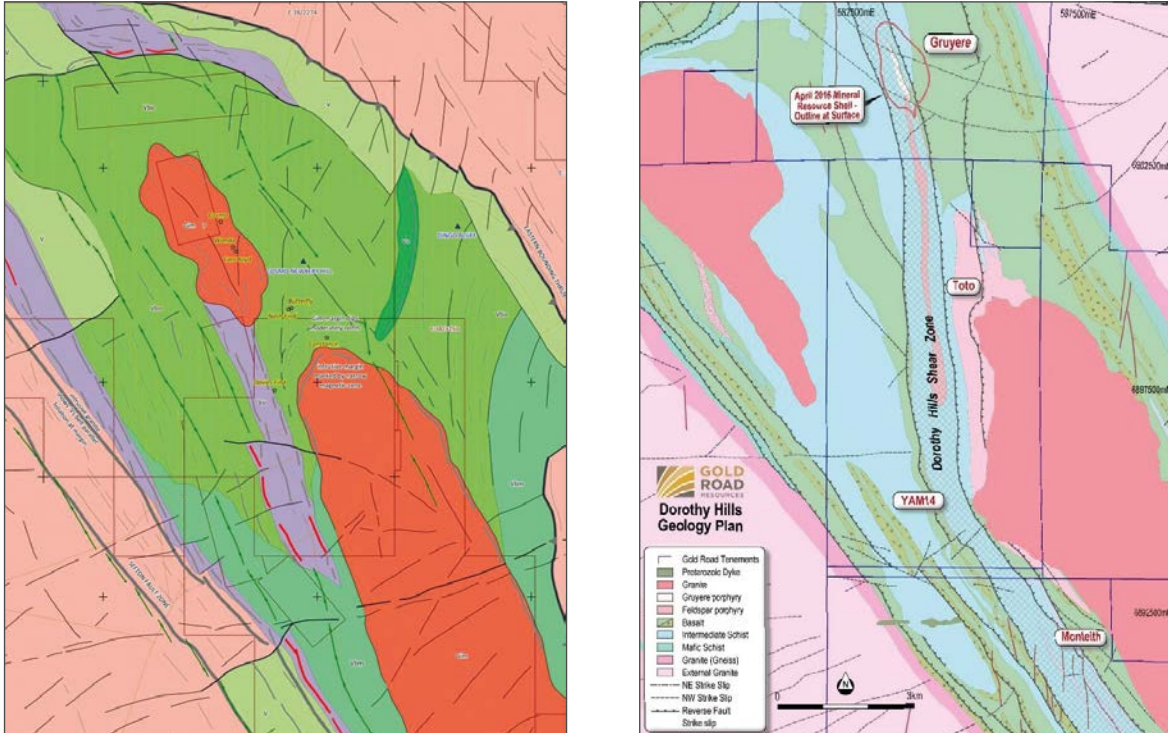
The Cosmo Newbery greenstone belt is largely unexplored but has exciting potential. In this regard:

- The greenstone belt contains gold mineralisation and has historically had some small scale high grade gold mining in a portion of the greenstone belt that is exposed (noting that a large part of the greenstone belt lies under wind-blown sand cover and so is largely unexplored).
- Its location between the Laverton Greenstone belt to the west which has historically produced over 20 million ounces of gold, and the Dorothy Hill Greenstone belt to the east that hosts the Gruyere gold mine development (see ASX announcement entitled '*Gruyere 2020 Guidance and Resource Upgrade*' of 12 February 2020 by Gold Road Resources (ASX:GOR) which indicated a 5.79 million ounce Resource and 3.41 million ounce Reserve) makes this area prime ground for gold exploration.
- The results of circa 1990's geochemical soil sampling completed in an area just north of the Cosmo Newbery settlement where the greenstone is partially exposed indicate the presence of gold anomalies in soils. The area requires resampling and further analysis to confirm the indication of anomalism as geochemical data available is not to JORC standard.
- The Sefton Fault which forms the western boundary of the Cosmo Newbery greenstone belt is a major structure that has been traced for over 130km and as with many gold deposits in the Yilgarn, it is these major shears/structures that have the potential to control emplacement of significant gold mineralisation.

In order to better define this potential and to prepare for gaining access to the ground, the company commissioned Southern Geoscience Consultants (SGC) to undertake an interpretation of newly acquired Airborne Magnetic Survey of the Cosmo Newbery licences. This work highlighted the strong similarity in geology between the Cosmo Newbery area and Dorothy Hill Greenstone that hosts the Gruyere deposit and showed the similarities in granite/greenstone morphologies, greenstone belt size/volume, composition and structural styles between the two areas as shown in the below map (Figure 1):

4. Company and Project Overview

Figure 1: Comparison of the geology of Cosmo Newbery (left) with that of the Dorothy Hills Greenstone with location of Gruyere (right).



The interpretation also assisted to define a series of targets for exploration, which are typical structural and geological controls that elsewhere in the Western Australian Yilgarn have hosted gold mineralisation/deposits. Further information about the Project is set out in the Independent Technical Assessment Report at Section 6.

The Company holds an interest in the following exploration licences comprising the Cosmo Newbery Project (the Tenements):

- (a) 100% of licences E38/2627, E38/2774, E38/2851 and E38/3249; and
- (b) 75% of licence E38/2274.

Cosmo Gold has also:

- (c) applied for licences E38/3456, E38/3457 and E38/3525 (all pending); and
- (d) an exclusive option to acquire licence E38/3250.

Further information regarding the Tenements is set out in the Tenements Report at Section 7.

4.4 JORC Competent Persons Statement

The information in this Prospectus that relates to the Cosmo Newbery Project is based on and fairly represents information compiled or reviewed by Mr Philip Ash, who is a member of the Australian Institute of Geoscientists. Mr Ash is the Managing Director of the Company, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources. Mr Ash consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

4. Company and Project Overview

4.5 Health Safety and the Environment

The safety of Cosmo Gold's employees and contractors is critical to its operations. The Company has developed processes and procedures as well as a Health, Safety and Environment training program for the operations.

4.6 Dividends and Dividend Policy

The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company.

While it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends, as at the date of this Prospectus, the Company does not intend, or expect, to declare or pay any dividends in the immediately foreseeable future, given that its focus will be on long term growth.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.



5.

Directors, Key Management and Corporate Governance



5. Directors, Key Management and Corporate Governance

The Directors believe the Board comprises a knowledgeable and experienced group of professionals with relevant experience. The Company will not be externally managed and the Board will have full responsibility for its activities.

Details of the Company's current Directors are listed below.

5.1 Composition of Board of Directors

The Board of the Company comprises of the following members, and will remain so comprised following Admission:

- Ian Hastings – independent Non-Executive Chairman;
- Philip Ash – Managing Director; and
- John Chegwidden – independent Non-Executive Director.

5.2 Existing Director and Officer Profiles

Directors

Mr. Ian Hastings Independent Non-Executive Chairman (age 61)

Mr Hastings is a corporate advisor with many years' experience in the field of finance, investment, securities markets compliance and regulation and has almost 40 years' experience in the finance industry and regulatory bodies. Mr Hastings has extensive experience in stockbroking and financial services, having acted as a principal of Barton Capital Securities Ltd, Centec Securities Pty Ltd, Ascot Securities Pty Ltd and Kollins Capital Pty Ltd. Mr Hastings is a Practitioner Member (Master Stockbroking of the Stockbrokers Association of Australia), and holds a Bachelor of Commerce and Bachelor of Laws Degree. Mr Hastings is the Non-executive Chairman of 3D Resources Limited (ASX:DDD), and the Executive Chairman of Gladiator Resources Limited (ASX:GLA).

Mr Hastings holds both a Bachelor of Commerce and Bachelor of Laws.

Mr Hastings has not been subject to any legal or disciplinary action or involved in any insolvent companies.

Mr. Philip Ash Managing Director (age 63)

Mr Ash is an exploration geologist with mineral exploration and project development experience in a wide variety of geological terranes in Australia, Africa and Europe. His experience includes gold, iron, vanadium, base metals and tin tungsten with a strong focus on green-fields and mine-camp exploration, resource definition and feasibility study.

Mr Ash was the team leader for Great Central Mines Limited and Placer Pacific Limited in the successful discovery and resource development at the Jundee and Granny Smith gold mine sites in Western Australia and for advanced resource projects in Tanzania. As former Chief Executive Officer of Accent Resources NL (ASX:ACS), he was responsible for the resource definition and feasibility study of a Midwest magnetite iron project and part of its successful sale to Chinese interests.

Mr Ash holds a BSc (University of Witwatersrand) and MSc Mineral Exploration – cum laude (Grahamstown University).

Mr Ash has not been subject to any legal or disciplinary action or involved in any insolvent companies.

Mr. John Chegwidden Independent Non-Executive Director (age 59)

Mr Chegwidden is a Chartered Accountant with over 30 years' experience, including managing his own chartered accounting practice, providing advice in management, accounting and taxation and consulting to manufacturing, mining, primary production and earth moving operations. Mr Chegwidden has a strong knowledge of the mining and resources sector in Australia, with key competencies in providing corporate advise, exploration, materials processing, marketing and financial management services in relation to junior mining. Mr Chegwidden is a Non-executive Director of 3D Resources Limited (ASX:DDD), and was formerly an Executive Director of ATC Alloys Limited (ASX:ATA) (delisted in 2020).

Mr Chegwidden holds a B.Bus (Curtin University) and is a member of the Institute of Chartered Accountants in Australia and New Zealand.

Mr Chegwidden has not been subject to any legal or disciplinary action or involved in any insolvent companies.

5. Directors, Key Management and Corporate Governance

Senior management

Mr. Andrew Draffin Chief Financial Officer and Company Secretary (age 47)

Mr Draffin will act as CFO in addition to his role as Company Secretary. Mr Draffin is an executive director and company secretary of Gladiator Resources Limited (ASX:GLA), company secretary of 3D Resources Limited (ASX:DDD), Mayfield Childcare Limited (ASX:MFD), and joint company secretary of Fatfish Group Limited (ASX:FFG), iCandy Interactive Limited (ASX:ICI) and LionHub Group Limited (ASX:LHB).

5.3 Disclosure of Interests and Remuneration

Other than as set out below or elsewhere in this Prospectus, no Director has or has had, within two years before lodgement of this Prospectus with ASIC:

- any interest in the formation or promotion of the Company, any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer or in the Offer; and
- no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director, either to induce him to become, or to qualify him as a Director, or otherwise, for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Directors and management security holdings

Set out in the following table are details of the Directors' and senior executives' relevant interests in the Shares of the Company:

Director	Securities at the date of the Prospectus		Securities at Admission ²			
	Shares	Options	Shares ¹	% of Company (Minimum Subscription)	% of Company (Maximum Subscription)	Options
Ian Hastings	Nil	Nil	664,770	1.43%	1.29%	Nil
Philip Ash	Nil	500,000	415	0.001%	0.001%	500,000
John Chegwiddden	Nil	Nil	176,783	0.38%	0.34%	Nil
Andrew Draffin	Nil	Nil	51,871	0.11%	0.10%	Nil
Total	Nil	500,000	893,839	1.92%	1.73%	500,000

1. Direct and indirect interests.

2. To be transferred under the In-specie Distribution and assumes that the Directors do not subscribe for Shares under the Offer.

This is based on DDD's capital structure as at the date of this Prospectus. If DDD conducts a capital raising or if any DDD options are exercised (resulting in the issue of new fully paid ordinary shares in DDD) after the date of this Prospectus and before the In-specie Distribution Record Date, then the number of In-specie Distribution Shares to be transferred to these persons, and the % held, will be less than the amounts set out above.

5. Directors, Key Management and Corporate Governance

Director remuneration

The Directors will receive (either directly or through a corporate entity) the following annual remuneration, accruing from the Company's Admission:

Director	Remuneration
Ian Hastings*	\$96,000
Philip Ash	\$160,000 (plus superannuation)
John Chegwidden*	\$36,000

* Each of Ian Hastings and John Chegwidden will provide services to the Company pursuant to a consultancy agreement.

Under the Company's Constitution, each Director (other than a Managing Director or an Executive Director) may be paid remuneration for ordinary services performed as a Director. Under the Constitution, the maximum aggregate annual cash fee pool from which Non-Executive Directors may be paid for their service, exclusive of expense reimbursement and equity grants, cannot exceed \$400,000. Any increase to the aggregate amount needs to be approved by Shareholders. Directors will seek approval of the Shareholders from time to time, as appropriate. This aggregate annual sum does not include any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Company, which may be made in addition to or in substitution for the Director's fees.

Independence

Whilst Ian Hastings and John Chegwidden are each a director of DDD, the current controller of the Company, following the In-specie Distribution DDD will not hold any Shares in the Company. The Directors are therefore of the view that their officeholding in DDD should not result in Mr Hastings and Mr Chegwidden being considered not independent for the purposes of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

5.4 Executive Director and Key Management Agreements

Philip Ash – Managing Director

Philip Ash entered into an employment agreement dated 13 January 2021 with the Company, commencing on Admission, in respect of his appointment as Managing Director of the Company (**Ash Agreement**). The agreement is for an initial term of 3 years and can be extended by mutual agreement. The agreement may, however, be terminated earlier for cause, and is otherwise terminable on three months written notice by either the Company or Mr. Ash.

Mr Ash's remuneration package consists of:

- \$160,000 per annum initial base salary, plus superannuation in accordance with the *Superannuation Guarantee (Administration) Act 1992* (Cth), commencing on and from Admission;
- 500,000 Options subject to the satisfaction of certain milestones, each exercisable at \$0.25 and expiring on the Expiry Date. The exercise of the Options is conditional upon the listing of the Company on ASX, with 250,000 Options to be exercisable following 1 year of satisfactory service to the Company and the remaining 250,000 Options to be exercisable following 2 years of satisfactory service to the Company (**Ash Options**); and
- reimbursement for reasonable expenses necessarily incurred by Mr Ash in the performance of his services as an executive.

The Company provides the following information in relation to the issue or grant of the Ash Options:

- the Ash Options have been issued to Mr Philip Ash, the Managing Director of the Company;
- the Ash Options were issued to Mr Ash under the Equity Incentive Plan which is summarised in Section 5.6. The terms are otherwise consistent with the Attaching Options issued pursuant to the Offer, which are summarised in Section 12.2;
- the details of Mr Ash's current total remuneration package are set out above in this Section 5.4;
- no securities have previously been issued to Mr Ash under the Equity Incentive Plan;

5. Directors, Key Management and Corporate Governance

- (e) the Ash Options are proposed to be issued as part of Mr Ash's overall remuneration package in addition to the cash component of his remuneration. The Board has determined that it is appropriate to remunerate and incentivise Mr Ash in the form of the Ash Options. The Board determined the remuneration of Mr Ash including the value of the Ash Options aligns with market payments for relative and comparable positions, and considers them appropriate and equitable given the time commitment and value which is expected to be contributed by the Managing Director;
- (f) the Ash Options have been issued prior to the date of this Prospectus;
- (g) each Ash Option has an exercise price of \$0.25;
- (h) a summary of the material terms of the Equity Incentive Plan is set out in Section 5.6;
- (i) no loan will be made to Mr Ash in relation to the Ash Options; and
- (j) details of any securities issued under the Equity Incentive Plan will be published in the Company's annual report relating to the period in which they were issued, along with any relevant statement that approval for the issue was obtained under Listing Rule 10.14.

DW Accounting and Advisory Pty Ltd – Company Secretarial, CFO and Accounting Services

The Company entered into a consultancy agreement with DW Accounting and Advisory Pty Ltd (ACN 612 650 496) (**DW Accounting**) dated 14 January 2021 and commencing on Admission in respect of the provision of company secretarial and accounting services. Under the consultancy agreement, DW Accounting will also provide the services of Mr Andrew Draffin to act as the Company Secretary and CFO of Cosmo Gold.

The agreement is for an ongoing term and is otherwise terminable by the Company on written notice in certain circumstances, including where, in the reasonable opinion of the Company, the services provided under the consultancy agreement are no longer required.

Under the consultancy agreement, DW Accounting will receive a monthly fee of \$5,000 (plus GST), accruing from the Company's Admission, along with reimbursement of business-related travel and other out-of-pocket expenses.

5.5 Related Party Transactions

The Company has entered into the following related party transactions on arms' length terms:

- the Company has entered into three agreements with DDD, being:
 - the Transaction Implementation Deed in relation to the Spin-Out (refer Section 11.7);
 - Loan Agreement – Tenement Expenditure whereby Cosmo Gold will repay to DDD \$750,000 for expenditure incurred in relation to the Tenements. The loan is unsecured and interest free. The Company has repaid \$500,000 from the proceeds of the Seed Raising, and the remaining \$250,000 will be repaid from the Offer Proceeds (refer Section 11.8 for further details); and
 - Loan Facility Agreement – Offer and Project Operation Costs whereby Cosmo funds paid or to be paid by DDD on Cosmo Gold's behalf relating to the costs associated with the Offer and incurred in relation to the Tenements up to \$400,000. The loan is unsecured and interest free, and will be repaid from Offer Proceeds (refer Section 11.9 for further details);
- letters of appointment with each of its Directors, and consultancy agreements with Ian Hastings and John Chegwiddden, on standard terms (refer Section 11.10 for details); and
- deeds of confidentiality, access, indemnity and insurance and access with each of its Directors on standard terms (refer Section 11.10 for details).

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

5. Directors, Key Management and Corporate Governance

5.6 Employee Incentive Plan

The Company has adopted an equity incentive plan (**Equity Incentive Plan**) in order to assist in the motivation and retention of selected employees, officers and consultants of the Company. The Equity Incentive Plan is designed to align the interests of eligible participants with those of the Company by providing an opportunity for eligible participants to receive an equity interest in the Company as an award. Under the Equity Incentive Plan, eligible participants may be offered performance rights, Options, deferred share awards, exempt share awards and cash awards which may be subject to vesting conditions set by the Board (an **Award**).

A summary of the Equity Incentive Plan is set out below. As at the date of this Prospectus, the only Awards offered under the Equity Incentive Plan are 500,000 Options to Philip Ash, the Managing Director. The Directors are entitled to participate in the Equity Incentive Plan subject to any required regulatory and/or shareholder approvals.

Awards

Under the Equity Incentive Plan, the Company may offer or issue to eligible participants:

Options: Options are rights to be issued a share in the Company upon payment of an exercise price and satisfaction of vesting conditions specified in the offer for the Award.

Performance Rights: Performance Rights are rights to be issued a share in the Company for a nil exercise price upon satisfaction of vesting conditions specified in the offer for the award.

Deferred Share Awards: Deferred Share Awards are shares issued to employees:

- who elect to receive shares in lieu of any wages, salary, director's fees, or other remuneration; or
- by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment; and
- that may be forfeited if vesting conditions specified in the offer are not satisfied.

Exempt Share Awards: Exempt Share Awards are issues of shares for no consideration or an issue price which is at a discount to the market price with the intention that up to \$1,000 (or such other amount which is exempted from tax under the *Income Tax Assessment Act 1936* (Cth) from time to time) of the total value or discount received by each eligible employee will be exempt from tax.

Cash Awards: Cash Rights are rights that may be issued or offered for a cash payment upon satisfaction of vesting conditions specified in the offer for the Award.

Eligible Employees

Awards may be granted to:

- an employee, officer, director or consultant of the Company to whom, or who falls within a class of employees to whom, the Board determines that an offer is to be made under the Equity Incentive Plan; or
- a person who satisfies the eligibility criteria (if any) determined by the Board for a proposed offer.

Price

The Board has discretion to determine the issue price and/or exercise price for Awards.

5. Directors, Key Management and Corporate Governance

Principal conditions to issues

An offer cannot be made under the Equity Incentive Plan if the aggregate of the following would, upon acceptance of the offer, exceed 5% of the number of Shares on issue at time of the offer:

- (a) the number of Shares which are the subject of the offer of Awards;
- (b) the total number of Shares which are the subject of any outstanding offer of Awards;
- (c) the total number of Shares issued during the previous three years under this Equity Incentive Plan or any other employee share scheme extended only to employees of the Company (adjusted if necessary in each case for capital re-organisations), but not including existing Shares transferred to a participant in the Equity Incentive Plan after having been acquired for that purpose; and
- (d) the total number of Shares which would be issued under all outstanding Awards that have been granted but which have not yet been exercised, terminated or expired, assuming all such Awards were exercised and ignoring any vesting conditions, but disregarding any offer made, or Award offered or issued, or Share issued by way of or as a result of:
 - (e) an offer to a person situated outside Australia at the time of receipt of the offer;
 - (f) an offer that did not need disclosure to investors because of section 708 of the Corporations Act;
 - (g) an offer that did not require the giving of a Product Disclosure Statement because of section 1012D of the Corporations Act; or
 - (h) an offer made under a disclosure document or Product Disclosure Statement as defined in the Corporations Act.

Vesting and exercise of Awards

The Awards held by a participant in the Equity Incentive Plan will vest in and become exercisable by the participant upon the satisfaction of any vesting conditions specified in the offer and in accordance with the rules of the Equity Incentive Plan. Vesting conditions may be waived at the absolute discretion of the Board (unless such waiver is excluded by the terms of the Award).

The Equity Incentive Plan also provides for the cashless exercise of Options made under an Award, at the discretion of the Board.

Change of control

If a takeover bid is made to acquire all of the issued shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for shares in the Company, then participants are entitled to accept the takeover bid to participate in the other transaction in respect of all or part of their Awards other than Exempt Share Awards notwithstanding that any restriction period in respect of such Awards has not expired. The Board may, in its discretion, waive unsatisfied vesting conditions in relation to some or all Awards in the event of such a takeover or other transaction.

Clawback

If any vesting conditions of an Award are mistakenly waived or deemed satisfied when in fact they were not satisfied, then in accordance with the terms of the Equity Incentive Plan, the Board may determine that the relevant Awards expire and are incapable of being exercised (if not yet exercised), or it may otherwise recover from the relevant participant some or all shares issued upon exercise of the Awards or any proceeds received from the sale of those shares.

Re-organisation of share capital

If, prior to the exercise of an Award, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of the Awards of the participant will be changed to the extent necessary to comply with the Listing Rules of the ASX or any securities exchange on which the Company is listed as they apply at the relevant time.

5. Directors, Key Management and Corporate Governance

5.7 Corporate Governance

The Board is responsible for the overall corporate governance of the Company. Details of the Company's key policies and practices and the charters for the Board and each of its committees will be available from Admission at the Company's website www.cosmogold.com.au.

The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic objectives, plans and budgets of the Company. The Board is committed to protecting and optimising performance and building sustainable value for Shareholders. In conducting business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, and its Directors, officers and personnel operate in an appropriate environment of corporate governance.

Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for the Company's business and that are designed to promote the responsible management and conduct of the Company.

The main policies and practices adopted by the Company, which will take effect from Admission, are summarised below. In addition, many governance elements are contained in the Constitution.

ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

To the extent applicable, and commensurate with the Company's size and nature, the Company has adopted various corporate governance policies having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) (**ASX Recommendations**). As a listed entity, the Company will be required to report annually the extent to which it has followed the ASX Recommendations during each financial year. Where the Company does not follow an ASX Recommendation, it must identify the recommendation and provide a reason for not following it.

Departures from ASX Recommendations

The Company's departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

PRINCIPLES AND RECOMMENDATIONS	EXPLANATION FOR DEPARTURE
Recommendation 2.1(a)	Having regard to the stage of development of the Company's operations and the Company's small size, the Board has determined not to establish a separate nomination committee at the present time. The typical function of such a committee will be undertaken by the Board.
Recommendation 4.1(a)	Having regard to the stage of development of the Company's operations and the Company's small size, the Board has decided not to establish an audit committee at the present time. The typical function of such committee is currently undertaken by the Board. The Board Charter sets out that it is a principal function of the Board to oversee the integrity of the Company's accounting and corporate reporting systems, including the external audit.
Recommendation 7.1(a)	Having regard to the stage of development of the Company's operations and the Company's small size, the Board has decided not to establish a separate risk committee at the present time. The Board will regularly review and consider the need to establish a risk committee to assist in the discharge of the Board's responsibilities.
Recommendation 8.1(a)	Having regard to the stage of development of the Company's operations and the Company's small size, the Board has determined not to establish a separate remuneration committee. The typical function of such a committee will be undertaken by the Board.

5. Directors, Key Management and Corporate Governance

Board appointment and composition

At the time of Admission, the Board will comprise of Ian Hastings, Philip Ash and John Chegwidden.

The Board considers a Director to be independent where he or she is independent of management and is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with the exercise of their unfettered and independent judgement. The Board will consider the materiality of any given relationship on a case-by-case basis.

The Company's Board Charter sets out guidelines to assist in considering the independence of Directors and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers that each of Mr Ian Hastings and Mr John Chegwidden is free from any business or any other relationship that could materially interfere with the independent exercise of their judgement and are able to fulfil the role of an independent Director for the purposes of the ASX Recommendations.

Board Charter

The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- the Board's composition;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management; and
- the authority delegated by the Board to management and Board committees.

The Board's role is to represent and serve the interests of Shareholders by overseeing and appraising the Company's strategies, policies and performance. This includes:

- overseeing the financial and human resources the Company has in place to meet its objectives and reviewing management performance;
- protect and optimise Company performance and build sustainable value for Shareholders in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
- set, review and ensure compliance with the Company's values and governance framework (including establishing and observing high ethical standards); and
- ensure Shareholders are kept informed of the Company's performance and major developments affecting its state of affairs.

The management function is conducted by, or under the supervision of the Board (and by other officers to whom the management function is properly delegated by the Board). Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

The Board collectively, and each Director individually, has the right to seek independent professional advice, subject to the approval of the Chairman or the Board as a whole.

Board Committees

The Board may from time to time establish committees to streamline the discharge of its responsibilities. Other committees may be established by the Board as and when required.

The Company has elected to not establish an Audit and Risk Committee or a Nomination and Remuneration Committee on the basis that these matters will be addressed by the Company's full Board.

5. Directors, Key Management and Corporate Governance

Corporate governance policies

The Board has adopted the following corporate governance policies, each having been prepared having regard to the ASX Recommendations and which are available on the Company's website at www.cosmogold.com.au.

Continuous Disclosure and Shareholder Communications Policy

Once listed, the Company will be required to comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act. The Company is aware of its obligation to keep the market fully informed of any information the Company becomes aware of concerning the Company, which may have a material effect on the price or value of the Company's securities, subject to certain exceptions.

The Company has adopted a Continuous Disclosure and Shareholder Communications Policy to take effect from Admission that establishes procedures aimed at ensuring the Company fulfils its obligations in relation to the timely disclosure of material price-sensitive information.

The Company also aims to communicate all important information relating to the Company to its Shareholders. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company will communicate information regularly to Shareholders and other stakeholders through a range of forums and publications, including the Company website, at the annual general meeting, and through the Company's annual report and ASX announcements.

Securities Trading Policy

The Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealings in securities that are prohibited by law and establish procedures for the buying and selling of securities that protect the Company, Directors and employees against the misuse of unpublished information, which could materially affect the price or value of the Company's securities.

The Policy provides that Directors, employees and their connected persons must not:

- deal in the Company's securities when they are aware of 'inside' information;
- deal in the Company's securities on a short-term trading basis (except in exceptional circumstances with approval); and
- hedge unvested equity remuneration or vested equity subject to holding locks.

In addition, Directors, certain restricted employees and their connected persons must not deal in the Company's securities during any of the following blackout periods (except in exceptional circumstances with approval):

- 7 days immediately before release of the Company's quarterly report, half year results, full year results and one day immediately following such release;
- 7 days immediately before the Company's Annual General Meeting and one day following such Annual General Meeting; and
- any other period that the Board specifies from time to time.

Directors and certain employees must receive prior approval for any proposed dealing in the Company's securities (including any proposed dealing by one of their connected persons) within these periods, and in all instances, buying or selling securities is not permitted at any time by any person who possesses 'inside' information.

5. Directors, Key Management and Corporate Governance

Code of Conduct

The Board recognises the need to observe the highest standards of ethics, integrity and behaviour. Accordingly, the Board has adopted a formal Code of Conduct which outlines how the Company expects its employees and Directors to behave during the course of their employment in dealing with employees, suppliers and customers of the business. The key aspects of this Code are to:

- comply with all Company policies, procedures, rules and regulations;
- be honest and fair in dealings with customers, clients, co-workers, Company management and the general public;
- protect from unauthorised use any information, records or other materials acquired during the course of employment with the Company; and
- respect the Company's ownership of assets and property.

Diversity Policy

The Company has adopted a formal diversity policy that sets out measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. The Company's has not yet undertaken a review of its achievement of diversity objectives, but will do so in the 2021 financial year and annually thereafter.

Whistleblower Policy

This policy sets out how and to whom staff may make confidential reports regarding illegal practices or violations of policies of the Company. The Policy sets out processes to follow up and investigate reports and how to respond to them.

Anti-Bribery and Corruption Policy

This policy describes the Company's zero tolerance policy towards bribery and corruption. The policy sets out practices that constitute bribery and corruption and is designed to assist the Company, subsidiaries, Board and all employees to avoid committing acts of bribery or corruption.



6.

Independent Technical Assessment Report



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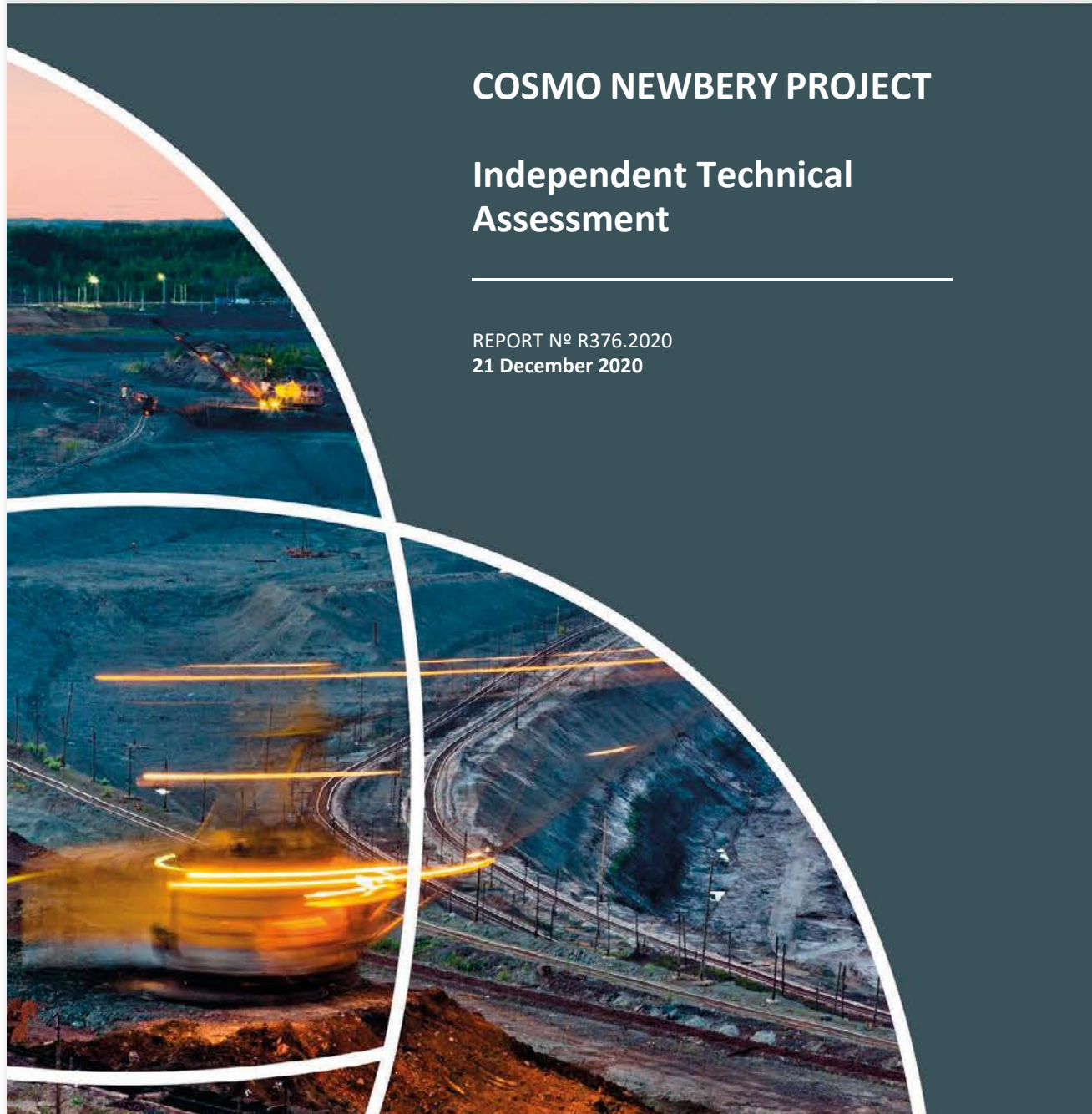


CSA Global
Mining Industry Consultants
an ERM Group company

COSMO NEWBERY PROJECT

Independent Technical Assessment

REPORT Nº R376.2020
21 December 2020



6. Independent Technical Assessment Report

COSMO GOLD LIMITED
COSMO NEWBERY PROJECT – INDEPENDENT TECHNICAL ASSESSMENT REPORT



Report prepared for

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Project Name/Job Code	COSITA01
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Report information

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Author and Reviewer Signatures

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Executive Summary

The Cosmo Newbery Project is centred about the Cosmo Newbery community ≈90 km northeast of Laverton on the Laverton-Warburton Road. It covers the entire interpreted 52 km long by 3–11 km wide Cosmo Greenstone Belt and its extensions, one of the last significantly underexplored greenstone belts in the Yilgarn Craton. Except for a five-day reconnaissance and orientation sampling program in mid-2017, no field work has been completed within the project area since 2002 due to Native Title issues.

The project occurs almost entirely within the Cosmo Newbery Aboriginal Reserve 22032. Failure to negotiate required Access Agreements, including between overlapping Native Title parties, delayed field access to the project area for many years. This was resolved by a Federal Court determination of the Yilka Talintji Aboriginal Corporation as the Prescribed Body Corporate for the combined parties. Cosmo Gold Limited (Cosmo) has concluded Access Agreements required to enter the project area and conduct ground-based exploration work.

Comprehensive data compilation and reviews have been undertaken. Future targets, surveys and strategy are planned and prioritised. High-level exploration work plans with costings have been prepared for rapid implementation once field access is allowed.

Minor gold workings are located within outcrop areas immediately north of the Cosmo Newbery community. Some early geochemical soil sampling c. 1994–2000 completed in these areas generated a series of 10 ppb and 20 ppb gold anomalies in soils over a zone 5 km long and up to 1,000 m wide. The area requires resampling as Cosmo and CSA Global Pty Ltd (CSA Global), an ERM Group company, do not have adequate confidence in the location and assay methods and techniques of the geochemical data to report on these, but is taken as an indication of anomalism that requires confirmation. The historical gold workings have not been effectively drill tested, as only one short rotary air blast (RAB) hole (18 m) has been drilled beneath the workings, completed as part of a RAB drilling program in 1994.

Previous exploration within the project area has included reconnaissance geological mapping, rockchip sampling, soil sampling programs (soils, Maglag, BLEG, lag, mobile metal ion (MMI)), poorly designed and documented RAB drilling in historical mining areas, and geological interpretations, geophysical and remote sensing data. Previous work is mainly confined to outcrop areas, especially around historical workings. Expert lithostructural interpretation of aeromagnetic data in 2019 indicates that the greenstones continue under extensive areas of sand cover, and generated eight areas of interest, and 17 specific interpreted targets for further follow up.

The project area is significantly underexplored and is considered to have good potential for the discovery of potentially economic gold mineralisation. Nickel potential is associated with an ultramafic unit near the western greenstone margin. Mafic complexes are not recognised but need to be considered given successful drilling of associated nickel-copper-cobalt mineralisation at the neighbouring Mount Venn greenstone belt. The limited exploration work completed previously is considered preliminary with no immediate walk-up drill targets.

In summary, the Cosmo Newbery Project covers the entire 52 km interpreted strike length of the underexplored and mostly sand and colluvium covered Cosmo Newbery greenstone belt. The belt is favourably characterised by known gold mineralisation, several large internal granitoid intrusives and deformation by the deep-seated regional-scale Sefton Shear Zone. Significant gold mineralisation in the adjacent Yamarna and Dorothy Hills greenstone belts to the east has a close spatial association to similar regional shear zones and internal monzogranite intrusions. Aeromagnetic interpretation has also identified up to ten smaller non-conformable magnetic anomalies that may represent other intrusive bodies and several alteration zones. The restricted extent of previous work, and lack of exploration since 2002, highlights the exploration opportunity using modern targeting and geochemistry methods.

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1 Introduction

1.1 Context, Scope and Terms of Reference

CSA Global Pty Ltd (CSA Global), an ERM Group company, was requested by Cosmo Gold Limited (Cosmo) to prepare an Independent Technical Assessment Report (ITAR or the “Report”) for use in a prospectus to support a public offering of shares for Cosmo to raise funds and enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

1.2 Compliance with the VALMIN and JORC Codes

This Report has been prepared in accordance with the VALMIN¹ Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC² Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and ASX that pertain to Independent Expert Reports.

1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the projects on information made available to the principal author by Cosmo, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with Cosmo’s management for information contained within this assessment. This Report has been based upon information available up to and including 18 December 2020.

CSA Global has endeavoured, by making reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based. Unless otherwise stated, information and data contained in this technical Report, or used in its preparation, has been provided by Cosmo in the form of documentation and digital data.

Cosmo was provided a final draft of this Report and requested to identify any material errors or omissions prior to its lodgement.

Cosmo has warranted to CSA Global that the information provided for preparation of this Report correctly represents all material information relevant to the projects. Further details on the tenements is provided in the Independent Tenement Report elsewhere in the prospectus.

CSA Global has not independently verified the legal status or ownership of the properties or any of the underlying agreements. This information should be contained within the Independent Tenement Report and Material Contracts section of the prospectus.

Tenement information on the Mineral Assets was provided by independent tenement specialists Austwide Mining Title Management Pty Ltd (Austwide). CSA Global relies on the independent report of Austwide dated 18 December 2020, with regards to the validity of Cosmo’s Mineral Assets. CSA Global makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not consented to their statements used in this ITAR, and these

¹ Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <<http://www.valmin.org>>

² Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <<http://www.jorc.org>>

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statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

1.4 Authors of the Report

CSA Global, an ERM Group company, is a privately owned, mining industry consulting company headquartered in Perth, Western Australia (WA). CSA Global provides geological, resource, mining, management, and corporate consulting services to the international mining sector and has done so for more than 30 years.

This ITAR has been prepared by a team of consultants from CSA Global's Perth, WA office. The individuals who have provided input to the ITAR have extensive experience in the mining industry and are members in good standing of appropriate professional institutions. The consultants preparing this ITAR are specialists in their fields of geology and exploration, in particular relating to gold and base metals.

The following individuals, by virtue of their education, experience, and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this Report. The Competent Persons' individual areas of responsibility are presented below:

- Principal author – Mr Trivindren Naidoo (Principal Consultant Geologist with CSA Global, Perth, WA) is responsible for all sections of the report
- Peer reviewer – Mr Sam Ulrich (Principal Consultant Geologist with CSA Global, Perth, WA) responsible for the entire report.

Trivindren Naidoo is an exploration geologist with over 20 years' experience in the minerals industry, including 15 years as a consultant, specialising in project evaluations and technical reviews as well as code compliant (JORC, VALMIN, NI 43-101 and CIMVAL) reporting and valuation. His knowledge is broad-based, and he has wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging first-pass grassroots exploration to brownfields exploration and evaluation, including the assessment of operating mines. Mr Naidoo is part of CSA Global's Corporate team and has completed independent evaluations and valuations of numerous mineral assets ranging from early stage exploration properties to projects with multiple operating mines, across various commodities and jurisdictions.

Sam Ulrich has over 25 years' experience in mineral exploration and corporate services. His exploration experience ranges from grassroots to near-mine resource development in Australia and Asia. Mr Ulrich is part of CSA Global's corporate team primarily working on transactions. He provides geological due diligence, independent technical reporting for mergers and acquisitions, and company listings, as well as acting as Competent Person under the JORC Code for a range of exploration results in gold, base metals, and uranium. Mr Ulrich is a valuation expert, a VALMIN specialist, delivering technical appraisals and valuations for independent expert reports, target statements, schemes of arrangement, stamp duty assessments, asset impairments, and due diligence exercises on projects worldwide. He has extensive experience in the exploration and development of Archaean orogenic gold deposits, which combined with his mineral economics research into Australian gold mines, provides him with specialist skills in applying economic/valuation criteria to exploration targeting and ranking, and the valuation of mineral assets.

1.5 Independence

Neither CSA Global, nor the authors of this Report, has or has had previously, any material interest in Cosmo or the mineral properties in which Cosmo has an interest. CSA Global's relationship with Cosmo is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to Cosmo at a commercial rate for the preparation of this Report, the payment of which is not contingent upon the conclusions of the Report. The fee for the preparation of this Report is approximately A\$29,300.

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No member or employee of CSA Global is, or is intended to be, a director, officer or other direct employee of Cosmo. No member or employee of CSA Global has, or has had, any shareholding in Cosmo or 3D Resources Limited.

There is no formal agreement between CSA Global and Cosmo as to Cosmo providing further work for CSA Global.

1.6 Declarations

1.6.1 Purpose of this Document

This Report has been prepared by CSA Global at the request of, and for the sole benefit of Cosmo. Its purpose is to provide an independent technical assessment of Cosmo's mineral assets in WA.

The Report is to be included in its entirety or in summary form within a prospectus to be prepared by Cosmo, in connection with a prospectus. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 18 December 2020 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

1.6.2 Practitioner/Competent Person's Statements

The information in this Report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Mr Trivindren Naidoo, a Competent Person who is a Member of the AusIMM. Mr Naidoo is a full-time employee of CSA Global.

Mr Naidoo has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Naidoo consents to the inclusion in the ITAR of the matters based on his information in the form and context in which it appears.

1.6.3 Site Inspection

No site visit was made to the project by CSA Global. Due to restrictions related to the COVID-19 pandemic, the Cosmo Newbery remote Aboriginal community is not currently open to visitors. In CSA Global's professional judgement, a site visit is unlikely to materially improve our understanding of the project, due to the project's early stage and the lack of recent exploration activity.

1.7 About this Report

This Report describes the prospectivity of Cosmo's Mineral Assets and the contained mineral projects (Figure 1 and Figure 2).

The geology and mineralisation of the project area is discussed, as well as past exploration work done, and the results obtained there from. A great wealth of data pertains to the work done on the projects and an effort was made to summarise this to constrain the size and readability of the Report. Maps of the areas are presented.

This Report contains JORC Code Table 1 commentary, as required by the JORC and VALMIN codes for reporting of exploration results. This was compiled by the Competent Person(s) responsible for the respective exploration results and is included as Appendix A.

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2 Cosmo Newbery Project

2.1 Location and Access

The Cosmo Newbery Project is situated in the Goldfields-Esperance region of Western Australia at a latitude of -28.0° and a longitude of 122.9° (Figure 1).



Figure 1: Location of Cosmo Newbery Project

The project is located almost entirely within the Cosmo Newbery Aboriginal Reserve 22032 and is centred about the Cosmo Newbery remote Aboriginal community (also spelt Cosmo Newberry, also known as Yilka) approximately 90 km northeast of Laverton on the Great Central Road (Figure 2). Basic supplies, a small guest house and a large airstrip are available at Cosmo Newbery.

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Figure 2: Locality map for the Cosmo Newbery Project

Although not a working station, old tracks and fence lines allow access to tenements in the central outcropping area either side of the Laverton-Warburton road and to the south. The parts of the project away from the central outcropping area consist of spinifex covered aeolian and alluvial sands. These areas have very few tracks but can be traversed by suitably equipped vehicles.

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2.2 Climate, Topography and Landforms

Cosmo Newbery is at an elevation of 510 m above sea level. The area is generally flat lying with gentle hills in the area of outcrop and the western and southern project boundary. Total elevation difference across the area is on the order of 75 m.

The climate can be described as hot arid, with the annual rainfall of Cosmo Newbery averaging approximately 234 mm, and the mean maximum temperature generally above 20°C and peaking above 35°C in December and January. The rainfall peaks in the summer months of January to March.

The nearest Weather Bureau station to Cosmo Newbery is the Laverton Aero site (site 012305), which is approximately 83 km away. The monthly average mean maximum temperature and mean rainfall for this station are illustrated in Figure 3 and Figure 4, respectively.

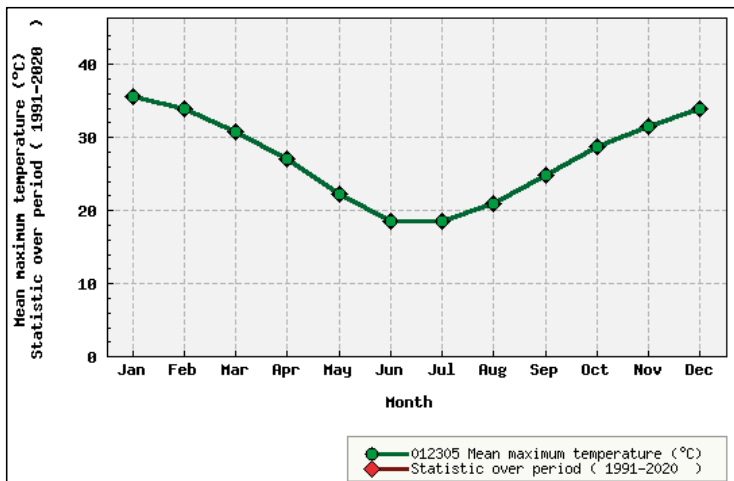


Figure 3: Mean maximum temperature (Laverton Aero site)
Source: Australian Government Bureau of Meteorology

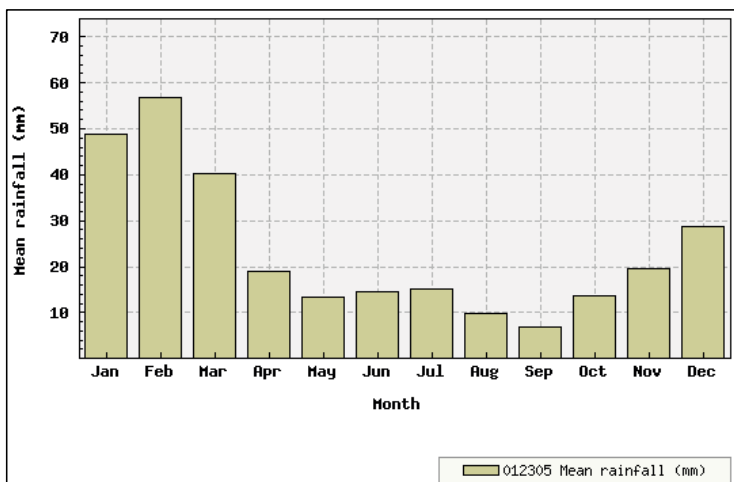


Figure 4: Mean rainfall (Laverton Aero site)
Source: Australian Government Bureau of Meteorology

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2.3 Tenure and Land Access

2.3.1 Tenure Status

With regards to the current status of the Cosmo Newbery tenements, CSA Global has relied on the opinion of Austwide, an independent mining tenement management business based in Perth, as stated in their report titled “Due Diligence Report” dated 18 December 2020. CSA Global makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

Austwide concludes that, “*the Tenements have been validly granted and are in good standing*”.

The Cosmo Newbery Project is managed by Cosmo and comprises five contiguous granted exploration licences and four exploration licence applications (Table 1 and Figure 5). Except for central tenement E38/2274 (Cosmo 75%), the project is 100% owned by Cosmo.

Table 1: Cosmo Newbery Project tenure

Licence	Status	Holder	Area (km ²)	Grant date	Expiry date
E38/2274	Granted	Cosmo Gold (75%); MJ Foley (25%)	117.48	10/06/2011	09/06/2021
E38/2627	Granted	Cosmo Gold (100%)	51.49	11/05/2012	10/05/2022
E38/2774	Granted	Cosmo Gold (100%)	51.45	29/07/2013	28/07/2023
E38/2851	Granted	Cosmo Gold (100%)	111.80	12/03/2014	11/03/2024
E38/3249	Granted	Cosmo Gold (100%)	27.26	18/07/2018	17/07/2023
E38/3250	Pending	Adderstone Holdings (100%) [†]	21.18		
E38/3456	Pending	Cosmo Gold (100%)	106.03		
E38/3457	Pending	Cosmo Gold (100%)	33.33		
E38/3525	Pending	Cosmo Gold (100%)	117.82		

[†]Cosmo has an exclusive option to acquire 100% of the rights, title and interest in E38/3250.

No exploration or mining activity may be conducted within a 3 km circular Exclusion Zone around the Cosmo Newbery community (Figure 5).

Two granted Mining Leases and 13 pending Prospecting Licences are excluded from the project area (Figure 5). Ten of these Prospecting Licences occur completely, and three partially, within the 3 km Exclusion Zone about the Cosmo Newbery community.

2.3.2 Land Access and Native Title

The project area is located around the Cosmo Newbery aboriginal community (Figure 5) located ≈90 km northeast of Laverton in Western Australia.

The project area occurs almost entirely within the Cosmo Newbery Aboriginal Reserve 22032 (Figure 2) managed by the overlapping Yilka and Sullivan Edwards Native Title parties. Conclusion of a suitable and legally binding Access Agreement was dependent on the appointment of a unified Prescribed Body Corporate (PBC) between these two Native Title parties. This was obtained after mediation by a Federal Court appointed independent lawyer. On 26 September 2019, the Yilka Talintji Aboriginal Corporation was determined as the PBC for the combined parties and allows negotiation of required Access Agreements.

The Waturta Native Title claim in the northwest portion of the project area was accepted for registration on 17 August 2018.

Cosmo have negotiated Access Agreements with Native Title Parties that allows issue of the required Mining Entry Permit to access Native Title Reserve and conduct ground-based exploration work.

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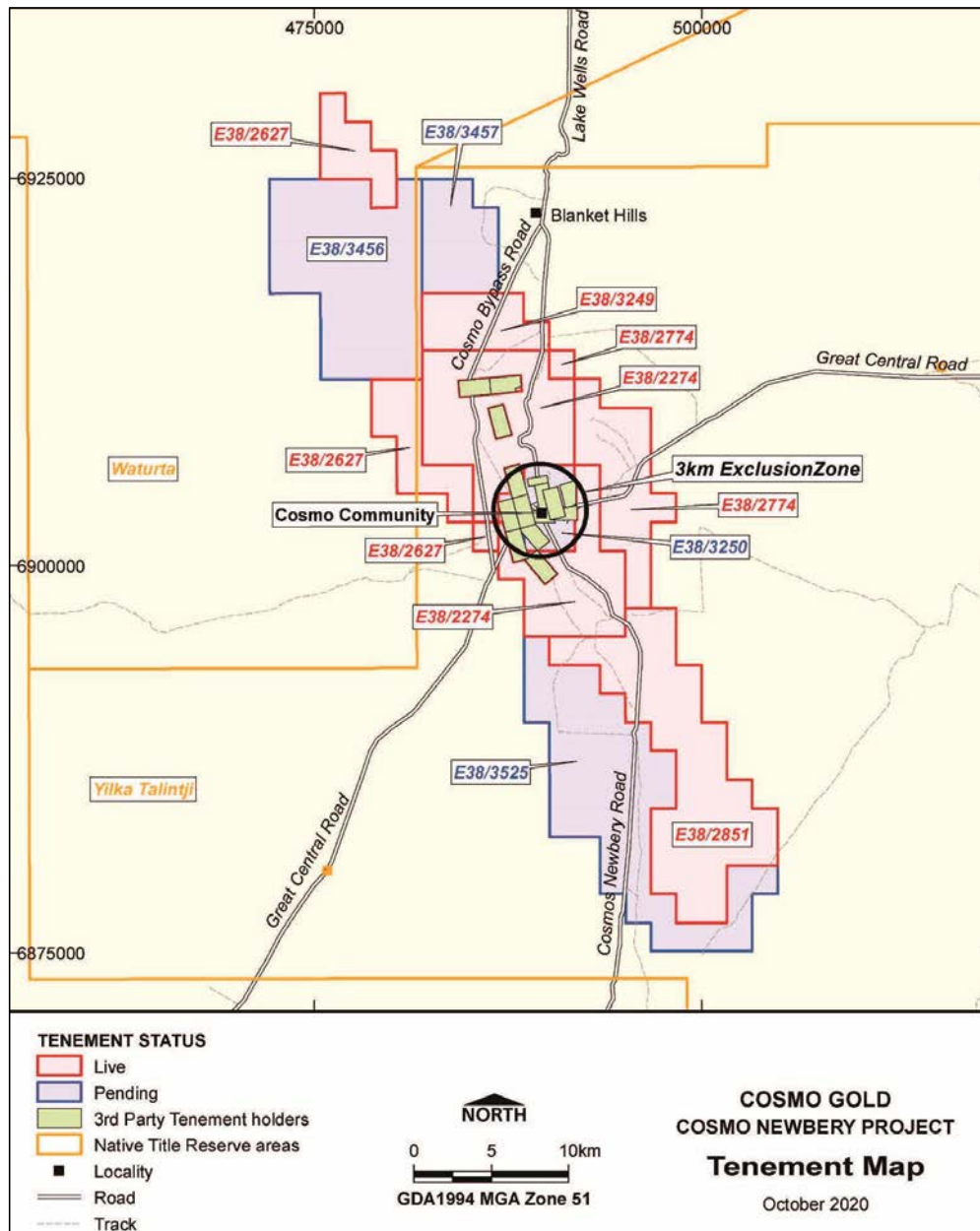


Figure 5: Cosmo Newbery Project tenure

2.4 Regional Geology

The Cosmo Newbery project overlies the Cosmo Greenstone Belt, which is one of the most easterly Archaean age greenstone belts of the Yilgarn Craton (Figure 6) and occurs within the Burtville Terrane of the Eastern Goldfields Superterrane (Figure 7).

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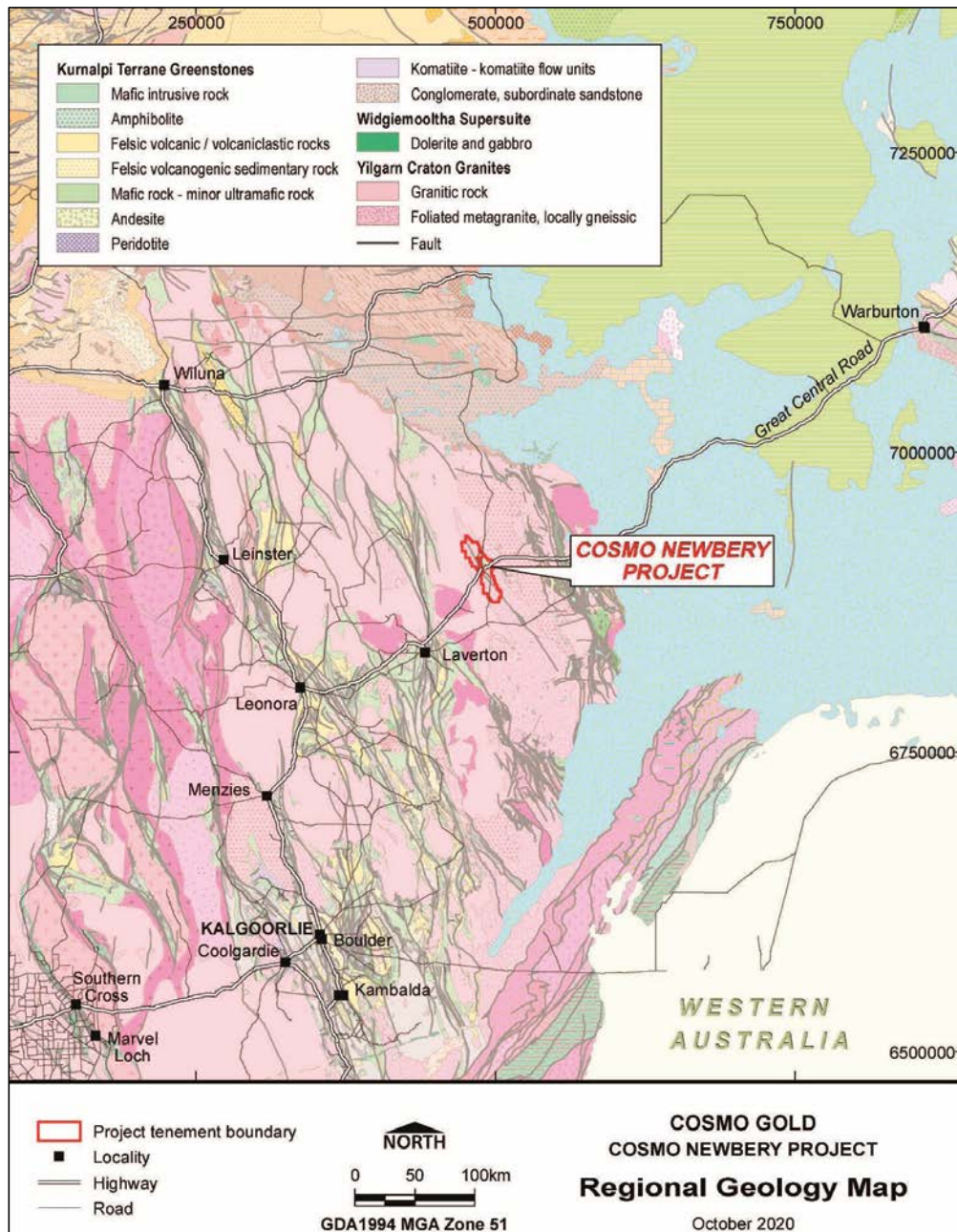


Figure 6: Regional geology map of the Eastern Yilgarn
 Source: Data from Geological Survey of Western Australia

Blewett (2010) refers to the Yilgarn Craton as Australia’s premier gold and nickel province. Wyche et al. (2012) describe the Yilgarn Craton as a highly mineralised granite-greenstone terrain with world-class gold and nickel deposits and noted that the Eastern Goldfields has produced more than 130 Moz of gold.

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Cassidy (2006) notes that the preserved Yilgarn Craton consists of meta-volcanic and -sedimentary rocks and granites that formed principally between c. 3.05 and 2.6 Ga, with a minor older component (to >3.7 Ga). Voluminous granite intrusion between 2.76 and 2.62 Ga was coincident with Neoproterozoic orogeny resulting in amalgamation and assembly of several cratonic elements to form the present Yilgarn Craton.

The Yilgarn Craton is subdivided into six terranes, three of which constitute a superterrane (Figure 7). Along the western margin the Narryer Terrane and South West Terrane are dominated by granite and granitic gneiss, whereas the Youanmi Terrane and Eastern Goldfields Superterrane are composed of north-trending greenstone belts separated by extensive granite and granitic gneiss (Cassidy et al., 2006).

The Eastern Goldfields Superterrane comprises three tectono-stratigraphic terranes, defined on the basis of distinct volcanic facies, geochemistry, and age of volcanism (Cassidy et al., 2006). From southwest to northeast, these are the Kalgoorlie, Kurnalpi, and Burtville terranes, with each terrane containing a number of domains. These terranes and domains are bounded by interconnected fault systems. From west to east, the terranes are bounded by the Ida, Ockerburry and Hootanui fault systems (Figure 7).

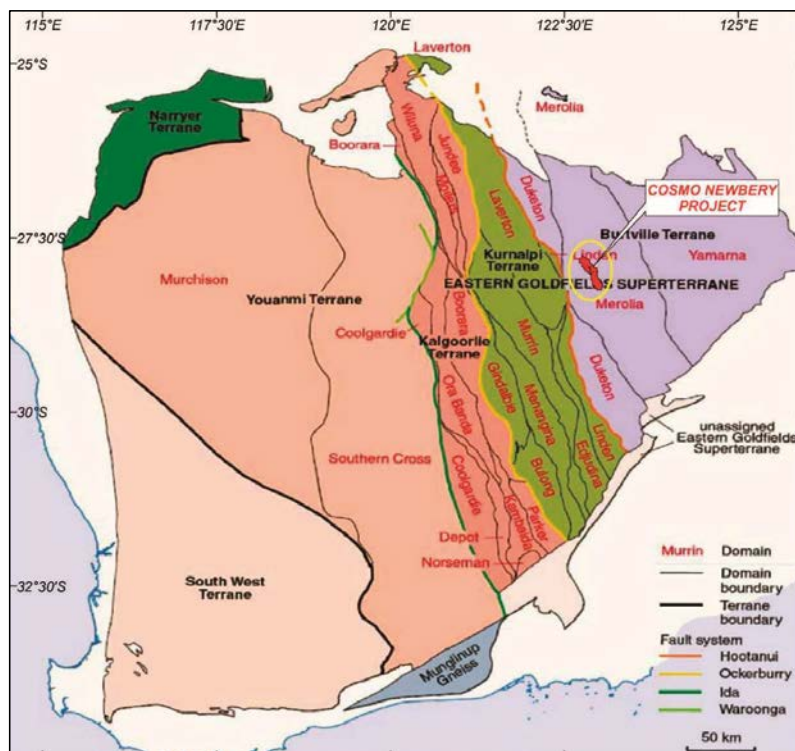


Figure 7: Tectonic division of the Yilgarn Craton, showing subdivision into terranes and domains
Source: After Cassidy et al (2006)

Cassidy et al. (2006) describes the Burtville Terrane as consisting of three poorly defined domains. The Hootanui Fault System forms the boundary between the Kurnalpi Terrane and the Duketon Domain of the Burtville Terrane. The Duketon Domain includes c. 2.81 Ga intermediate and felsic volcanic rocks and associated mafic(–ultramafic) rocks in the central and eastern parts of the Duketon greenstone belt as well as greenstone assemblages dominated by mafic and ultramafic volcanic and fine-grained sedimentary rocks. The Merolia and Yamarna domains contain variably deformed and metamorphosed mafic and felsic volcanic and sedimentary sequences of undetermined age. Cassidy et al. (2006) concluded that further work was required to validate the character and boundaries of the then-current divisions in the Burtville Terrane.

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Pawley et al. (2012) note that greenstones in the north-east Yilgarn Craton crop out in discrete belts separated by tracts of granite (Figure 8), and argue that the Burtville Terrane as defined by Cassidy et al. (2006) should be divided in two, with the portion to the west of the Yamarna Shear Zone to retain the name Burtville Terrane, and the portion to the east of the Yamarna Shear Zone to be called the Yamarna Terrane (Figure 8).

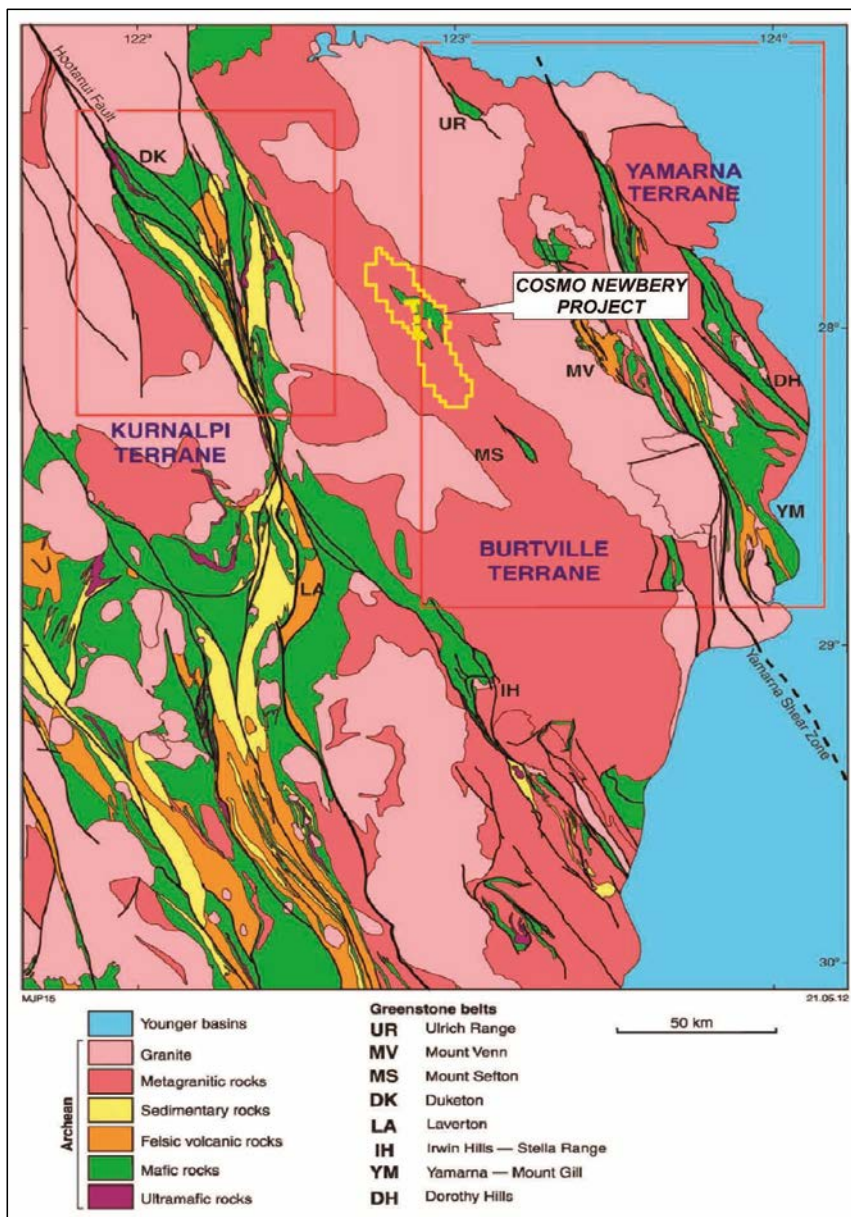


Figure 8: Greenstone belts of the Eastern Yilgarn
 Source: After Pawley et al (2012)

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The Cosmo Greenstone Belt is traversed by the regional north-northwest trending Sefton Shear Zone and other major margin faults. The Sefton Fault or Lineament truncates the greenstone belt to the west. This major north-northwest trending fault is roughly parallel to the Duketon Fault and is interpreted to dip to the west-southwest and has an inferred strike-length of over 120 km. The Sefton Fault lies immediately west of the known historical gold occurrences but is not mineralised. Nevertheless, it is probable that this major regional feature has exerted some structural control over gold mineralisation.

The eastern margin of the Cosmo Newbery greenstone belt is a fault boundary, which is probably a splay off the Sefton Fault. It is also interpreted to dip to the west-southwest with a steep dip near surface and flattening off at depth.

The Cosmo Newbery Project is located ≈50–95 km west of significant exploration and mining activity on adjacent greenstone belts (Figure 9) being:

- Mount Venn belt (≈60 km long by 10 km wide): Exploration by Cazaly Resources, Woomera Mining, Great Boulder Resources, and Magmatic Resources.
- Yamarna belt (250 km long by 3–30 km wide): Exploration by Gold Road Resources (GOR) – Alaric, Central Bore (Montagne and Argos), and Attila Mineral Resources. The Yamarna shear zone, located on the western side of the Yamarna greenstone belt, separates the Burtville and Yamarna Terrane of the Eastern Goldfields SuperTerrane.
- Dorothy Hills belt (90 km long by 3–10 km wide): Exploration and mining activity by GOR including Gruyere gold mine development (total Mineral Resource of 137.95 Mt at 1.31 g/t Au and total Ore Reserve of 86.84 Mt at 1.22 g/t Au per GOR ASX announcement dated 12 February 2020).
- These belts respectively overlie the regional Mount Venn, Yamarna, and Dorothy Hills shear zones.
- The Cosmo Greenstone Belt has analogous geological and structural features to these belts.

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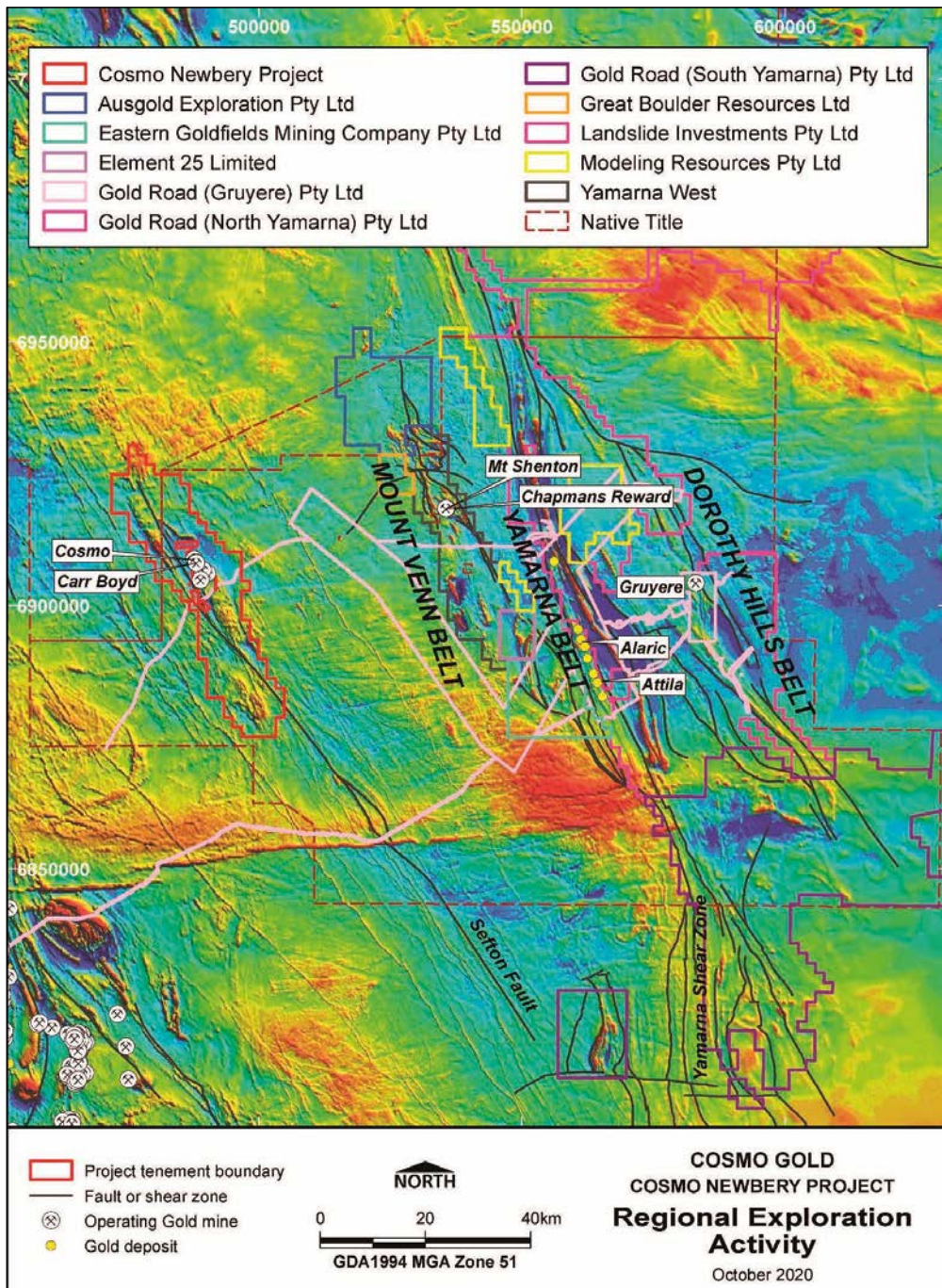


Figure 9: Regional exploration activity

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2.4.1 Orogenic Gold Model

The following discussion on the model for orogenic gold deposits is summarised from Robert et al. (2007).

The term “orogenic” was originally introduced in recognition of the fact that quartz-carbonate vein gold deposits in greenstone and slate belts, including those in banded iron formation (BIF), have similar characteristics and have formed by similar processes. Robert et al. (2007) distinguishes between three main types of orogenic deposits based on their host-rock environment, and groups them in the orogenic “clan” of deposits (Figure 10). Key features of the ore-forming environments of each type are summarised in Table 2.

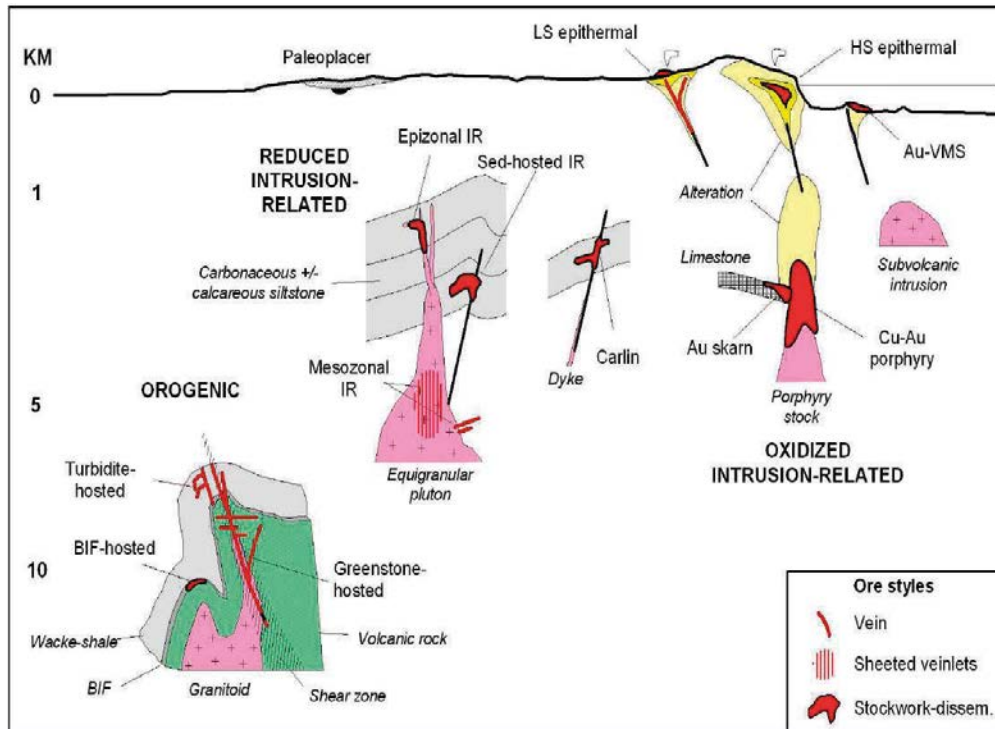


Figure 10: Schematic cross-section showing the key geologic elements of the main gold deposit types

Source: Robert et al. (2007)

Table 2: Key features of ore-forming environments of orogenic gold deposits

Orogenic deposit	Regional scale	Local scale
Greenstone-hosted	<ul style="list-style-type: none"> • Volcanic- or sediment- dominated greenstone belts • Crustal-scale shear zone • Conglomeratic rocks 	<ul style="list-style-type: none"> • Shear zones, especially with bends and intersections • Rheological heterogeneity • Fe-rich lithologies • Felsic porphyry intrusions
Turbidite-hosted	<ul style="list-style-type: none"> • Folded turbidite sequence • Granitic intrusions • Crustal-scale faults • Greenschist grade 	<ul style="list-style-type: none"> • Culminations of anticlines • High-angle reverse faults • Cross-structures
BIF-hosted	<ul style="list-style-type: none"> • Volcanic- or sediment-dominated greenstone belts containing thick iron formations • Folded and metamorphosed 	<ul style="list-style-type: none"> • Fold hinge zones • Faults or shear zones intersecting iron formation • Some stratiform controls

Source: After Robert et al. (2007)

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Robert et al. (2007) consider greenstone-hosted orogenic deposits to be the most important of the clan. They describe the quartz-carbonate veins in these deposits as typically combining laminated veins in moderately to steeply dipping reverse shear zones with arrays of shallow-dipping extensional veins in adjacent competent and lower strain rocks (Figure 10).

In greenstone belts, the significant vein deposits are typically distributed along specific regional compressional to transpressional structures. As they are associated with regional structures, these camps are also located at the boundaries between contrasted lithologic or age domains within belts. Along these structures, the deposits commonly cluster in specific camps, localised at bends or major splay intersections, and where deposits typically occur in associated higher-order structures. The deposits occur in any type of supracrustal rocks within a greenstone belt and cover stratigraphic positions from lower mafic-ultramafic volcanic to upper clastic sedimentary stratigraphic levels. However, large deposits tend to occur stratigraphically near the unconformity at the base of conglomeratic sequences, especially if developed above underlying mafic-ultramafic volcanic rocks.

At the local scale, favourable settings for these deposits represent a combination of structural and lithologic factors. Favourable structural settings are linked mainly to the rheological heterogeneities in the host sequences. Shear zones and faults, universally present in these deposits, are developed along lithologic contacts between units of contrasting competencies and along thin incompetent lithologic units. Along these contacts and along incompetent rocks, deposits will preferentially develop at bends, and structural intersections. Competent rock units enclosed in less competent favour fracturing and veining. Common lithologic associations include iron-rich rocks such as tholeiitic basalts, differentiated dolerite sills and BIFs, and with competent porphyry stocks of intermediate to felsic composition, whether they intrude mafic-ultramafic volcanic or clastic sedimentary rocks.

2.5 Local Geology

Cosmo's tenements cover the entire interpreted north-northwest to south-southeast trending Cosmo Greenstone Belt and its extensions (Figure 11 and Figure 12).

The majority of the greenstone belt ($\approx 75\%$) is obscured by colluvium and sand cover (Figure 13) which has restricted previous exploration work. Greenstone belt outcrop is restricted to an ≈ 18 km by 8 km area immediately north and south of Cosmo Newberry.

Historical gold workings occur in the area of well-exposed greenstone lithologies immediately north of the Cosmo Newberry mission (Figure 11).

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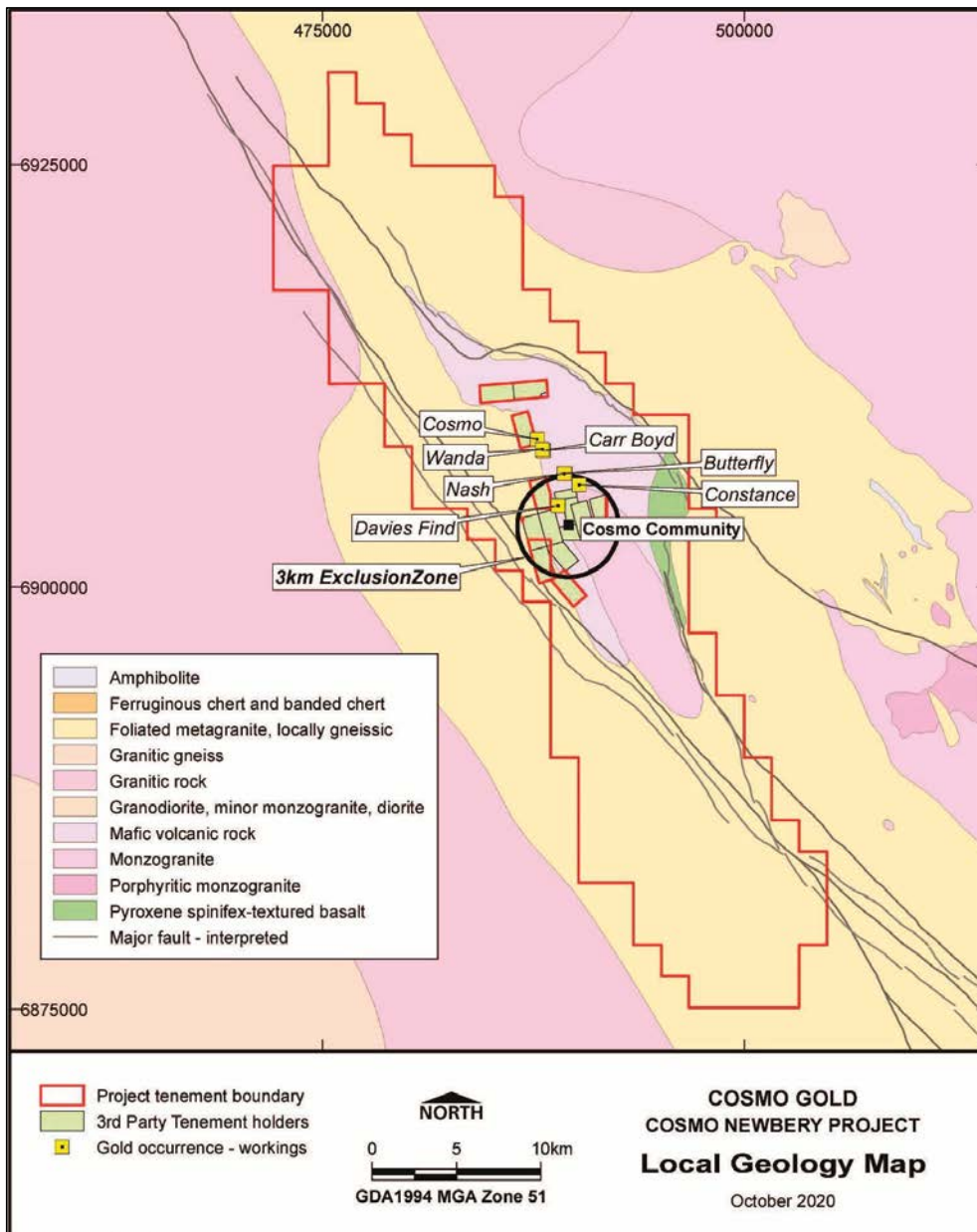


Figure 11: Simplified local geology of the Cosmo Greenstone Belt
 Source: Data from Geological Survey of Western Australia (1:500,000 interpreted bedrock geology)

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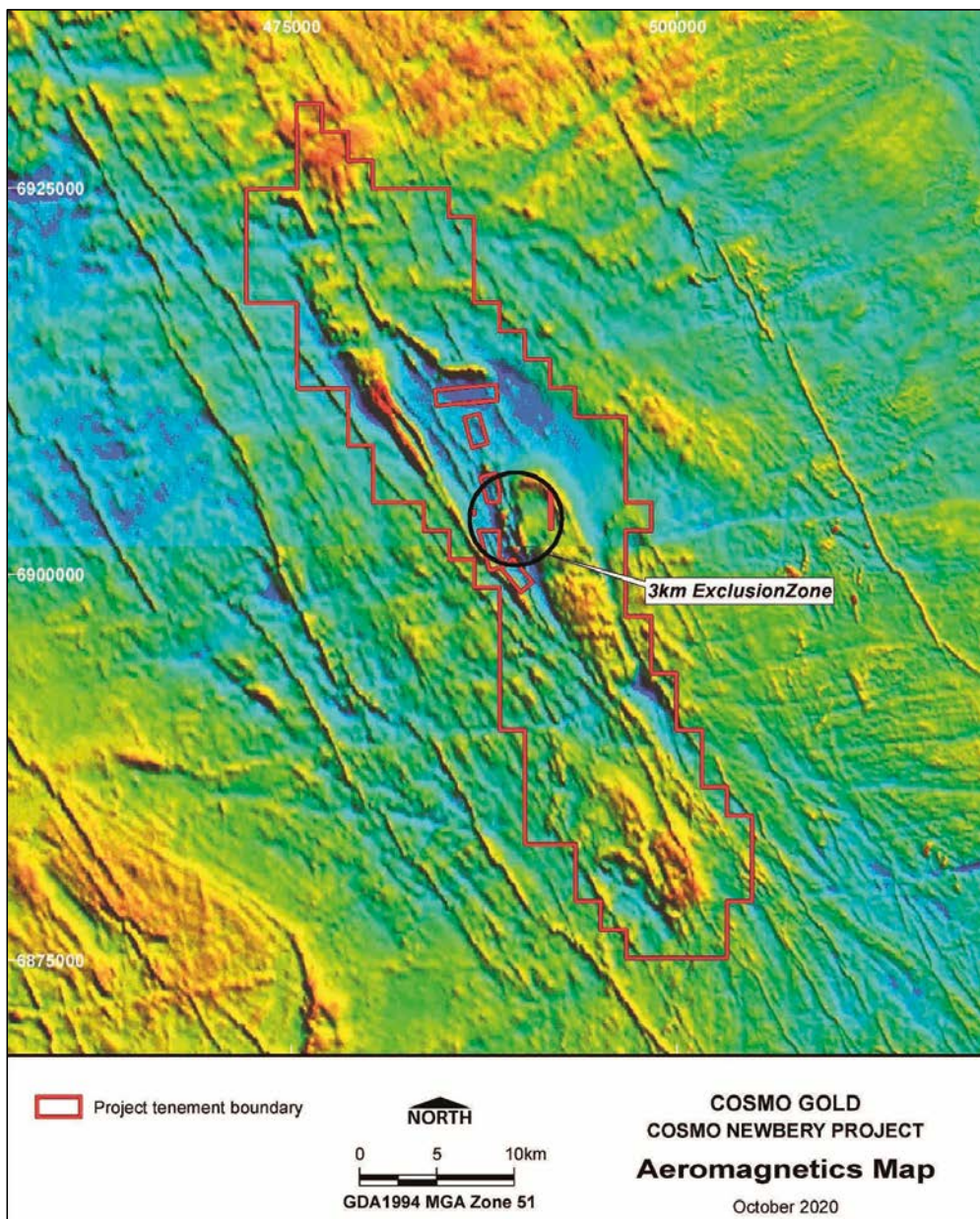


Figure 12: Aeromagnetic map of the Cosmo Newbery Project

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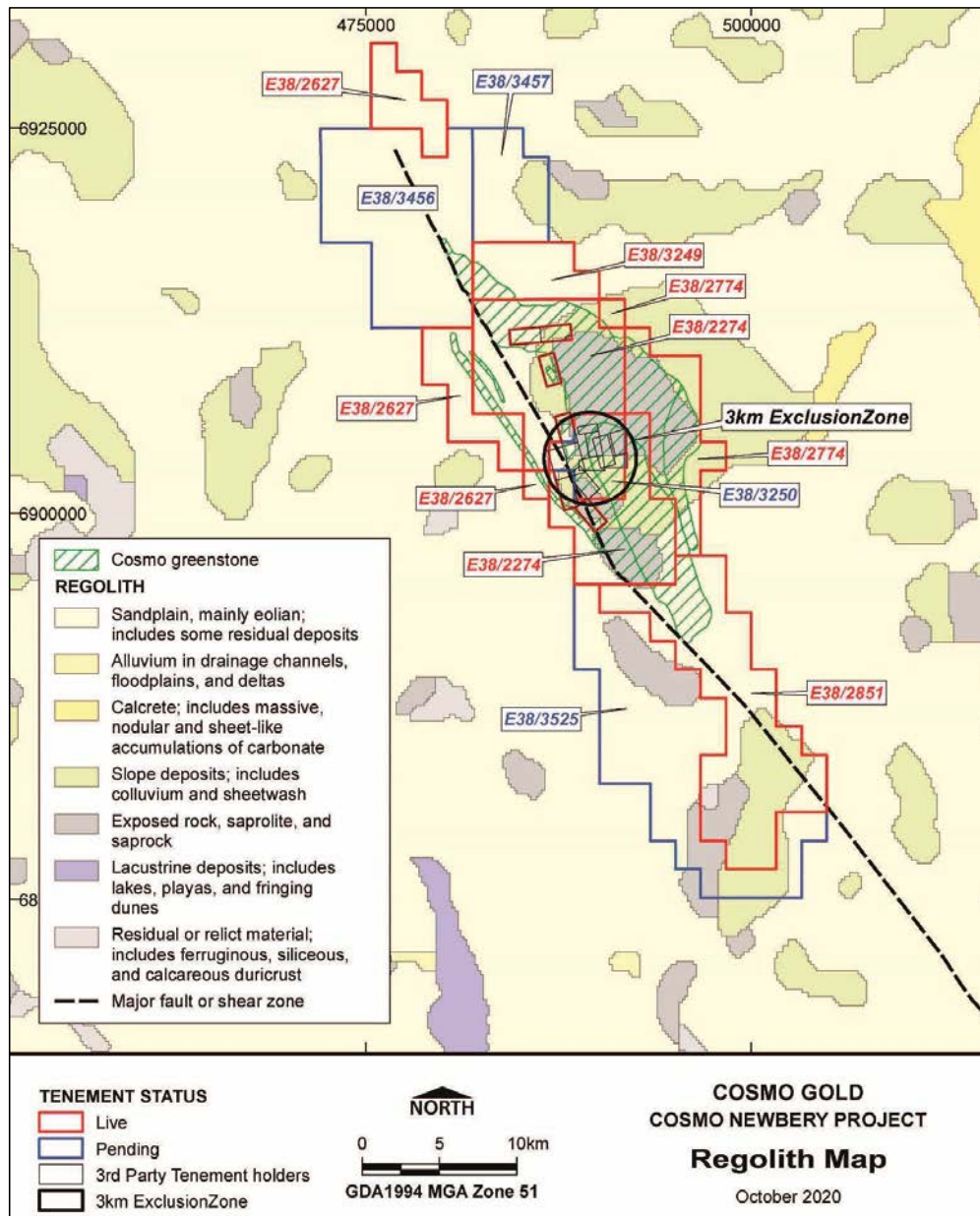


Figure 13: Regolith map

The dominant outcropping lithology is metabasalt with subordinate high-magnesium basalt, metagabbro, ultramafic and felsic volcanics. The ultramafic lithologies are tremolite-chlorite, tremolite-chlorite-talc and actinolite-chlorite assemblages that likely represent thin komatiite or komatiite basalt flows.

The metamorphic grade is likely lower to upper amphibolite facies. Recent field work confirmed previous observations that regional metamorphism has destroyed virtually all primary igneous textures and greenstones are altered to predominantly hornblende rich amphibolites. A strong penetrative regional

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foliation orientated 85° dip/350° strike with shallow 10° N plunge occurs in the southern project area but 80° dip/340° strike and shallow 15–20° S plunge is evident in the northern project area. A concordance between shear/fault and foliation orientation has been noted, suggesting that the shear systems exert some control over gold mineralisation. The reported plunges require validation as this has implications for mineralisation distribution and drilling.

Outcropping metabasalts are characterised by abundant amphibole and are characteristically hard with brittle fracture quartz veinlets sub-parallel to foliation/bedding and larger cross cutting quartz/pegmatite veins. The metabasalts commonly exhibit a persistent weak 320/340° foliation that results in abundant elongate float.

Geological Survey of Western Australia (GSWA) mapping of the Cosmo Newbery sheet identified strongly foliated rocks on the eastern greenstone margin extending into adjacent granites in an interpreted fault relationship. No movement indicators are mapped. The east margin fault relationship to the regional Sefton Fault on the west side of the greenstone belt is not addressed and poorly understood. At this stage, the east margin fault is interpreted to dip to the west-southwest, with a steep surface dip flattening at depth to join the regional Sefton Fault at depth. Further interpretation is required using all available geology, field mapping and 200 m aeromagnetic images.

GSWA mapping has identified an ≈4 km long by 2 km wide high magnesium metabasalt with relict pyroxene spinifex texture unit in the east.

The GSWA mapped an ≈4.5 km long by 0.5–1.0 km wide ultramafic talc chlorite schist along a portion of the western greenstone contact. Aeromagnetic images indicate this ultramafic unit extends beneath cover to the north for an additional 13 km and thickens to ≈1.5 km some 10 km northwest of Cosmo Newbery. Reports of laterite covered ultramafic west of Cosmo Newbery, a small GSWA mapped ultramafic outcrop in the north and recently observed “calcareous and chaledonic ultramafic cap rocks” (near the western contact of main internal granite) indicate ultramafics occur elsewhere in the project area.

Felsic volcanics and metagabbro occur in the mineralised outcrop area north of Cosmo Newbery and may provide controls for gold mineralisation and require mapping and investigation. Intercontinental Gold and Mining (IGM) (Annual Report 2003) noted that felsic to intermediate sills and dykes are typically 0.5–20 m thick and of variable orientation. A thick felsic unit was observed in June 2017.

Crosscutting quartz (clear, milky white, or sugary irregular brecciated) and pegmatite (coarse grained quartz-feldspar – mica) veins, usually less than 2 m wide and 20–50 m long are characteristic of the outcropping metabasalt areas. They appear to have a consistent 040–060° orientation across the project. Subordinate quartz veins within the metabasalt foliation, and thin aplite veins, were also noted.

At least two north-south trending intrusive “gabbro” dykes are mapped by the GSWA immediately south of Cosmo Newbery community and extending through Two Mile Well. These dykes were observed in June 2017 and comprise undeformed, unweathered medium grained (pink feldspar, black hornblende) dykes ≈20–40 m wide and bounded to west and east by foliated fresh metabasalt. The dykes are evident on aerial imagery and on ground as grassy “open pathways”. The larger east dyke extends for at least 7 km strike. The smaller west dyke occurs ≈0.5 km to the west and extends over at least ≈1.5 km strike but is obscured by cover. The dykes appear to be slightly transgressive and late stage intrusives into the greenstone belt with little mineralisation potential but requires confirmation. Fieldwork by Hawker Geoscience Exploration (HGS) indicates these dykes are more correctly granodiorites.

At least four large internal Archaean granitoids are interpreted including a prominent 15 km long by 3.5 km wide north-northwest ovoid foliated porphyritic biotite monzogranite in the central area. The close spatial association of known gold occurrences on the west and north margins and extending north of this monzogranite indicates a mineralisation control that requires further evaluation and targeting application to other internal granites.

The GSWA East Yilgarn Survey (Groeneveld and Riganti, 2004) geological interpretation suggests that the nearly 120 km long north-northwest trending Sefton Fault, whose orientation is unknown but interpreted to

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dip steeply to the west-southwest, has transposed the Cosmo Greenstone Belt into possibly two distinct repetitions (Figure 11). The interpreted Sefton Fault occurs \approx 4 km west of the known historical gold occurrences. Significant gold mineralisation in the adjacent Yamarna and Dorothy Hills greenstone belts to the east (Figure 8 and Figure 9) have a close spatial association to similar regional shear zones. The Gruyere gold deposit is located at an inflexion point where the regional Dorothy Hills Shear Zone changes orientation from north to north-northwest.

2.5.1 Mineralisation Styles

Historic gold workings occur in an area of exposed greenstone lithologies within E38/2274 immediately north and west of the Cosmo Newbery community (Figure 11). The only previous drilling within the project area comprises shallow rotary air blast (RAB) completed around these workings in 1994. There are many concerns related to the quality of this drilling and the data related to it, and Cosmo places no reliance on these results.

Previous workers and June 2017 observation indicate that the hard rock gold workings north of Cosmo Newbery occur over narrow mineralised shears, usually <1-1.5 m wide and infilled with thin quartz veining, associated with mafic/felsic schist contacts. The mineralised shears are predominantly within basalt but at Carr Boyd and Cosmo may be a highly silicified felsic volcanic host rock. Mineralized felsic intrusives generally have quartz-sericite-pyrite alteration on their sheared contacts. Felsic volcanics are noted elsewhere in the project area. The mineralised shear zones are usually locally weathered but in all cases are surrounded by fresh rock which downgrades supergene potential and the use of light air-core (AC)/RAB drill setups. A sub-horizontal siliceous hardcap is evident at most workings.

The workings typically have a strike length of less than 100 m with shallow shafts and pits. The geology and workings of the main mineralisation trend north of Cosmo Newbery settlement should be mapped to better understand mineralisation controls, particularly dips and plunges of mineralisation. Some opening up of collapsed workings may be required.

Pyrite is the most common accessory sulphide mineral observed. Reports suggest that much of the gold mineralisation is subject to boudinaging which could partly explain the sections of weaker gold assays identified by soil sampling programs. It may also partially explain the lack of success achieved by RAB drilling since localised “pinch and swell” (necking) has resulted in distinct narrow ore shoots.

2.6 Mining and Exploration History

Historical gold mining centres, and dry blowing areas, occur in the central project area extending north of the Cosmo Newbery community, with some of the identified mining centres indicated in Figure 11. The most comprehensive summary of gold workings, derived from the only known geological reports dating from 1906 to 1926, was compiled by Clemens (1998 Item 13260, a56428).

Previous exploration targeted gold, nickel, uranium, diamonds, and base metals. These were largely unsuccessful due to early difficulties operating in a remote location, restricted exploration budgets, inability of tenement holders to negotiate access agreements and in some early instances poorly executed and compiled exploration work.

Restricted access to the project area has resulted in limited ground exploration and follow-up (Table 3). Cosmo has concluded, and CSA Global agrees, that most of the early soil geochemistry and RAB drilling about historical mining centres immediately north of the Cosmo Newbery community are of limited use due to unresolved concerns with location and data quality.

The only regional ground exploration, completed to a high standard, was undertaken by IGM in the year 2002 and comprised acquisition of 200 m line spaced aeromagnetic data, geological reconnaissance, orientation soil sampling and regional stream sediment (10 by -2 mm samples), rock (10 samples), surface lag (1,435 by >1 mm samples over covered areas) and soils (\approx 510 cm depth; 2,105 by -2 mm samples over outcrop areas). Proposed IGM follow-up work was not completed as access approval was not granted.

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Table 3: Previous exploration

Explorer	Period	Work conducted
United Nickel	1969–1978	Mapping, petrographic sampling and rock chip sampling to support nickel and base metal exploration. Identified ultramafic units in the area of outcrop around the Cosmo Newbery Mission. Rock chip samples indicated nickel and base metal anomalism associated with the ultramafics but were not assayed for gold.
Max Viscovich	1994	Unpublished data. Soil sampling for gold on a 200 m by 50 m grid over the main historical mining areas from Nash-Butterfly to beyond Cosmo-Carr Boyd. A number of gold-in-soil anomalies were identified, but Cosmo considers the location of sample sites to be questionable, and laboratory analysis methods are not known. Cosmo places no reliance on these results.
Ilara/Gondwana Resources	1994–1995	Unpublished data. Soil sampling survey on a 400 m by 100 m grid (with local infill to 100 m by 20 m) over the main historical mining areas from Nash-Butterfly to beyond Cosmo-Carr Boyd to the east. Sampled for gold, copper, and silver from a 5 kg bulk leach extractable gold (BLEG) sample. Delineated an extensive gold in soil anomaly coinciding reasonably with mapped historical workings and extending to the north. There are some levelling issues between the original sampling and infill sampling, as well as interpreted batch issues, and the results are to be treated as indicative only. RAB drill data is poorly documented and questionable (no logging, many shallow (5 m) fixed depth end-of-hole, inconsistent hole numbers, inaccurate and inconsistent locations across the project). Except for one hole (18 m), no drilling was completed beneath historical workings. Cosmo places no reliance on these results.
Asarco Exploration/Yamarna Goldfields	1997–2001	Desktop study (no fieldwork completed whilst access negotiations were conducted) of a tenement covering a portion of E38/2851 (southern portion of current tenure). Geological/regolith interpretation using SPOT/Landsat satellite images. No greenstone lithologies were identified, and the tenement was relinquished.
Fargo Investments/IGM	1993–2000	Unable to complete field exploration as no land access agreement was negotiated. Completed aerial photo and Landsat interpretations and comprehensive reviews of geology and previous exploration. IGM completed a GEOFLITE Remote Sensing survey designed to highlight fractures and lineaments in high resolution through soil and vegetation cover. A dispute with the contractor resulted in IGM not acquiring this data.
Fargo Investments/IGM	1994–2003	An Access Agreement was concluded in ≈2000. IGM then purchased and processed Landsat 7 and 200 m spaced aeromagnetic data. IGM also conducted heritage surveys, work program reports for submission to Aboriginal authorities, geological reconnaissance, orientation soil sampling (two traverses) and regional stream sediment, rock, surface lag (sand cover) and subsurface soils (outcrop) sampling. The IGM work was completed to a high standard and can be confidently used in the future although the effectiveness of the lag sampling completed over sand areas is questionable.
Ilara/Gondwana Resources	2000–2002	Completed rock (gold only) and Maglag (gold, nickel, copper, and cobalt) sampling over the main historical mining areas and reconnaissance. Maglag soil sampling positions are uncertain and possibly inconsistent.

2.7 Recent Exploration

Except for a five-day reconnaissance and limited sampling program in mid-2017, no field work has been completed within the project area since 2002 due to Native Title issues.

Cosmo initially compiled available geochemical and geological data in Mapinfo GIS. Large discrepancies and inconsistencies in the geochemical and RAB drill data were observed. Reconnaissance field follow-up and program development was not completed at the time as an Access Agreement was not negotiated. Subsequent GIS compilation used QGIS software.

Two aeromagnetic interpretation and target generation exercises were completed by Southern Geoscience Corporation (SGC) in 2015 (400 m line data) and 2019 (200 m line data). The 2019 survey generated eight general areas of interest and 17 specific interpreted targets (miT) for further follow up of gold and nickel-cobalt mineralisation (Figure 14). The exercise also highlighted strong geological and structural similarities to the adjacent and economically significant Dorothy Hills greenstone belt.

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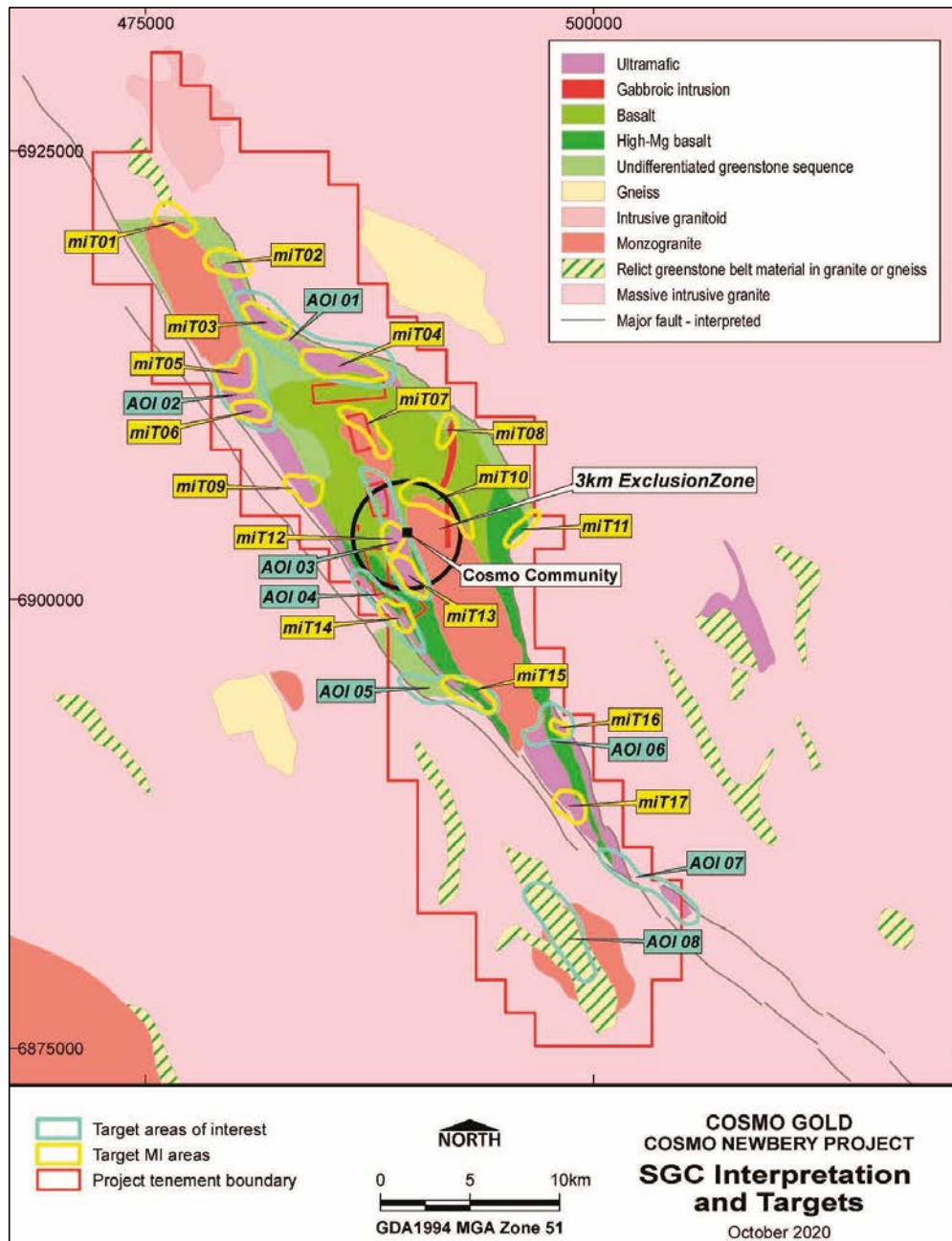


Figure 14: SGC geological interpretation (2019) and target areas

A review of historical geochemistry was completed by HGS in June 2016, with scope to recommend preferred methods for future exploration. The review noted:

- There are advantages and disadvantages for all methods (BLEG, Lag, Maglag, Soil) used.

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- Majority of sampling was around the historical mining centres with four sampling methods that showed minimal continuity of results.
- Most results were not conclusive in identifying areas of significant mineralisation. For several reasons (cover, surface wash, sample collection continuity, regolith variations, narrow veined or deep gold lodes, lack of elements assayed or element support) the geochemical data does not indicate continuous and extensive gold mineralisation.
- Regional IGM lag sampling defined two gold zones, two nickel zones, and one copper zone for follow up, which was not completed.
- Future exploration in the historical mine areas where gold lodes are narrow veined or deep would require ground magnetics on 50 m or 100 m lines, in conjunction with Mobile Metal Ion (MMI) geochemistry, to define structures, lithologies and mineralisation for drilling.

HGS recommended low detection partial digest MMI geochemistry for future work and provided seven updated gold-nickel targets based on a review of SGC aeromagnetic targets

Subsequent to the first SGC geophysical interpretation and the 2017 fieldwork, a comprehensive data compilation and review was conducted by Philip Ash in 2018. The review highlights many areas of interest for gold and nickel-cobalt mineralisation in this underexplored early stage greenfield/grassroots project. Exploration work is strongly recommended, especially beneath the extensive areas of untested cover. The limited exploration work completed previously is considered preliminary with no immediate walk-up drill targets identified.

2.8 Exploration Potential

The Cosmo Newbery Project primarily has potential for gold mineralisation, with nickel-cobalt potential associated with the ultramafic unit near the west greenstone margin. Mafic complexes have not been recognised at Cosmo Newbery but must be considered given successful exploration of nickel-copper-cobalt mineralisation at the neighbouring Mount Venn greenstone belt by Great Boulder Resources and Cazaly Resources/Woomera Mining (Figure 8 and Figure 9).

Key geologic elements of the orogenic gold mineralisation model (Figure 10 and Table 2) are present within the project area, including Archaean Greenstone Belt lithologies, a crustal-scale shear zone, felsic intrusions, and localised faulting and shearing.

Large portions of known mineralised structures, potential mineralised regional shear zones, geological/aeromagnetic targets and interpreted greenstone belt are untested, or tested by sampling that has obvious location, analytical and data quality issues (Figure 15 and Table 4). The geochemical anomalies defined by majority of these surveys (not reported here due to perceived shortcomings in reliability) are regarded only as an indication of prospectivity and require suitably controlled re-sampling to confirm.

Table 4: Reliability and effectiveness of historical soil sampling grids

Soil survey	Year	Reliability	Effectiveness
Viskovich soils	1994	Not reliable	
Magnet BLEG	1994	Limited reliability	
Maglag	2001	Limited reliability	
IGM Lag	2002	Reliable	Questionable
IGM Soils	2002	Reliable	Likely effective

Notes: Reliability primarily based on confidence in sample location. Effectiveness based on assumed likelihood of correctly identifying underlying anomalism in specific areas sampled.

The untested and sand covered south extremity of the prominent monzogranite and its interaction with the regional Sefton Fault presents an obvious untested target for future work (Figure 14). It is noted that portions of the Sefton Shear Zone were covered by IGM regional lag (considered mostly ineffective) and soil geochemistry but is largely untested. SGC aeromagnetic interpretation identified up to 10 smaller non-conformable magnetic anomalies that may represent other intrusive bodies and several alteration zones.

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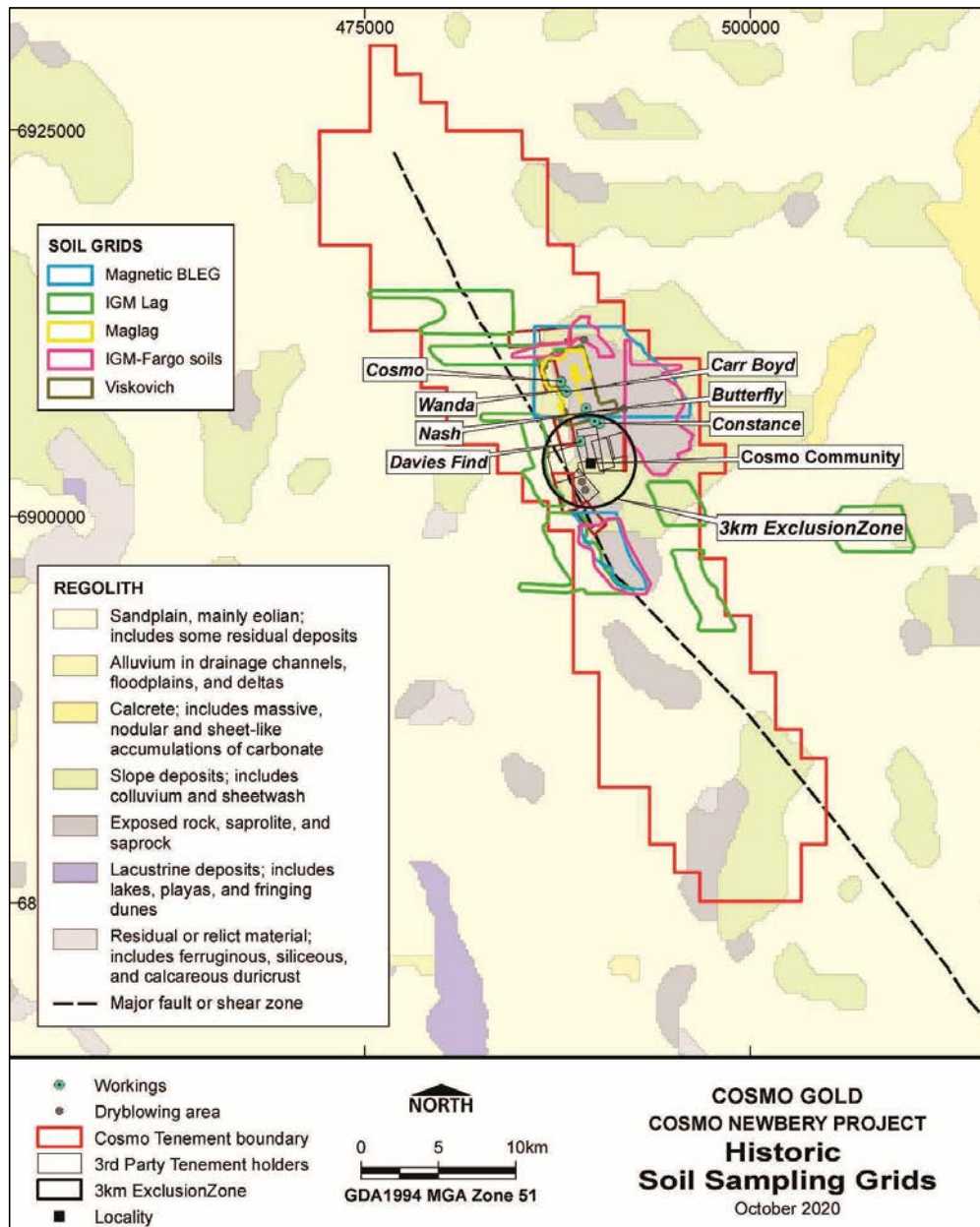


Figure 15: Historical soil sampling grids

2.9 Exploration and Development Strategy

Extensive project wide regional geochemistry is required, particularly over sand covered areas, to generate drill targets. The primary focus of exploration should initially be the northern and southern portions of the greenstone belt containing untested portions of the regional Sefton Fault and its discontinuities, high priority

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SGC aeromagnetic and other targets and confirmation of IGM soil and lag anomalies. Up to 10 high and moderate priority SGC aeromagnetic targets are untested.

The selection of an optimal geochemical method, particularly in areas of transported cover, is critical. The depth and geochemical profile of covered areas is currently unknown and there is no drilling to assist and wells/bores appear to be mostly infilled. Orientation pits and a scout AC/RAB program was considered, and discounted, to establish regolith profile and depths and to establish hard pan calcrete thickness and extent. Whilst a short drill program could be completed if a drill rig is available it is not considered a priority as the recommended fine fraction multi-element geochemical approach will allow required exploration follow-up.

Auger, vertical RAB and surface soils (MMI, fine fraction aqua regia digest) were considered for recommended geochemical sampling. Auger drilling is not recommended as it is unable to penetrate siliceous and Valley Fill calcrete hardpan and the subsurface sample collected is highly inconsistent. The interpreted absence, or minimal extent, of Permian cover at Cosmo precludes the need for short (≈ 3 m) vertical RAB as utilised by GOR at Yamarna to obtain a consistent sample of cemented Permian cover sequence beneath sand cover. MMI provides a consistent surface sample but is considered to have little benefit over recommended fine fraction aqua regia digest analysis. Cosmo research indicates that surface sample fine fraction (80 mesh/200 μm or preferably CSIRO/Labwest ultrafine $< 2 \mu\text{m}$) low level multi-element (up to 44 elements) aqua regia digest analysis and expert interpretation is the best geochemical approach for the project, including all sand covered areas.

There are many instances of successful results from the recommended fine fraction surface sampling and interpretation in sand and Permian cover areas. A tenement wide soil geochemical survey (400 m by 100 m or 200 m by 200 m coverage with infill over higher priority targets if required) over this underexplored project is recommended as it provides a baseline dataset to evaluate. The interpretation, by a specialist geochemist, would be assisted by good quality regolith/Landsat/aeromagnetic and field observations and would require interpretation and levelling of assays to reflect the different sampling environments.

IGM noted that the aeromagnetics in covered areas remain quite sharp and suggested that cover depths are unlikely to be greater than 20 m. This needs to be confirmed.

2.9.1 Cosmo Strategy

Large portions of the Cosmo Greenstone Belt are entirely unexplored, requiring systematic first pass exploration using geological, geophysical and geochemistry methods. There are no walk-up drill targets.

The priority for future work is generating and prioritising regional exploration targets in the poorly or untested areas, particularly beneath cover. This is well advanced. Ongoing integration and understanding of local and regional mineralisation controls using all geoscientific data with suitable regional geochemical surveys is required to delineate drill targets.

The central outcrop area and historical mining centres north of Cosmo Newbery, where narrow veined gold lodes and interpreted shallow weathering occur, requires geological mapping, geochemical orientation and possible close spaced ground magnetics (50 m or 100 m lines) and surface soil re-sampling to delineate follow-up drill targets. Exploration work in this area is considered of secondary importance to the regional exploration.

Extensive project wide regional geochemistry is required in Year 1, particularly over sand covered areas, to generate drill targets. A review of techniques and consultations with other explorers, geochemists and field providers was completed. It is recommended that project-wide surface sampling using fine fraction (80 mesh/200 μm) or preferably CSIRO/Labwest ultrafine ($< 2 \mu\text{m}$) low level multi-element aqua regia digest analysis and expert interpretation is the best direct exploration approach to generate drill targets. Preliminary design and budgeting are completed, final design will depend on orientation surveys and funds available.

A high-level initial exploration work plan, with approximate costs (\$1.13 million) over Year 1 is provided in Table 5 and is based on Cosmo raising sufficient funds. The Year 1 work plan allows for development of local

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and regional mineralisation controls, orientation soil traverses, and a concerted project wide regional geochemical survey that this project requires after years of delay. The work plan is also designed to meet expenditure commitments (≈\$390,000), to complete infill soil geochemistry and to develop drill targets for testing late in Year 1 or Year 2. It includes provision for tenement rents and rates (≈\$80,000), heritage surveys and submission of required Year 1 and 2 work plans for approval by Native Title parties. The work plan excludes all exploration staff and administration costs, and future Access costs.

A likely future work plan for subsequent years is presented in Table 6. This is results dependent but includes RAB/AC drill follow-up of soil and geology targets and reverse circulation (RC)/diamond (DD) drilling in nominal Year 2.

The work plans are high-level and in-principle only and are subject to refinement once proper access to the project and groundwork is completed.

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3 Risks

3.1 Exploration and Geology Risks

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available at the time of writing. CSA Global makes no guarantee of certainty as to the presence of economic mineralisation of any commodity within Cosmo's project areas.

The Cosmo Newbery Project is at the early exploration stage of development. Risk is reduced at each stage. Exploration is an intrinsically risky process, particularly at an early stage.

3.2 Access Risk

The project area occurs almost entirely within the Cosmo Newbery Aboriginal Reserve 22032 managed by the overlapping Yilka and Sullivan Edwards Native Title parties. Conclusion of a suitable and legally binding Access Agreement was dependent on the appointment of a unified PBC between these two Native Title parties. This was obtained after mediation by a Federal Court appointed independent lawyer. On 26 September 2019, the Yilka Talintji Aboriginal Corporation was determined as the PBC for the combined parties and allows negotiation of required Access Agreements.

Cosmo has recently concluded the mining Access Agreements required to enter the project area and conduct ground-based exploration work.

Further heritage surveys will be required by Cosmo in areas where on-ground exploration has not occurred, which is majority of the project area.

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4 Proposed Exploration Budget and Use of Funds

Cosmo provided CSA Global with a copy of its planned expenditure for the Cosmo Newbery Project for an initial two-year period following the planned capital raising (Table 5 and Table 6).

A proposed exploration budget of A\$2.5 million for a two-year period has been developed, out of a total budget of A\$5 million for the minimum subscription of the proposed capital raising, and A\$3 million out of A\$6 million for the full subscription. The proposed budgets do not include access costs.

Table 5: Proposed exploration budget for the first year

Budget item	Budget (A\$5 M minimum)	Budget (A\$6 M maximum)	Program and objective
Tenement rates and rents	\$90,000	\$90,000	For all tenements granted.
Reconnaissance field trip	\$20,000	\$20,000	Meet Native Title parties and assess geology (workings, mineral occurrences, outcrop), regolith (cover thickness, calcrete distribution and thickness), access, IGM anomalies and selected high priority aeromagnetic target areas.
Submission of work programs for Year 1 exploration	\$10,000	\$10,000	Complete Year 1 exploration work programs for approval by Native Title parties.
Heritage surveys and monitor costs	\$50,000 (estimate)	\$50,000 (estimate)	Complete project heritage surveys for project access, regional geochemical sampling, and infill.
Geological mapping of central outcrop area and historical gold workings	\$25,000	\$25,000	Expert mapping and reporting of historical mining centres and other outcrop to establish and apply mineralisation controls.
Orientation soil traverses	\$30,000	\$30,000	Complete orientation soil traverses to establish best sampling method.
Regional soil geochemistry	\$800,000	\$800,000	Complete tenement wide regional surface soil sampling (400 m by 100 m spaced) and infill using probable ultrafine <2 micron technique and expert interpretation.
Infill soil geochemistry in central outcrop area (provisional)	\$100,000	\$100,000	Due to location and data quality issues existing geochemical anomalies c. 1994 and 2001 in the area of historical mining centres are only a relative measure of potential. Provision is made for 100 m by 50 m resampling of this area and extensions to the north.
Submission of work programs for Year 2 exploration program	\$5,000	\$5,000	Complete detailed Year 2 exploration work programs for approval by Native Title parties.
Total	\$1,130,000	\$1,130,000	

Table 6: Proposed exploration budget for the second year

Budget item	Budget (A\$5 M minimum)	Budget (A\$6 M maximum)	Program and objective
Tenement rates and rents	\$90,000	\$90,000	
RAB or AC drilling	\$600,000	\$600,000	AC or RAB drilling of soil geochemical anomalies.
RC/DD drilling	\$600,000	\$1,100,000	RC/DD drill follow-up of anomalous AC/RAB.
Heritage surveys and monitor costs	\$80,000	\$80,000	
Total	\$1,370,000	\$1,870,000	

The proposed budget is considered consistent with the exploration potential of the Cosmo Newbery Project and is considered adequate to cover the cost of the proposed programs. The budgeted expenditure is also sufficient to meet the minimum statutory expenditure on the tenements.

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At least half of the liquid assets held, or funds proposed to be raised by Cosmo, are understood to be committed to the exploration, development and administration of the mineral properties, satisfying the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). CSA Global also understands Cosmo has sufficient working capital; to carry out its stated objectives, satisfying the requirements of ASX Listing Rule 1.3.3(a).

Cosmo has prepared staged exploration and evaluation programs, specific to the potential of the project, which are consistent with the budget allocations, and warranted by the exploration potential of the project. CSA Global considers that the relevant area has sufficient technical merit to justify the proposed programs and associated expenditure, satisfying the requirements of ASX Listing Rule 1.3.3(a).



5 References

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6 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia www.wikipedia.org

aeromagnetic	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
amphibolite facies	The set of metamorphic mineral assemblages (facies) which is typical of regional metamorphism between 450°C and 700°C.
amphibolite	A metamorphic crystalline rock consisting mainly of amphiboles and some plagioclase.
anomaly	An area where exploration has revealed results higher than the local background level.
Archaean	Widely used term for the earliest era of geological time spanning the interval from the formation of Earth to about 2,500 million years ago.
assay	The testing and quantification metals of interest within a sample.
aatholith	A large, generally discordant plutonic mass that has more than 40 square miles (100 km ²) of surface exposure and no known floor.
BLEG	Bulk leach extractable gold – an analytical technique measuring gold extractable by bulk leaching.
boudinage	A geological term for structures formed by extension, where a rigid tabular body such as hornfels, is stretched and deformed amidst less competent surroundings. The competent bed begins to break up, forming sausage-shaped boudins.
carbonate	Rock or mineral dominated by the carbonate ion (CO ₂ -3), of sedimentary or hydrothermal origin, composed primarily of calcium, magnesium or iron and carbon and oxygen. Essential component of limestones and marbles.
colluvium	Material which accumulates at the foot of a steep slope.
Craton	An old and stable part of the continental lithosphere.
diamond drilling	Drilling method employing a (industrial) diamond encrusted drill bit for retrieving a cylindrical core of rock.
domain	Geological zone of rock with similar geostatistical properties; typically, a zone of mineralisation.
dry blowing	Method of concentrating alluvial gold by winnowing with air.
dyke	A tabular body of intrusive igneous rock, crosscutting the host strata at a high angle.
en-echelon	Closely-spaced, parallel or subparallel, overlapping or step-like minor structural features in rock, which lie oblique to the overall structural trend.
facies	A body of rock with specified characteristics, which can be any observable attribute of rocks (such as their overall appearance, composition, or condition of formation), and the changes that may occur in those attributes over a geographic area.
fault	A wide zone of structural dislocation and faulting.
foliated	Consisting of thin sheets or laminae.
geochemical	Pertains to the concentration of an element.
geophysical	Pertains to the physical properties of a rock mass.
gneiss	A foliated rock formed by regional metamorphism.
granite	A coarse-grained igneous rock containing mainly quartz and feldspar minerals and subordinate micas.

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granulite	A rock produced by deep-seated high pressure and temperature conditions.
greenstone	Term commonly applied to low metamorphic grade rocks of basic composition and comprised of the minerals chlorite and amphibole. Commonly applied to Archaean rock sequences dominated by these rock types.
greenstone belt	A zone of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies.
ground magnetic	Geophysical survey method using a hand-held magnetometer to record the strength of the earth's magnetic field usually along a grid.
hematite	Iron oxide mineral with chemical formula Fe_2O_3 , hard, dense, black to brown.
intermediate rocks	Rocks are roughly even mixtures of felsic minerals (mainly plagioclase) and mafic minerals (mainly hornblende, pyroxene, and/or biotite).
intrusive	Any igneous rock formed by intrusion and cooling of hot liquid rock below the earth's surface.
lithology	The description of a rock unit's physical characteristics visible in hand or core samples, such as colour texture grain-size and composition.
lode	A deposit of metalliferous ore formed in a fissure or vein.
mafic	Igneous rock composed dominantly of dark coloured minerals such as amphibole pyroxene and olivine, generally rich in magnesium and iron.
magnetic anomaly	Zone where the magnitude and orientation of the earth's magnetic field differs from adjacent areas, typically caused by magnetic properties of basement rocks.
magnetite	Iron oxide mineral with chemical formula Fe_3O_4 , hard, dense, black to grey, noted for ferrimagnetic properties – can be magnetised to become a magnet.
metamorphic	A rock that has been altered by metamorphism from a pre-existing igneous or sedimentary rock type.
Neoarchaean	A geologic era within the Archaean Eon. The Neoarchean spans the period from 2,800 to 2,500 million years ago—the period being defined chronometrically and not referenced to a specific level in a rock section on Earth.
outcrop	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
porphyry	Igneous rocks in which large crystals (phenocrysts) are set in finer ground mass, which may be crystalline or glass.
porphyritic	Relating to or denoting a rock texture containing distinct crystals or crystalline particles embedded in a compact groundmass.
Proterozoic	The second oldest Eon (geologic time period), pertaining to rocks older than 541 Ma (million years) and younger than about 2,500 Ma.
quartz	Common mineral composed of crystalline silica, with chemical formula SiO_2 .
RC drilling	Reverse Circulation. A percussion drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.
schist	A metamorphic rock dominated by fibrous or platy minerals, with a strongly foliated fabric (schistose cleavage).
sedimentary	A term describing a rock formed from sediment.
shear	A deformation resulting from stresses that cause rock bodies to slide relatively to each other in a direction parallel to their plane of contact.
soil sampling	The collection of soil specimens for mineral analysis.
strata	Sedimentary rock layers.
stratigraphic	Pertaining to the composition, sequence, and correlation of stratified rocks.

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strike	Horizontal direction or trend of a geological strata or structure.
structural	Pertaining to rock deformation or to features that result from it.
superterrane	A group of physically connected and related terranes.
terrane	Any rock formation or series of formations or the area in which a particular formation or group of rocks is predominant.
turbidite	A type of sedimentary rock composed of layered particles that grade upward from coarser to finer sizes and are thought to have originated from ancient turbidity currents in the oceans.
volcanics	Rocks formed or derived from volcanic activity.
Volcanism	The phenomenon of eruption of molten rock (magma) onto the surface of the Earth or a solid-surface planet or moon, where lava, pyroclastics and volcanic gases erupt through a break in the surface called a vent.

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7 Abbreviations and Units of Measurement

°	degrees
°C	degrees Celsius
AC	air-core (drillhole)
AIG	Australian Institute of Geoscientists
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
Austwide	Austwide Mining Title Management Pty Ltd
BIF	banded iron formation
BLEG	bulk leach extractable gold
cm	centimetre(s)
Cosmo	Cosmo Gold Limited
CSA Global	CSA Global Pty Ltd
DD	diamond drillhole (cored)
DDD	3D Resources Limited
Fe	iron
g/t	grams per tonne
Ga	Giga-annum (10 ⁹ years)
GOR	Gold Road Resources
GSWA	Geological Survey of Western Australia
ha	hectares
HGS	Hawker Geoscience Exploration
IGM	Intercontinental Gold and Mining
ITAR	Independent Technical Assessment Report
kg	kilogram(s)
km	kilometres
km ²	square kilometres
m	metre(s)
mm	millimetre(s)
MMI	Mobile Metal Ion
Moz	million ounces
Mt	million tonnes
PBC	Prescribed Body Corporate
ppb	parts per billion
QAQC	quality assurance and quality control (for sampling and assaying)
RAB	rotary air blast (drillhole)
RC	reverse circulation (drillhole)
SGC	Southern Geoscience Corporation
WA	Western Australia
µm	micrometre or micron – an SI derived unit of length equalling 1×10 ⁻⁶ metre

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Appendix A JORC Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Commentary
Sampling techniques	Airborne geophysical survey – magnetics and radiometrics.
Drilling techniques	Drilling not reported.
Drill sample recovery	Drilling not reported.
Logging	Drilling not reported.
Subsampling techniques and sample preparation	Drilling not reported.
Quality of assay data and laboratory tests	Assays not reported.
Verification of sampling and assaying	Assays not reported.
Location of data points	Flight lines detailed below
Data spacing and distribution	Airborne magnetic survey conducted as follows: <ul style="list-style-type: none"> • Flight line direction: 090 • Flight line separation: 200 m • Tie line direction: • Tie line separation: • Terrain clearance: 60 m and 80 m • Survey flown: 1984-1985 • Operator: Aerodata Holdings/World Geoscience Corporation.
Orientation of data in relation to geological structure	Airborne magnetic flight lines approximately normal to geological strike.
Sample security	Assays not reported.
Audits or reviews	No audits reported.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	Commentary
Mineral tenement and land tenure status	The Cosmo Newbery Project is managed by Cosmo Gold Limited, a subsidiary of 3D Resources Limited (ASX:DDD) and comprises five contiguous granted exploration licences and four exploration licence applications. Except for central tenement E38/2274 (Cosmo 75%), the project is 100% owned by Cosmo.
Exploration done by other parties	Discussed in Table 3 of the report.
Geology	Archaean greenstone lithologies, surrounded by Archaean metagranites, largely regolith covered.
Drillhole information	None reported.
Data aggregation methods	Assays not reported.
Relationship between mineralisation widths and intersection lengths	No drilling reported.
Diagrams	Included in body of report.
Balanced reporting	
Other substantive exploration data	
Further work	Summarised in Table 5 and Table 6 of the report.

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7. Tenements Report

7. Tenements Report



AUSTWIDE
Mining Title Management PTY LTD ACN 064 099 109

18th December 2020

Ian Hastings
Cosmo Gold Ltd
91 William Street
MELBOURNE VIC 3000

Dear Sir,

DUE DILIGENCE REPORT

We have been instructed by Cosmo Gold Limited ("Cosmo") to report upon granted mining Tenements ("Tenements") and Applications for mining Tenements ("Applications") located in Western Australia held by Cosmo Gold Pty Ltd, Michael Joseph Foley and Adderstone Holdings Pty Ltd.

The due diligence report has been prepared pursuant to the email request received by this office on 23rd September 2020. Details of the Tenements and Applications are listed in schedule 'A1' and in the attached Excel Spreadsheet titled "Due Diligence – Cosmo Gold Limited."

A change of company type occurred on 20 November 2020 which resulted in a change of company name from Cosmo Gold Pty Ltd to Cosmo Gold Limited. An application to amend name will be lodged to update the register for the affected Tenements and Applications.

Opinion

As a result of our searches and enquiries, subject to the exceptions and assumptions set out in this report, we are of the opinion that:

- i. The information we provide in relation to the Tenements and Applications is accurate;
- ii. Based on the assumptions referred to in this Report, the Tenements have been validly granted and are in good standing;
- iii. All applicable rents and other fees due under the *Mining Act 1978 (WA)* in respect of the Tenements have been paid;
- iv. Since the 2018 reporting year, all expenditure requirements for the Tenements have been complied with;
- v. The Tenements are subject to conditions imposed by the Department of Mines Industry Regulation and Safety ("DMIRS");
- vi. The Tenements in the Cosmo Newbery Project were granted under the Native Title Act 1993 (Cth) Future Act procedures and on the assumption that those procedures were properly conducted by the State, the Tenements are valid; and,
- vii. The Tenements encroach upon Use and Benefit of Aborigines Reserve 22032 and under the provisions of the Aboriginal Heritage Act 1972, Entry Permits are required prior to accessing the Reserve.
- viii. Completion of the Yilka Land Access Agreement will allow the Aboriginal Lands trust to recommend the Minister for Aboriginal Affairs issue an Entry Permit to enable consent to explore within the Use and Benefit of Aborigines Reserve 22032.

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Assumptions

For the purpose of this Report:

- i. We have assumed that the information provided by or obtained from the DMIRS, the National Native Title Tribunal, the Department of Planning, Lands and Heritage is accurate and complete;
- ii. The completeness and conformity to originals of all copies of documents submitted to us;
- iii. We have not undertaken any surveys of the land the subject of the Tenements and Applications;
- iv. The Tenement Applications comprise applications for tenements and we express no opinion as to if and when such applications will be granted; and
- v. We have assumed compliance by Cosmo Gold Limited, Adderstone Holdings Pty Ltd and Michael Joseph Foley with the terms and conditions of the relevant legislations.

Searches

For the purpose of completing this Due Diligence, we have conducted searches and made the following enquiries in relation to the Tenements and Applications during the period 20th October 2020 to 18th December 2020.

i. DMIRS

We have reviewed searches of the Tenements and Applications in the register maintained by DMIRS pursuant to the *Mining Act 1978* (WA) ("Mining Act").

ii. Tengraph Quick Appraisal Searches

We have conducted and reviewed Tengraph Quick Appraisal Searches obtained online from the DMIRS website.

iii. National Native Title Tribunal

We have obtained extracts of registered native title claims and native title determinations that apply to the Tenements and Applications as determined by the National Native Title Tribunal ("NNTT").

iv. Aboriginal Heritage and Sacred Site Searches

We have conducted searches of the online register of Aboriginal heritage and sacred sites maintained by the Department of Planning, Lands and Heritage ("DPLH") for any Department of Aboriginal Affairs (DAA) Surveys conducted and any Aboriginal sites established pursuant to the *Aboriginal Heritage Act 1972* located on the Tenements and Applications.

Transfers

We have not reviewed any Material Contracts pertaining to the Tenements and Applications including those relating to the acquisition of the Cosmo Newbery Project from Adderstone Holdings Pty Ltd.

Project Details

- (a) Cosmo Gold Pty Ltd are the Registered Holders of 5 Tenements and 3 Applications, Michael Joseph Foley is part holder with Cosmo Gold Pty Ltd for 1 granted Tenement and Adderstone Holdings Pty Ltd is the holder of 1 application of which Cosmo Gold Pty Ltd has an Exclusive Option to acquire. All tenements and applications are managed under the Cosmo Newbery Project:

7. Tenements Report

Tenement No.	Registered Holder	Application Date	Granted	Expiry
E38/2274	Michael Joseph Foley - 250/1000 shares Cosmo Gold Pty Ltd - 750/1000 shares	21/04/2009	10/06/2011	9/06/2021
E38/2627	Cosmo Gold Pty Ltd	29/03/2011	11/05/2012	10/05/2022
E38/2774	Cosmo Gold Pty Ltd	17/09/2012	29/07/2013	28/07/2023
E38/2851	Cosmo Gold Pty Ltd	13/05/2013	12/03/2014	11/03/2024
E38/3249	Cosmo Gold Pty Ltd	04/07/2017	18/07/2018	17/07/2023
E38/3250	Adderstone Holdings Pty. Ltd. (ABN 29 054 557 078) (Exclusive Option Agreement)	04/07/2017	n/a	n/a
E38/3456	Cosmo Gold Pty Ltd	26/11/2019	n/a	n/a
E38/3457	Cosmo Gold Pty Ltd	26/11/2019	n/a	n/a
E38/3525	Cosmo Gold Pty Ltd	06/08/2020	n/a	n/a

General Information in relation to Mining Tenements

Numerous licence types can be applied for and granted in Western Australia pursuant to the Mining Act, namely, Prospecting Licences, Exploration Licences, Mining Leases, General Purpose Leases, Miscellaneous Licences and Retention Licences.

The Tenements and Applications comprised in the Cosmo Newbery Project consists of Exploration Licences.

i. Exploration Licences

Part IV Division 2 of the Mining Act deals with Exploration Licences.

The holder of an exploration licence is authorised to enter the land for the purpose of exploration for minerals and to excavate, extract or remove earth, soil, rock, stone, fluid or mineral bearing substances not exceeding 1,000 tonnes over the term of the licence.

An exploration licence applied for after 10 February 2006 remains in force for up to 5 years and may in prescribed circumstances and at the discretion of the Minister, be extended for a further period of 5 years, followed by 2 year periods.

At the end of year 6, the holder must relinquish an area which constitutes not less than 40% of the area of the licence if the exploration licence is extended beyond the initial five year term.

The Mining Act provides that during the first year of its term, an exploration licence may not be assigned, transferred, sublet or made the subject of any trust or other dealing without the written consent of the Minister and any such transaction entered into without that consent will be void.

Sections 67(1) and 75(7) of the Mining Act confer on the holder of an Exploration Licence which is in force, the right to apply for and have granted one or more Mining Leases over any part of the land the subject of that Licence. An application for a Mining Lease will have the effect of keeping the underlying Exploration Licence alive beyond its expiry date until such time as the Mining Lease application is determined. It should be noted that a Mining Lease can only be applied for when accompanied by a mineralization report, A JORC 2012 report or a mining proposal.

7. Tenements Report

ii. General Conditions

Tenements are granted subject to various conditions prescribed by the Mining Act including but not limited to the payment of rent, compliance with the minimum expenditure commitments, meeting reporting requirements, environmental conditions as well as any other conditions that may be imposed by the Minister in respect of a particular tenement.

Further, Tenements are also subject to conditions pursuant to the requirements of the *Aboriginal Heritage Act 1972(WA)*, *Environmental Protection Act 1986(WA)*, *Rights in Water and Irrigation Act 1914(WA)* and *Conservation and Land Management Act 1984(WA)*.

Cosmo Newbery Project

The Cosmo Newbery Project comprises of 5 granted Exploration Licences and 4 Exploration Licence Applications.

Applications for Exploration Licences 38/3250, E38/3456, E38/3457 & E38/3525

Exploration Licence 38/3250 was applied for on 4th July 2017 and has had no Mining Act Objections lodged. It is yet to be recommended by the Mining Registrar. The application is wholly within Use and Benefit of Aborigines Reserve 22032 (the "Reserve") which requires an Entry Permit be granted by the Minister for Aboriginal Affairs. Entry Permits are granted upon successful negotiation to enter the Reserve through the relevant Native Title Party, in this case, Yilka and Yilka #2 AND Sullivan Family (Yilka). Consent to mine on the Reserve is then granted by the Minister for Mines. The application also encroaches wholly within the Cosmo Newbery Buffer Zone File Notation Area 442 ("FNA"). DMIRS have advised that no tenement will be granted within the FNA without the consent of the Cosmo Newbery Community. To date, no tenement has been granted consent within the FNA and therefore this application is being held in abeyance pending successful negotiations with the Cosmo Newbery Community. The application has not yet been submitted for advertising under the Native Title Act 1994 provisions.

Exploration Licence 38/3456 was applied for on 26th November 2019. As there were no Mining Act Objections lodged against the application, it was recommended for grant on the 2nd April 2020. The application was referred to the S29 expedited procedure of the Native Title Process on the 20th May 2020 however due to the backlog of advertising created by Covid-19 restrictions on Native Title Groups, it was only recently advertised on the 2nd December 2020. The S29 Notification close date is 2nd April 2022. It encroaches upon the "Waturta WC2018/012 - 95.5% & Yilka and Yilka #2 AND Sullivan Family (WCD2017/005) 4.5%" areas and as such the Native Title Claimants may object to the Application. Once the Application is advertised and the four-month objection period expires unless objections are lodged, the Application may progress towards grant. The Reserve and the Yilka Native Title area share the same boundary and as such, the tenement will be granted with a "No Mining" condition imposed over the 4.5% affected by the Reserve. Access to the reserve requires an Entry Permit be granted by the Minister for Aboriginal Affairs. Entry Permits are granted upon successful negotiation to enter the reserve through the relevant Native Title Party, in this case, Yilka. Consent to mine on the Reserve is then granted by the Minister for Mines. 3D announced to the ASX on 18th December 2020, that a Land Access Agreement with Yilka has been executed. Completion of the Yilka Land Access Agreement will allow the Aboriginal Lands trust to recommend the Minister for Aboriginal Affairs issue an Entry Permit to enable consent to explore within the Use and Benefit of Aborigines Reserve 22032.

Exploration Licence 38/3457 was applied for on 26th November 2019. As there were no Mining Act Objections lodged against the application, it was recommended for grant on the 2nd April 2020. The application was referred to the S29 expedited procedure of the Native Title Process on the 20th May 2020 however due to the backlog of advertising created by Covid-19 restrictions on Native Title Groups, it was only recently advertised on the 27th November 2020. The S29 Notification close date is 27th March 2022. It encroaches wholly upon the Yilka Native Title claim and as such the Native Title Claimants may object to the Application. Once the application is advertised and the four-month objection period expires unless an objection is lodged, the application may progress towards grant with a "No Mining" condition imposed over the entire Licence which is 100% affected by the Reserve. As the application is wholly within the Reserve, a granted Entry Permit is

7. Tenements Report

required to be issued by the Minister for Aboriginal Affairs. Entry Permits are granted upon successful negotiation to enter the reserve through the relevant Native Title Party, in this case, Yilka. Consent to mine on the reserve is then granted by the Minister for Mines. 3D announced to the ASX on 18th December 2020, that a Land Access Agreement with Yilka has been executed. Completion of the Yilka Land Access Agreement will allow the Aboriginal Lands trust to recommend the Minister for Aboriginal Affairs issue an Entry Permit to enable consent to explore within the Use and Benefit of Aborigines Reserve 22032.

Exploration Licence 38/3525 was applied for on 6th August 2020 and there have been no Mining Act Objections lodged against the application. It is yet to be recommended by the Mining Registrar. The application is wholly within Use and Benefit of Aborigines Reserve 22032 which requires an Entry Permit be granted by the Minister for Aboriginal Affairs. Entry Permits are granted upon successful negotiation to enter the reserve through the relevant Native Title Party, in this case, Yilka and Yilka #2 AND Sullivan Family. Consent to mine on the Reserve is then granted by the Minister for Mines. 3D announced to the ASX on 18th December 2020, that a Land Access Agreement with Yilka has been executed. Completion of the Yilka Land Access Agreement will allow the Aboriginal Lands trust to recommend the Minister for Aboriginal Affairs issue an Entry Permit to enable consent to explore within the Use and Benefit of Aborigines Reserve 22032. Once the application is advertised and the four-month objection period expires unless an objection is lodged, the application may progress towards grant.

Exploration Licences 38/2274, 38/2627, 38/2774, 38/2851 & 38/3249

i. Terms and Approaching Expiries

All Tenements in the Cosmo Newbery Project were applied for following the commencement of the Mining Amendment Act 39/2004 on 10th February 2006 and have been validly granted for the periods specified in Schedule 'A1'.

Exploration Licence 38/2274 is due to expire on 9th June 2021. Provision exists to apply for extensions for further two year period subject to meeting prescribed criteria. If access to the land is granted in time for the possibility of on-ground work being carried out, 2020-2021 expenditure will influence the Department's ability to approve the renewal. If access is not obtained, negotiations to gain access through grant of an entry permit must continue in order to seek an extension on the following grounds:

"by reasons of difficulties or delays arising from administrative, political, environmental or other requirements of governmental or other authorities, in the State or elsewhere".

7. Tenements Report

iii. Rents

For the current anniversary period, Tenements in the Cosmo Newbery Project will attract annual rents totalling \$71,637.00.

Rental payments are required to be lodged within 30 days of the respective tenement anniversary dates. Please see the below table for an outline of the rental payments due in the 2021 anniversary period.

Tenement	Rent Payable	Anniversary Date
E38/2274	\$25,830.00	09/06/2022
E38/2627	\$10,455.00	10/05/2022
E38/2774	\$10,455.00	28/07/2022
E38/2851	\$22,755.00	11/03/2022
E38/3249	\$2,142.00	17/07/2022
E38/3250	N/A	N/A
E38/3456	N/A	N/A
E38/3457	N/A	N/A
E38/3525	N/A	N/A
Total:	\$71,637.00	

iv. Expenditure Operation Reports (Form 5's)

Tenements are subject to an annual aggregate expenditure commitment of \$360,000.

The Expenditure Reports of Operations (Form 5s) are required to be lodged within 60 days of the respective tenement anniversary dates. Applications for Exemption (Form 18s) in respect to expenditure shortfalls are also required to be lodged within 60 days.

Exemptions from Expenditure have been granted on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances.

Below is a table outlining the various expenditure requirements for the Tenements and when the next Form 5's are due.

Tenement	Expenditure Commitment	Due Date
E38/2274	\$126,000.00	08/08/2021
E38/2627	\$70,000.00	09/07/2021
E38/2774	\$70,000.00	26/09/2021
E38/2851	\$74,000.00	10/05/2021
E38/3249	\$20,000.00	15/09/2021
E38/3250	N/A	N/A
E38/3456	N/A	N/A
E38/3457	N/A	N/A
E38/3525	N/A	N/A
Total:	\$360,000.00	

v. Combined Group Reporting

E's 38/2274, 38/2627, 38/2774, 38/2851 & E38/3249 are within the Cosmo Newbery (135/2016) reporting group.

7. Tenements Report

vi. Underlying Land Tenure on Granted Licences

E38/2274:	L38/259 (Road Licence) – Gruyere Mining Company – Gold Road (Gruyere) Pty Ltd Use and Benefit of Aborigines Reserve 22032 – 100%
E38/2627:	Use and Benefit of Aborigines Reserve 22032 – 28.8%
E38/2774:	L38/259 (Road Licence) – Gruyere Mining Company – Gold Road (Gruyere) Pty Ltd Use and Benefit of Aborigines Reserve 22032 – 100%
E38/2851:	L38/288 (Goldnet Pty Ltd) Use and Benefit of Aborigines Reserve 22032 – 100%
E38/3249:	Use and Benefit of Aborigines Reserve 22032 – 100%

vii. Current Dealings and Encumbrances

There are no current encumbrances affecting the Tenements.

viii. Conditions of Grant

The Tenements are mostly situated within the within the Use and Benefit of Aborigines Reserve 22032 (the "Reserve"). As well as the standard conditions, further conditions have been imposed to reflect the native requirements affecting the Reserve.

E38/2274 & E38/2627 partially encroach within the buffer zone for the Cosmo Newbery Community (File Notation Area 442) and the following condition has also been imposed;

- No exploration activities being carried out within the buffer zone for Cosmo Newbery Community (designated FNA 442).

With respect to E's 38/2274, 38/2627, 38/2774 & 38/2851 and the Reserve, the following condition has also been imposed;

- Consent to explore on Use and Benefit of Aborigines Reserve 22032 granted by the Minister responsible for the Mining Act 1978 subject to the following conditions:
 - Entry on Use & Benefit of Aborigines Reserve 22032 and activities undertaken on the Licence by any non-Aboriginal lessee, licensee, employee, contractor or agent being authorised by an entry permit issued under the provisions of the Aboriginal Affairs Planning Authority Act 1972."

With respect to E's 38/2274, 38/2627, 38/2774 & 38/2851 and the Use & Benefit of Aborigines Reserve 22032, (the "Reserve") consent to mine and Entry Permits were granted in 2017 subject to a 12-month, low impact Reconnaissance Agreement between 3D and the Native Title Party at the time, now known as the Yilka and Yilka #2 AND Sullivan Family (WCD2017/005).

The Entry Permits have passed their initial 12-month period and have since expired. Access to the areas contained within the Reserve require Entry Permits granted by the Minister for Aboriginal Affairs in order to access the Licences. See "General Comments" in the attached Due Diligence report for encroachment percentages.

7. Tenements Report

E38/3249 has been granted with the following condition:

- The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Use & Benefit of Aborigines CR 22032.

ix. Annual Mineral Exploration and Technical Reporting

It is advised that all reporting is up to date and there are no outstanding data requests.

x. Shire Rates

The Tenements are situated within the Shire of Laverton. Information provided by the Shire indicates there are no monies outstanding as at the date of this Report.

xi. Native Title

The Tenements are within the boundaries of the Yilka and Yilka #2 AND Sullivan Family (WCD2017/005) Determined Claim & the Waturta WC2018/012 Native Title Claim.

All granted Exploration Licences submitted to the Expedited Procedure have cleared that process.

E's 38/3456 & 38/3457 have been advertised in the Expedited Procedure and will clear that process on 02/04/2021 & 27/03/2021 respectively, assuming no objections are lodged.

E's 38/3250 & 38/3525 have not yet been referred to Native Title.

Other than in order to ascertain the status of the pending Applications, we have not conducted any investigations into the position of the Native Title claims affecting the project areas.

Since 2003, there has been government policy requiring tenement applicants to enter into Regional Standard Heritage Agreements for exploration and prospecting licences. In this respect, we suggest a review of all Heritage Agreements entered into with the Native Title Claimants to ascertain Cosmo Gold's obligations.

All granted tenements have been granted with the condition to comply with the Aboriginal Heritage Act 1972 and Regulations.

The holder of any tenement must act in accordance with the provisions of the Aboriginal Heritage Act 1972 and any Regulations thereunder. Searches were undertaken on the online register of Aboriginal Heritage and Heritage Places and maintained by the Western Australian Department of Planning, Lands and Heritage (DPLH) to search for Aboriginal Sites and Heritage Places located on the tenements.

The DPLH searches have revealed that 4 Registered Aboriginal Sites and 1 Other Heritage Place are affected. Registered Aboriginal Heritage Sites affect E's 38/2274, 38/2851, 38/3250 & 38/3525. Other Heritage Places affect E38/2274 only. See spreadsheet attached.

Section 18 clearance applications under the Aboriginal Heritage Act and the consent of the Minister for Aboriginal Affairs are required before any ground disturbance of those areas can occur. It is essential to ensure that any interference with the Sites will be in strict conformity with the provisions of the *Aboriginal Heritage Act 1972 (WA)* and the *Heritage of Western Australia Act 1990, WA*.

Interference with Aboriginal Sites and Places is an offence under the Aboriginal Heritage Act 1972. Please ensure that any interference with the Sites is in strict conformity with the provisions of the Aboriginal Heritage Act 1972 or the Environment Protection and Biodiversity Conservation Act 1999. Any exploration over an Aboriginal Site requires the consent of the Minister made by application pursuant to section 18 of the Aboriginal Heritage Act 1972. A section 18 application to impact the Site is made by giving notice to the

7. Tenements Report

Aboriginal Cultural Material Committee (ACMC) accompanied by the information as to the intended use of the land and Sites on the Land. It is noted that destruction, damage or alteration (impact) to an Aboriginal Site without the prior consent of the Minister for Aboriginal Affairs is an offence under section 17 of the Aboriginal Heritage Act 1972. The Government's Due Diligence Guidelines assist tenement holders to understand their obligations under the Aboriginal Heritage Act and inform their risk-management decisions.

xii. Mine Rehabilitation Fund

Pursuant to Mining Rehabilitation Fund (MRF) legislation tenement holders are to complete a Disturbance Report each financial year and pay a Mining Rehabilitation Fund Levy where the level of disturbance attracts the levy fee, which became compulsory commencing 1 July 2014. The tenements will be subject to MRF reporting. It is not known however what rehabilitation commitments may exist as the result of mining or exploration activities carried out on the subject tenements since they were granted.

SUMMARY

Expenditure commitments have not been met in the majority of years since grant however exemption from expenditure applications have been sought on valid grounds.

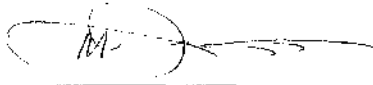
Future on ground exploration activities for all granted and pending tenements is dependent on entry permits being issued by the Minister for Aboriginal Affairs. 3D announced to the ASX on 18th December 2020, that a Land Access Agreement with Yilka has been executed. Completion of the Yilka Land Access Agreement will allow the Aboriginal Lands trust to recommend the Minister for Aboriginal Affairs issue an Entry Permit to enable consent to explore within the Use and Benefit of Aborigines Reserve 22032. In light of the impending grant of Entry Permits, we find all granted tenements to be in good standing.

An ongoing commitment to negotiating access to the Licences affected by the Use and Benefit of Aborigines Reserve 22032 is required with the objective that when an Entry Permit is obtained, a strong commitment to on ground exploration be undertaken to support future Extensions of Term/Renewals.

CONCLUSION

Austwide Mining Title Management Pty Ltd was only involved in the preparation of this Report and has no interest or financial relationship with Cosmo Gold Limited, Michael Joseph Foley or Adderstone Holdings Pty Ltd. Other than professional fees received for the preparation of this Report, no direct or indirect benefits have been received.

Yours faithfully,



Melanie Hawkins
Senior Mining Title Consultant
AUSTWIDE MINING TITLE MANAGEMENT PTY LTD

7. Tenements Report

Schedule A1
Summary of Tenements

Tenement	Current Holder	Area blocks	Application Date	Grant Date	Expiry Date
E38/2274	Michael Joseph Foley - 250/1000 shares Cosmo Gold Pty Ltd - 750/1000 shares	42	21/04/2009	10/06/2011	09/06/2021
E38/2627	Cosmo Gold Pty Ltd	17	29/03/2011	11/05/2012	10/05/2012
E38/2774	Cosmo Gold Pty Ltd	17	17/09/2012	29/07/2013	28/07/2023
E38/2851	Cosmo Gold Pty Ltd	37	13/05/2013	12/03/2014	1/03/2024
E38/3249	Cosmo Gold Pty Ltd	9	04/07/2017	18/07/2018	17/07/2023
E38/3250	Adderstone Holdings Pty Ltd	7	04/07/2017	N/A	N/A
E38/3456	Cosmo Gold Pty Ltd	35	26/11/2019	N/A	N/A
E38/3457	Cosmo Gold Pty Ltd	11	26/11/2019	N/A	N/A
E38/3525	Cosmo Gold Pty Ltd	39	06/08/2020	N/A	N/A

7. Tenements Report

Aboriginal Heritage and Heritage Places Search for Aboriginal Sites and Heritage Places

Tenements	No. of Registered Aboriginal Sites	Registered Aboriginal Site Name	Registered Aboriginal Site Type	No. of Other Heritage Places	Other Heritage Places Site Name	Other Heritage Places Site Type
E38/2274	1	Cosmo Airstrip Camp (3157)	Artefacts / Scatter, Camp, Water Source	1	Mitika Well (1545)	Skeletal Material / Burial, Camp
E38/2627	Nil			Nil		
E38/2774	Nil			Nil		
E38/2851	1	Bailey (1620)	Artefacts / Scatter	Nil		
E38/3249	Nil			Nil		
E38/3250	1	Cosmo Newbery (1490)	Artefacts / Scatter, Repository / Cache	Nil		
E38/3456	Nil			Nil		
E38/3457	Nil			Nil		
E38/3525	1	Bailey (1620)	Artefacts / Scatter	Nil		

AUSTWIDE - DUE DILIGENCE															
CLIENT: Cosmo Gold Limited															
"Attachment" - Due Diligence Report.															
Tenement No.	Registered Holders	Registered Interest	Area	Term	Current Annual Rent		Current Bonds	Annual Share Rates	Minimum Annual Statutory Expenditure Requirement	Date Lodged	Amount Claimed	Native Title and Aboriginal Heritage			
					Amount	Date Last Paid						Referred to Native Title	S.29 NTA Notification Date	S.29 NTA Closing Date	Number of Registered Sites - DAA Register
E38/274	Michael Joseph Foley - 250/1000 shares Cosmo Gold Pty Ltd - 750/1000 shares	100%	42 Blocks	Commenced 10/Jun/2011 Expiry 9/Jun/2021	\$25,242.00	21/May/2020	N/A	\$2,395.54	\$52,500.00	7/Aug/2020	\$40,994.00	31/1/10	28/3/11	1	
	Encumbrances		Conditions & Endorsements	Exclusions	Expenditure History				General Comments			NTP Affected	NTP Objections	Procedure outcome	
			Consent to explore on Use and Benefit of Aborigines Reserve 22032 granted by the Minister responsible for the Mining Act 1978 subject to the following conditions: No interference with Geospatial Survey Station SSM/DUKETON 19 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface. No interference with the use of the Aerial Landing Ground and mining thereon being confined to below a depth of 15 metres from the natural surface. Entry on Use & Benefit of Aborigines Reserve 22032 and activities undertaken on the Licence by any non-Aboriginal lessee, licensee, employee, contractor or agent being authorised by an entry permit issued under the provisions of the Aboriginal Affairs Planning Authority Act 1972. No exploration activities being carried out within the buffer zone for Cosmo Newbery Community (designated FMA 442).						Exemptions from Expenditure have been granted on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances. 100% within Use and Benefit of Aborigines Reserve 22032. A Land Access Agreement has since been finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve. On ground activities should be commenced by heritage survey undertaken for on-ground disturbance if required, to support the Extension of Term due in June 2021. 100% within Use and Benefit of Aborigines Reserve 22032.			N/A		Native Title Cleared - Expeditious Applies	
E38/2627	Cosmo Gold Pty Ltd	100%	17 Blocks	Commenced 11/May/2012 Expiry 10/May/2022	\$10,455.00	9/Apr/2020	N/A	\$971.24	\$70,000.00	7/Jul/2020	\$35,629.00	19/10/11	19/2/12	NIL	
	Encumbrances		Conditions & Endorsements	Exclusions	Expenditure History				General Comments			NTP Affected	NTP Objections	Procedure outcome	
			Consent to explore on Use and Benefit of Aborigines Reserve 22032 granted by the Minister responsible for the Mining Act 1978 subject to the following conditions: No interference with Geospatial Survey Station SSM/DUKETON 20 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface. Entry on Use & Benefit of Aborigines Reserve 22032 and activities undertaken on the Licence by any non-Aboriginal lessee, licensee, employee, contractor or agent being authorised by an entry permit issued under the provisions of the Aboriginal Affairs Planning Authority Act 1972. No exploration activities being carried out within the buffer zone for Cosmo Newbery Community (designated FMA 442).						Exemptions from Expenditure have been granted on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances. 28.8% within Use and Benefit of Aborigines Reserve 22032. A Land Access Agreement has since been finalised on the 17th December 2020 and confirms that the Yika Native Title Party hold no objection to an Entry Permit being granted within the Reserve. An Agreement with the Waturra is awaiting execution. Extension of term due May 2022.			25/7/11		N/A	Native Title Cleared - Expeditious Applies
E38/274	Cosmo Gold Pty Ltd	100%	17 Blocks	Commenced 29/Jul/2013 Expiry 28/Jul/2023	\$10,455.00	16/Jul/2020	N/A	\$973.83	\$70,000.00	26/Sep/2019	\$20,485.00	13/3/13	13/7/13	NIL	
	Encumbrances		Conditions & Endorsements	Exclusions	Expenditure History				General Comments			NTP Affected	NTP Objections	Procedure outcome	
			Consent to explore on Use and Benefit of Aborigines Reserve 22032 granted by the Minister responsible for the Mining Act 1978 subject to the following conditions: No interference with Geospatial Survey Station SSM/DUKETON 20 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface. Entry on Use & Benefit of Aborigines Reserve 22032 and activities undertaken on the Licence by any non-Aboriginal lessee, licensee, employee, contractor or agent being authorised by an entry permit issued under the provisions of the Aboriginal Affairs Planning Authority Act 1972.						Exemptions from Expenditure have been granted on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances. 100% within Use and Benefit of Aborigines Reserve 22032. A Land Access Agreement has since been finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve. Extension of term due May 2022.			26/2/13		N/A	Native Title Cleared - Expeditious Applies
E38/2851	Cosmo Gold Pty Ltd	100%	37 Blocks	Commenced 12/Mar/2014 Expiry 11/Mar/2024	\$22,755.00	21/Mar/2020	N/A	\$3,485.05	\$74,000.00	8/May/2020	\$49,605.00	23/10/13	23/2/14	1	
	Encumbrances		Conditions & Endorsements	Exclusions	Expenditure History				General Comments			NTP Affected	NTP Objections	Procedure outcome	

N/A	Consent to explore on Use and Benefit of Aboriginals Reserve 22032 granted by the Minister responsible for the Mining Act 1978 subject to the following conditions: Entry on Use & Benefit of Aboriginals Reserve 22032 and activities undertaken on the Licence by any non-Aboriginal lessee, licensee, employee, contractor or agent being authorised by an entry permit issued under the provisions of the Aboriginal Affairs Planning Authority Act 1972.	Registered Interest 100%	Area 9 Blocks	Expiry 17/Jul/2023	Current Annual Rent Amount \$2,142.00 Date Last Paid 16/Jul/2020 Current Bonds N/A	Exemptions granted every year since grant.	Annual Shire Rates \$ 514.19 Minimum Annual Statutory Expenditure Requirement \$20,000.00 Date Lodged 14/Sep/2020 Amount Claimed \$6,682.00 Last Form 5	Yika and Yika #2 AND Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 22/18 S.29 NTA Closing Date 26/18 Number of Registered Sites - DAA Register NIL
E380/3249	Encumbrances	Registered Interest 100%	Area 9 Blocks	Expiry 17/Jul/2023	Current Annual Rent Amount \$2,142.00 Date Last Paid 16/Jul/2020 Current Bonds N/A	Exemptions granted every year since grant.	Annual Shire Rates \$ 514.19 Minimum Annual Statutory Expenditure Requirement \$20,000.00 Date Lodged 14/Sep/2020 Amount Claimed \$6,682.00 Last Form 5	Yika and Yika #2 AND Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 22/18 S.29 NTA Closing Date 26/18 Number of Registered Sites - DAA Register NIL
N/A	The prior written consent of the Minister responsible for the Mining Act, 1978 being obtained in respect of any exploration activities on Use & Benefit of Aboriginals, CR 22032.	Registered Interest 100%	Area 7 Blocks	Expiry N/A	Current Annual Rent Amount \$938.00 Date Last Paid 4/Jul/2017 Current Bonds N/A	Expenditure met in 1st year, exemption granted for the 2020 reporting period.	General Comments Tenement granted in 2018, expenditure met in the first year. Exemption granted for the 2020 reporting period on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances. 100% within Use and Benefit of Aboriginals Reserve 22032. A Land Access Agreement has since been finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve. Extension of term due July 2023.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date N/A S.29 NTA Closing Date N/A Number of Registered Sites - DAA Register 1 Procedure outcome
E380/3250	Encumbrances	Registered Interest 100%	Area 7 Blocks	Expiry N/A	Current Annual Rent Amount \$938.00 Date Last Paid 4/Jul/2017 Current Bonds N/A	Expenditure met in 1st year, exemption granted for the 2020 reporting period.	General Comments Tenement granted in 2018, expenditure met in the first year. Exemption granted for the 2020 reporting period on the basis that difficulties and delays have occurred in obtaining requisite approvals relating to Native Title Heritage clearances. 100% within Use and Benefit of Aboriginals Reserve 22032. A Land Access Agreement has since been finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve. Extension of term due July 2023.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date N/A S.29 NTA Closing Date N/A Number of Registered Sites - DAA Register 1 Procedure outcome
N/A		Registered Interest 100%	Area 35 Blocks	Expiry N/A	Current Annual Rent Amount \$4,600.00 Date Last Paid 26/Nov/2019 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and FNA442 (Cosmo Newbery Community Buffer Zone) and therefore will not be granted without the consent of the Cosmo Newbery Community.	Yika and Yika #2 AND Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 21/2/20 S.29 NTA Closing Date 24/21 Number of Registered Sites - DAA Register NIL Procedure outcome
E380/3456	Encumbrances	Registered Interest 100%	Area 35 Blocks	Expiry N/A	Current Annual Rent Amount \$4,600.00 Date Last Paid 26/Nov/2019 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 4.5% within Use and Benefit of Aboriginals Reserve 22032. Will be subject to a no mining condition over that portion of the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve. An Agreement with the Walurra is awaiting execution.	Walurra WCD2018/012 - 95.5% & Yika and Yika #2 AND Sullivan Family(WCD2017/005) - 4.5%	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 21/2/20 S.29 NTA Closing Date 24/21 Number of Registered Sites - DAA Register NIL Procedure outcome
NIL		Registered Interest 100%	Area 11 Blocks	Expiry N/A	Current Annual Rent Amount \$1,516.00 Date Last Paid 26/Nov/2019 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and therefore will be subject to a no mining condition over the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 27/02/21 S.29 NTA Closing Date 27/02/21 Number of Registered Sites - DAA Register NIL Procedure outcome
E380/3457	Encumbrances	Registered Interest 100%	Area 11 Blocks	Expiry N/A	Current Annual Rent Amount \$1,516.00 Date Last Paid 26/Nov/2019 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and therefore will be subject to a no mining condition over the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date 27/02/21 S.29 NTA Closing Date 27/02/21 Number of Registered Sites - DAA Register NIL Procedure outcome
NIL		Registered Interest 100%	Area 39 Blocks	Expiry N/A	Current Annual Rent Amount \$5,489.00 Date Last Paid 6/Aug/2020 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and therefore will be subject to a no mining condition over the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date N/A S.29 NTA Closing Date N/A Number of Registered Sites - DAA Register 1 Procedure outcome
E380/3525	Encumbrances	Registered Interest 100%	Area 39 Blocks	Expiry N/A	Current Annual Rent Amount \$5,489.00 Date Last Paid 6/Aug/2020 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and therefore will be subject to a no mining condition over the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date N/A S.29 NTA Closing Date N/A Number of Registered Sites - DAA Register 1 Procedure outcome
N/A		Registered Interest 100%	Area 39 Blocks	Expiry N/A	Current Annual Rent Amount \$5,489.00 Date Last Paid 6/Aug/2020 Current Bonds N/A	N/A	General Comments Tenement not yet granted - 100% within Use and Benefit of Aboriginals Reserve 22032 and therefore will be subject to a no mining condition over the reserve unless an Entry Permit is granted prior to grant of the application. A Land Access Agreement with the Yika claim was finalised on the 17th December 2020 and confirms that the Native Title Party hold no objection to an Entry Permit being granted within the Reserve.	Yika and Yika #2 AND Sullivan Family(WCD2017/005)	N/A	Native Title and Aboriginal Heritage S.29 NTA Notification Date N/A S.29 NTA Closing Date N/A Number of Registered Sites - DAA Register 1 Procedure outcome



8.

Risk Factors

8. Risk Factors

Investment in the Company and its Shares carries a significant degree of risk, including, among other things, risks in relation to the Company's business strategy, industry, risks relating to taxation and risks relating to the Shares.

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Cosmo Gold. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should carefully review this document in its entirety and consult with their professional advisers before subscribing for Shares in the Company.

If any of the risks referred to in this document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Shares and/or the level of dividends or distributions (if any) received from the Shares could change significantly. Further, investors could lose all or part of their investment.

The information contained in this Section 8 is based upon current legislation and any changes in the legislation or in the levels and bases of, and reliefs from, taxation may affect the value of an investment in the Shares.

8.1 Risks Relating to the Company's Operations

COVID-19 Pandemic and Possible Similar Future Outbreaks Risk

At the time of issue of this Prospectus, the global pandemic COVID-19 is having a significant and material impact on global markets and providing substantial impingement on the day-to-day operations of businesses. The pandemic may disrupt or prevent Cosmo Gold from undertaking its operations and intended programs and may impact Cosmo Gold's ability to raise capital in the near to medium term future.

Different regions in the world have from time to time experienced outbreaks of various viruses. At this time, a widespread global pandemic of severe acute respiratory syndrome coronavirus 2 (commonly known as SARS-CoV-2) and the infectious disease COVID-19, caused by the virus, is taking place. While COVID-19 is still spreading and the final implications of the pandemic are difficult to estimate at this stage, the pandemic has had and will continue to have a significant and severe impact on the lives of a large portion of the global population and cause significant effects on global markets and trade. At this time, the pandemic has caused states of emergencies to be declared in various countries, travel restrictions and bans being imposed, quarantines being established and various industries, businesses, companies and institutions to close.

The ongoing effect of COVID-19 and any possible future outbreaks of viruses may have a significant adverse effect on Cosmo Gold's operations, such as preventing Cosmo Gold from carrying out its planned exploration activities and disruptions to Cosmo Gold's supply chains and access to employees/contractors. The current pandemic may also have a severe negative impact on the economies in which Cosmo Gold operates, which may affect Cosmo Gold's ability to raise capital, decrease incomes of Cosmo Gold and/or Cosmo Gold's ability to pay its creditors in the event that its operations are negatively affected.

Tenure and Title Risk

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved in full or at all. In addition, interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Cosmo Gold could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

The Tenements currently also comprise a number of pending tenement applications. Whilst the Company's view is that the risk pending applications (with the exception of E38/3250 which covers primarily the Cosmo Newbery aboriginal community) are not granted is low, if those applications were not to be granted, then there is a risk that Cosmo Gold cannot commence its operations in respect of the Project area that is covered by the relevant application, and that the value of the Project is correspondingly diminished. If/once granted, the pending applications will be covered by the relevant access agreements.

The Company jointly owns E38/2274 and accordingly carries the risk of being a co-owner of E38/2274 without a formal joint venture agreement.

8. Risk Factors

Access and Infrastructure Risk

Access on and to tenements may be subject to the availability of appropriate infrastructure or the consent of third parties. There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the tenements will be available or viable.

The Project is and may be further affected by legitimate common law native title rights of Aboriginal Australians as discussed in Native Title Risk section below.

Operational Risk

Exploration for and mining of minerals is highly speculative and no assurance can be given that production will be obtained from the areas in which Cosmo Gold has or may acquire an interest, or that production and marketing of any materials discovered by Cosmo Gold will prove to be economic.

Should a discovery be made, there is no guarantee that it will be commercially viable for a host of factors beyond Cosmo Gold's control, for example, the economics of mining operations. Until Cosmo Gold is able to realise value from Cosmo Gold's projects, Cosmo Gold is likely to incur ongoing operating losses.

In summary, mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable ore reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- design and construction of efficient mining and processing facilities within capital expenditure budgets;
- securing and maintaining title to tenements;
- obtaining consents and approvals necessary for the conduct of exploration and mining; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees.

Other factors that could affect Cosmo Gold's operations include:

- failure to achieve predicted grades in exploration and mining;
- poor performance levels from external contractors;
- operational and technical difficulties encountered in mining;
- difficulties in commissioning and operating plant and equipment;
- availability of suitable plant and expertise from contractors and consultants;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction rates and costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes;
- availability of water and power; and
- unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

Consequently, and while the Directors will make every effort to reduce the above risks through their experience in the exploration and mining industry, there can be no assurance that Cosmo Gold will be able to develop and commercialise mineral extraction from its tenements and generate positive cashflow to sustain Cosmo Gold's financial viability.

8. Risk Factors

Native Title Risk

It is possible that, in relation to tenements which Cosmo Gold has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If/where native title rights do exist, the ability of Cosmo Gold to gain access to tenements (through obtaining consent of any relevant native title claimant), or to progress from the exploration phase to the development and mining phases of operations may be affected.

In December 2020, Cosmo Gold entered into the YTAC Access Agreement with YTAC in respect of approximately 87% of the land comprising the Project. The Company has also negotiated and signed a Heritage Agreement with Waturta in respect of land comprising the remaining 13% of the Project, and is awaiting execution of that document by Waturta. If the Company does not obtain the Waturta Heritage Agreement signed by Waturta, it will carry out the Exploration Work Plan in relation to the area covered by the YTAC Access Agreement. Following issue of the required Mining Entry Permits, these agreements will allow ground-based exploration work on the Tenements. Whilst these agreements provide access to the Tenements making up the Project area to undertake exploration work, if those agreements are terminated or any approvals required to be given under those agreements not obtained, then there is a risk that Cosmo Gold cannot continue its operations in respect of some or all of the Cosmo Newbery Project.

In addition, Mining Entry Permits have not yet been granted to allow access to the Company for exploration of the Project. Mining Entry Permits are granted upon successful negotiation to enter Aborigines Reserve 22032 through the relevant Native Title Party, in this case Yilka and Yilka #2 and Sullivan Family. Further information regarding the Mining Entry Permits is set out in the Tenement's Report at Section 7.

The Directors continue to closely monitor the potential effect of native title claims involving tenements in which Cosmo Gold has or may have an interest.

Ore Reserves and Mineral Resource Estimates

Ore reserve and mineral resource estimates are expressions of judgment based on knowledge, experience and industry practice, and may require revision on actual production experience. All mineral resources estimates previously disclosed to the market are necessarily imprecise and depend to some extent on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.

Commodity and Currency Price Volatility

Commodity prices are subject to influencing factors beyond the control of Cosmo Gold and can be subject to significant fluctuations. Some of these influencing factors include:

- the COVID-19 pandemic;
- world demand for particular commodities;
- the level of production costs in major commodity producing regions; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse effect on Cosmo Gold's operations and financial position.

Factors affecting commodity prices include:

- supply and demand fluctuations for specific commodities;
- changes in investor sentiment toward specific commodities;
- speculative trading;
- forward selling activities; and
- macro-economic factors such as inflation and interest rates.

Development Risk/Profitability

Cosmo Gold's commercial viability will be dependent upon the successful development and operation of Cosmo Gold's projects and any other activity that Cosmo Gold may undertake. No assurances can be given that Cosmo Gold will be able to initiate or sustain successful mining operations at any of Cosmo Gold's current tenements or that operations will achieve commercial viability. Equally, no representation as to future profitability or dividends can be given.

8. Risk Factors

Environmental Risks

Environmental risks are inherent in mining operations. Cosmo Gold adopts practices which Cosmo Gold believes are appropriate to minimise the potential of causing environmental damage in all Cosmo Gold's operations, but no assurance can be made that Cosmo Gold will not be affected by environmental claims or issues in the future.

The Board is strongly committed to conducting operations in an environmentally responsible manner, applying the highest standards and industry best practice to all of Cosmo Gold's field activities. Surface disturbance is kept to a minimum, but where it is necessary, full cognisance is given to the environmental impact of the work to be carried out. Relevant government approvals are obtained and measures are taken to minimise the environmental impact and to ensure that following the activities involved, the land is restored and rehabilitated to as close as possible to its original condition.

The Board is not aware of any complaints about Cosmo Gold's environmental practices or impacts of its activities from owners of land on which Cosmo Gold has operated or from any relevant Government officers or agencies with regulatory responsibility.

Production and Cost Estimates

By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from Cosmo Gold's estimates and assumptions and may materially and adversely affect Cosmo Gold's commercial viability and future results.

Government and Regulatory Approvals

There can be no assurance that all of the relevant approvals and permits necessary to conduct mining operations will be granted by the relevant governments and regulatory authorities or that they will remain in good standing where already granted.

Regulatory

Cosmo Gold's activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition, Cosmo Gold is required to obtain numerous government permits, leases, licences and approvals in respect of our exploration and mining operations.

There is a risk that Cosmo Gold may not obtain or may lose permits, leases, licences or approvals, essential to its operations.

Cosmo Gold cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on Cosmo Gold's business or financial condition.

Uninsured Loss and Liability

Exploration for and development of minerals involves hazards and risks that could result in Cosmo Gold incurring losses and liabilities to third parties. There is a risk that Cosmo Gold may not be insured against all losses or liabilities that could arise from Cosmo Gold's operations. If Cosmo Gold incurs losses or liabilities which are not covered by Cosmo Gold's insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of Cosmo Gold's assets may be at risk.

Occupational Health and Safety

There is an inherent risk of work place accidents occurring during the conduct of mining activity. The Board is totally committed to providing a safe and healthy work place for Cosmo Gold's employees and contractors, where engaged from time to time. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all applicable laws and policies in force from time to time in respect of occupational health and safety.

8. Risk Factors

Future capital requirements

Cosmo Gold's ongoing activities will require ongoing expenditures. There can be no guarantee that the funds raised by Cosmo Gold under the Seed Raising, the Offer and other capital raisings will be sufficient to successfully achieve all the objectives of Cosmo Gold's overall business strategy. If Cosmo Gold is unable to continue to use equity to fund expansion after the substantial exhaustion of Cosmo Gold's existing funds, there can be no assurances that Cosmo Gold will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional funds on terms acceptable to Cosmo Gold or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit Cosmo Gold's operations and business strategy. Cosmo Gold's failure to raise capital if and when needed could delay or suspend Cosmo Gold's business strategy and could have a material adverse effect on Cosmo Gold's activities.

Going concern

The ability of Cosmo Gold to continue as a going concern is dependent upon the ability of Cosmo Gold to secure funds by raising capital from equity markets and managing cash flow in line with available funds. The events and conditions indicate the existence of a material uncertainty that may cast significant doubt about Cosmo Gold's ability to continue as a going concern and therefore Cosmo Gold may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the financial report.

Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of Cosmo Gold may be dependent upon Cosmo Gold's senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on Cosmo Gold if one, or a number of, those employees or consultants cease their employment or engagement with Cosmo Gold.

New Projects

To achieve Cosmo Gold's objectives, Cosmo Gold may acquire or invest in new projects from time to time. However, there is always risk that Cosmo Gold may not be successful in negotiating for an acquisition of a new project.

Any new projects will also be subject to their own inherent and specific risks.

8.2 Legal and Tax Risks

Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject to, could have a material effect on the Company's operations, financial position, and the value of the Company's securities.

Environmental Regulation

The Company's operations are subject to national and international laws and regulations due to those operations involving environmentally hazardous activities. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted.

Significant liability could be imposed on the Company for environmental damage caused by the Company or previous owners of the Tenements, including damages, clean-up costs and penalties for non-compliance with environmental laws or regulations. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage. No assurance can however be given that environmental damage will not occur from time to time through the Company's operations.

8. Risk Factors

Taxation risks

The Company is subject to Australian tax legislation, practice and interpretation. Any change in the Company's tax status or the tax applicable to the Company's securities through taxation legislation or its interpretation, could affect the value of the investments held by the Company, its ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.

The information contained in Section 12.4 relating to the taxation of the Company and its investors is based upon current tax law and practice which is subject to legislative change. Furthermore, the taxation of an investment in the Company depends on the individual circumstances of investors. Changes in the tax laws of Australia could have a material adverse effect on the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner.

The Company has made certain assumptions regarding taxation in establishing its corporate structure, the ongoing management of its taxation affairs and compliance with taxation legislation within the jurisdictions in which the Company operates. If these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (including on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated.

This could alter the level of returns and/or adversely affect the quantum of post-tax returns for Shareholders (or Shareholders in certain jurisdictions). Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends. In addition, the Company may incur costs in taking steps to mitigate any such adverse effects on the returns for Shareholders.

8.3 General Risks

Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on Cosmo Gold's exploration, development and future production activities, as well as on its ability to fund those activities.

Currency Fluctuations

The future value of the Company's securities may fluctuate in accordance with movements in foreign currency exchange rates.

Taxation

Cosmo Gold's profitability may be affected by changes in overseas, Australian and State government taxation laws and policies, including royalties payable in respect of any future mining operations.

There may be tax implications arising from the acquisition of securities in Cosmo Gold, any possible receipt of dividends (both franked and un-franked) and the disposal of securities in Cosmo Gold (as appropriate). Investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and neither the Directors nor Cosmo Gold will be responsible for any tax or related penalties incurred by investors.

Stock Market Risks

The market price of the Shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to Cosmo Gold's operations.

Geopolitical

Politics on a global, regional or local scale could impact Cosmo Gold's operations and financial position. Acts of terrorism or outbreak of war may disrupt or prevent Cosmo Gold from undertaking its operations and intended programs.

8. Risk Factors

Other Risk Factors

There are risks involved with any investment in listed shares. The value of Cosmo Gold's securities may rise or fall depending upon a range of factors and share conditions which are unrelated to Cosmo Gold's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions in both Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in metal and commodity prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which Cosmo Gold operates.

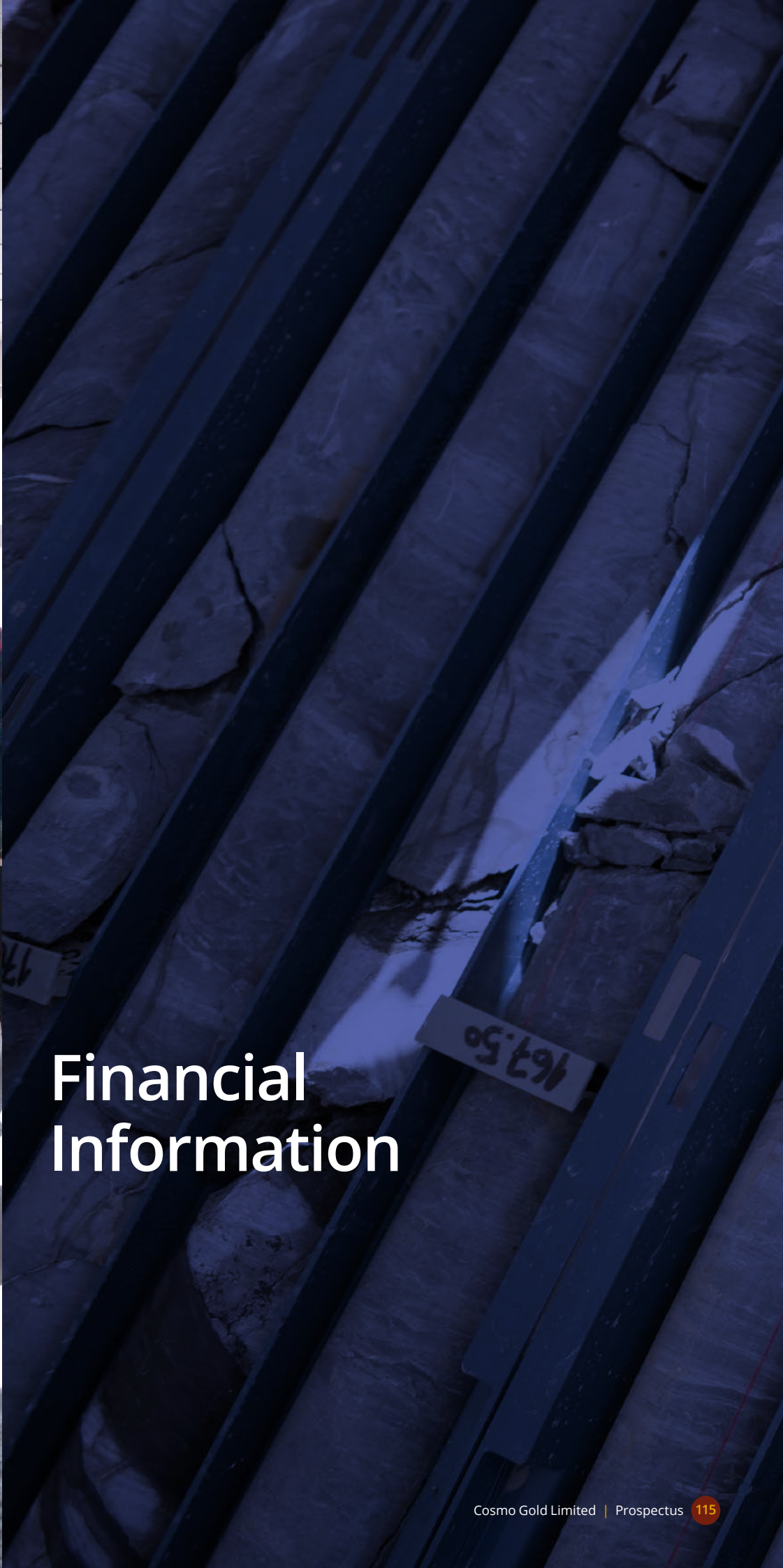
Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of Cosmo Gold and cannot be mitigated.

Like all businesses, Cosmo Gold is affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in economic activity could be expected to have a negative impact on Cosmo Gold. As a company having a smaller market capitalisation, the market in Cosmo Gold's securities may suffer periods of illiquidity.

Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with Cosmo Gold's business or trade.

Investment in Cosmo Gold is regarded as speculative and neither Cosmo Gold nor any of its Directors guarantees that any specific objective of Cosmo Gold will be achieved or that any particular performance of Cosmo Gold or its securities will be achieved.

The above list of risk factors should not be taken as an exhaustive list of the risks faced by Cosmo Gold. The above factors, and others not specifically referred to above, may in the future materially affect Cosmo Gold's financial performance and the value of the Company's securities.



9

Financial Information

9. Financial Information

This Section contains a summary of the Company's financial position and is to be read in conjunction with the Independent Accountant's Report by PKF Melbourne Corporate Pty Ltd in Section 10. The financial information comprises of the Company's Historical Financial Information and the Pro Forma Financial Information, which shows the effect of the offers on the Company.

9.1 Pro Forma Financial Information

The accounting policies used to prepare the Pro Forma Financial Information are the same as the accounting policies used in preparation of the audited financial statements of the Company for period from incorporation to 30 June 2020 and are set out in this Section. The pro forma assumptions on which the Pro Forma Financial Information has been based are set out in Section 9.4 below.

The audited financial report for the period from incorporation to 30 June 2020 was audited by Morrows Audit Pty Ltd who issued an unqualified audit opinion in respect of the financial period.

9.2 Income Statement

Set out below is the Statement of Profit and Loss and other Comprehensive Income for Cosmo Gold for the period from incorporation to 30 June 2020.

	Audited for the period from incorporation to 30 June 2020 \$
Statement of Profit or Loss and Other Comprehensive Income	
Revenue	-
Interest received	-
Other income	-
Other expenses	-
Profit/(Loss) before income tax expense	-
Income tax benefit/(expense)	-
Profit/(Loss) after income tax expense for the period attributable to the owners of Cosmo Gold	-
Other comprehensive income/(Loss):	
Items that may be reclassified to profit or loss	
Exchange differences on translating foreign operations, net of tax	-
Total other comprehensive income for the year	-
Total comprehensive profit/(loss) for the period attributable to the owners of Cosmo Gold	-

9. Financial Information

9.3 Statement of Financial Position

Statement of Financial Position Audited as at 30 June 2020	Note	Audited as at 30 June 2020	Subsequent Events	Pro Forma adjustments Min	Pro Forma adjustments Max	Pro Forma Balance after Offer Min	Pro Forma Balance after Offer Max
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	9.7.2	100	59,700	4,114,444	5,040,517	4,174,144	5,100,216
Trade and other receivables		-	3,300	57,463	64,792	60,763	68,093
Other assets		-	65,457	-	-	65,457	65,457
TOTAL CURRENT ASSETS		100	128,457	4,171,907	5,105,309	4,300,364	5,233,766
NON-CURRENT ASSETS							
Capitalised Exploration	9.7.3	-	897,760	-	-	897,760	897,760
TOTAL NON-CURRENT ASSETS		-	897,760	-	-	897,760	897,760
TOTAL ASSETS		100	1,026,217	4,171,907	5,105,309	5,198,124	6,131,526
LIABILITIES							
CURRENT LIABILITIES							
Trade and other payables	9.7.4	-	463,217	(250,000)	(250,000)	213,217	213,217
TOTAL CURRENT LIABILITIES		-	463,217	(250,000)	(250,000)	213,217	213,217
TOTAL LIABILITIES		-	463,217	(250,000)	(250,000)	213,217	213,217
NET ASSETS		100	563,000	4,421,907	5,355,309	4,984,907	5,918,309
EQUITY							
Issued capital	9.7.5	100	563,000	4,444,810	5,350,510	5,007,810	5,913,510
Reserves	9.7.6	-	-	128,000	160,000	128,000	160,000
Retained earnings	9.7.7	-	-	(150,903)	(155,201)	(150,903)	(155,201)
TOTAL EQUITY		100	563,000	4,421,907	5,355,309	4,984,907	5,918,309

9.4 Assumptions used in preparing the Pro Forma Statement of Comprehensive Income and the Statement of Financial Position

The Pro Forma statement of financial position for the Company as at 30 June 2020 has been prepared as if the following transactions had taken place at that date:

- The issue of 6,000,000 fully paid shares at a price of \$0.10 to raise \$600,000 via seed raise completed subsequent to 30 June 2020.
- The acquisition of mining tenements comprising the Cosmo Newbery Gold Project from 3D Resources Ltd for \$750,000 with a deferred settlement creating a short-term loan between the Company and 3D Resources Ltd.
- The recognition of exploration costs and certain unpaid IPO costs met by 3D Resources Limited from the Loan Facility Agreement – refer to Section 11.9.
- Loan repayment to 3D Resources Limited of \$500,000.
- The payment, and recognition directly in equity, as a reduction of the share proceeds received, of the total remaining costs expected to be incurred in connection with the Seed Raise Offer as disclosed in Section 9.7.5.
- The issue of 25,000,000 fully paid shares at a price of \$0.20 to raise \$5,000,000 in a minimum raise from the initial public offering.
- The issue of 30,000,000 fully paid shares at a price of \$0.20 to raise \$6,000,000 in a maximum raise from the initial public offering.
- Loan repayment to 3D Resources Limited of \$250,000.
- The payment, and recognition directly in equity, as a reduction of the share proceeds received, of the total remaining costs expected to be incurred in connection with the Offer as disclosed in Section 9.7.5.

9. Financial Information

9.5 Statement of Changes in Equity

Set out below is the Statement of Changes in Equity for Cosmo Gold for the period from incorporation to 30 June 2020.

Cosmo Gold	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Foreign Currency Translation Reserve \$	Total \$
Balance at 1 July 2019	-	-	-	-	-
Comprehensive income					
Profit/(Loss) for the year	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the year	100	-	-	-	100
Total transactions with owners and other transfers	100	-	-	-	100
Balance at 30 June 2020	100	-	-	-	100

9.6 Statement of Changes in Cash Flows

Set out below is the Statement of Cash Flows for Cosmo Gold for the period from incorporation to 30 June 2020.

Statement of Cash Flows	Audited for the period from incorporation to 30 June 2020
CASH FLOWS FROM OPERATING ACTIVITIES	
Interest received	-
Payments to suppliers and employees	-
Net cash generated by operating activities	-
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments for exploration expense	-
Payment for subsidiary, net of cash acquired	-
Payment for security bonds	-
Net cash (used in)/generated by investing activities	-
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	100
Proceeds from issue of options	-
Payments for capital raising costs	-
Net cash provided by (used in) financing activities	100
Net increase in cash held	100
Cash and cash equivalents at beginning of financial year	-
Cash and cash equivalents at end of financial year	100

9. Financial Information

9.7 Notes to the Financial Statements

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

9.7.1 Statement of Significant Accounting Policies

Basis of Preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The Company was incorporated on 11 October 2019 and this represents the first reporting period for the Company. The financial report therefore does not include comparative information.

(a) New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis.

(c) Going concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of Cosmo Gold to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that Cosmo Gold will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

(d) Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

(e) Income Tax

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The charge for current income tax expenses is based on the profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

9. Financial Information

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits available on demand with banks.

(g) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative standalone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(h) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

(i) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

9. Financial Information

(l) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including costs of acquiring the Licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the Legal rights to explore the area are recognised in the statement of financial position.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- I. The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- II. Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, accumulated costs in respect of that area are written off in the financial period the decision is made.

(m) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

(n) Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instrument at the date at which they are granted when the fair value of goods and/or services cannot be determined. The fair value of options granted is measured using the Black-Scholes option pricing model. The model uses assumptions and estimates as inputs.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted.

9. Financial Information

(o) Leases

The Company has adopted AASB 16 Leases from incorporation. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the Lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in the statement of profit or loss and other comprehensive income. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact on adoption

The adoption of this standard has not had any impact on the amounts presented in the Company's financial statements.

(p) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Recoverability of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Shared based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options and performance rights are determined using the Black-Scholes option pricing model.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

9. Financial Information

9.7.2 Cash and cash equivalents

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Cash and cash equivalents	100			
Audited balance of Cosmo Gold at 30 June 2020	100	100	100	100
		100	100	100
Subsequent events:				
Seed Raise – 6,000,000 shares @ \$0.10 (10 cents) per share		600,000	600,000	600,000
Seed raised cost – 6% commission		(33,000)	(33,000)	(33,000)
Loan repayment – 3D Resources		(500,000)	(500,000)	(500,000)
Net GST component for capital raising costs		(7,400)	(7,400)	(7,400)
		59,600	59,600	59,600
Pro-forma adjustments:				
Proceeds from shares issued under prospectus			5,000,000	6,000,000
Net GST component for capital raising costs			(18,300)	(21,500)
Capital Raising costs			(287,256)	(291,984)
Broker commission – 6% of funds raised			(330,000)	(396,000)
Loan repayment – 3D Resources			(250,000)	(250,000)
		–	4,114,444	5,040,516
Total Cash and Cash Equivalents		59,700	4,174,144	5,100,216

9.7.3 Exploration and Evaluation Assets

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Exploration and evaluation assets	–	–	–	–
Audited balance of Cosmo Gold at 30 June 2020	–	–	–	–
		–	–	–
Subsequent events:				
Cosmo tenements acquired from 3D Resources Ltd		750,000	750,000	750,000
		750,000	750,000	750,000
Exploration costs incurred since acquisition		147,760	147,760	147,760
		–	–	–
Total Exploration and Evaluation Assets		897,760	897,760	897,760

9. Financial Information

9.7.4 Intercompany Loans

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Intercompany loans	-	-	-	-
Audited balance of Cosmo Gold at 30 June 2020	-	-	-	-
		-	-	-
Subsequent events:				
Loan 3D Resources Limited – transfer of Cosmo tenements		750,000	750,000	750,000
Loan repayment from seed raise proceeds		(500,000)	(500,000)	(500,000)
		250,000	250,000	250,000
Loan Facility Agreement drawdown		213,217	213,217	213,217
Pro-forma adjustments:				
Loan repayment from prospectus proceeds			(250,000)	(250,000)
		-	(250,000)	(250,000)
Total Intercompany Loans		463,217	213,217	213,217

9.7.5 Contributed Equity

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Contributed Equity	100			
Audited balance of Cosmo Gold at 30 June 2020	100	100	100	100
		100	100	100
Subsequent events:				
Seed raise @ \$0.10 (10 cents) per share		600,000	600,000	600,000
Corporate advisory fee settled via the issue of 80,000 fully paid ordinary shares		-	-	-
Seed raised cost – 6% commission		(36,900)	(36,900)	(36,900)
Corporate advisory fee settled via the issue of 80,000 fully paid ordinary shares		(200)	(200)	(200)
		563,000	563,000	563,000
Pro-forma adjustments:				
Proceeds from shares issued under prospectus			5,000,000	6,000,000
Lead manager fee settled via the issue of 125,000 fully paid ordinary shares			25,625	25,625
Lead Manager (125,000 – capital raising costs)			(25,625)	(25,625)
Corporate advisory fee settled via the issue of 150,000 fully paid ordinary shares			30,750	30,750
Corporate advisory fee (150,000 – capital raising costs)			(30,750)	(30,750)
Capital Raising costs			(115,115)	(115,115)
Broker commission – 6% of funds raised			(308,875)	(370,375)
Issue of lead manager options			(131,200)	(164,000)
			-	-
		-	4,444,810	5,350,510
Total Contributed Equity		563,000	5,007,810	5,913,510

9. Financial Information

9.7.6 Reserves

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Reserve	-			
Audited balance of Cosmo Gold at 30 June 2020		-	-	-
Subsequent events:		-	-	-
Pro-forma adjustments:				
Issue of lead manager options			128,000	160,000
		-	128,000	160,000
Total Reserves		-	128,000	160,000

Set out below are the key inputs and terms used in the valuation of Options:

	Lead Manager Options – Minimum Raise	Lead Manager Options – Maximum Raise
Number of Instruments	2,000,000	2,500,000
Subscription price per Instrument (\$)	-	-
Underlying share price (\$)	0.17	0.17
Exercise share price (\$)	0.25	0.25
Expected volatility	75%	75%
Life of the options (years)	3	3
Expected dividends	-	-
Risk free rate	0.1%	0.1%
Value per Instrument (\$)	0.0640	0.0640
Value per Tranche (\$)	128,000	160,000

The Company will issue 2,000,000 unlisted options on the successful completion of the minimum raise. The Options will have an exercise price of \$0.25 per option, with a 3-year expiry from the date of issue. A further 500,000 options will be issued with the same exercise price and expiry should the maximum oversubscription amount of \$1,000,000 be raised, resulting in a total raise of \$6,000,000.

9.7.7 Accumulated Losses

	Audited as at 30 June 2020 \$	Subsequent Events \$	Pro-forma after Offer Min \$	Pro-forma after Offer Max \$
Retained earnings	-	-	-	-
Audited balance of Cosmo Gold at 30 June 2020		-	-	-
Pro-forma adjustments:				
ASX listing costs			(150,903)	(155,201)
Total Accumulated Losses		-	(150,903)	(155,201)

9. Financial Information

9.7.8 Related Party Disclosures

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

9.7.9 Commitments and Contingencies

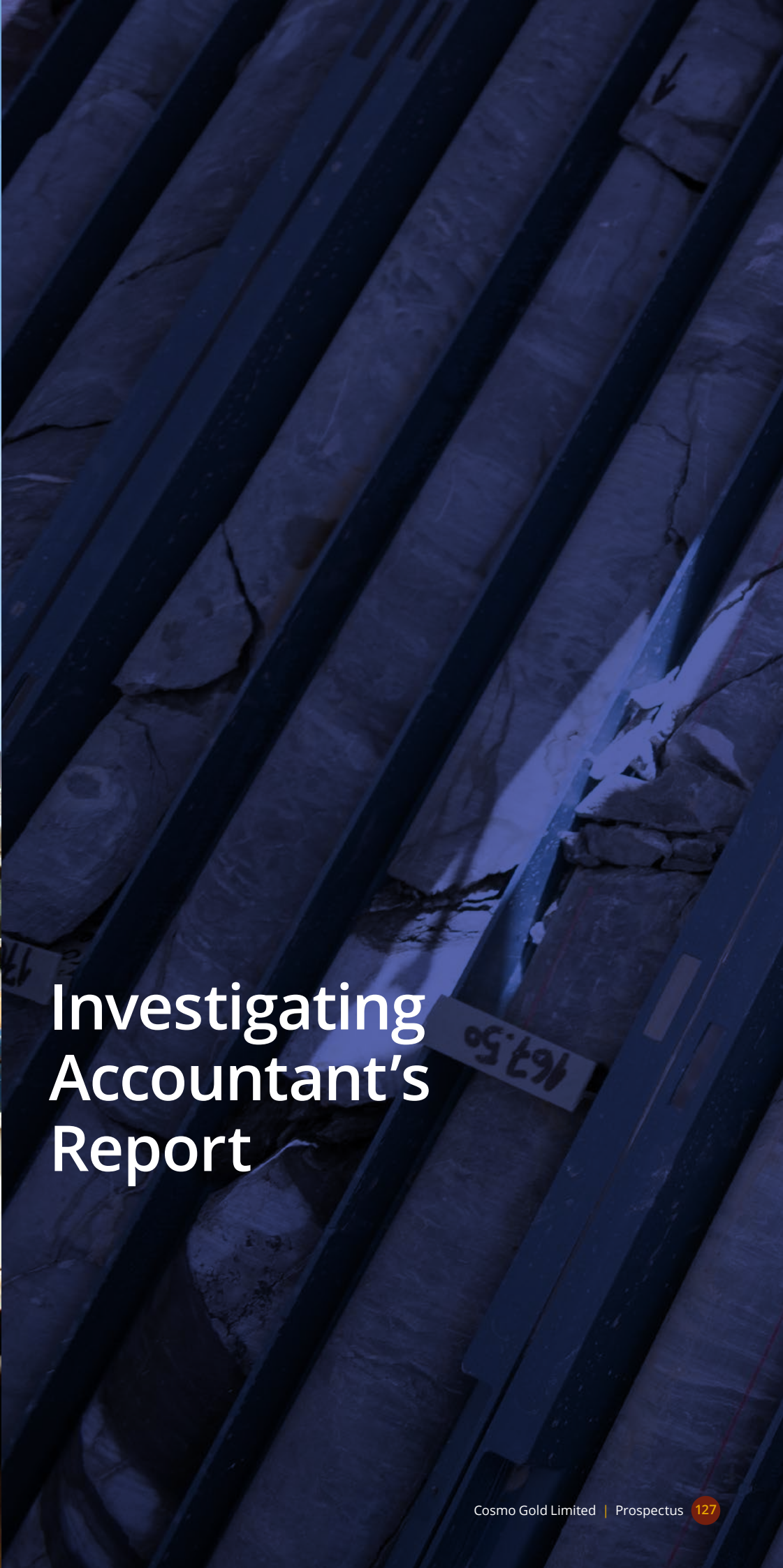
In accordance with Australian Accounting Standards, due to the uncertainty in relation to the quantum and timing of this Contingent Consideration, no amounts have been recognised in the financial statements in relation to these matters.

At the date of the report no material commitments, contingent assets or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus and other than a loan agreement with 3D Resources Limited which has extended a line of credit of up to \$400,000 in order to cover costs associated with the IPO and the general upkeep of the Cosmo tenement package. At the date of this report approximately \$213,217 has been advanced which will be settled from the IPO funds raised.



10

Investigating Accountant's Report



10. Investigating Accountant's Report

PKF Melbourne



2 February 2021

The Directors
Cosmo Gold Limited
C/DW Accounting & Advisory
Level 4, 91 William Street
Melbourne VIC 3000

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON HISTORICAL FINANCIAL INFORMATION AND PRO FORMA FINANCIAL INFORMATION

1. Introduction

We have been engaged by Cosmo Gold Limited ("Cosmo Gold" or "the Company") to prepare an Independent Limited Assurance Report on the Historical Financial Information and the Pro Forma Financial Information of the Company for inclusion in a prospectus to be dated on or about 4 February 2021 ("Prospectus") relating to the offer of up to 30 million ordinary shares at an issue price of \$0.20 per share to raise a minimum of \$5 million and a maximum of \$6 million ("the Offer") in the proposed initial public offering and listing of the Company on the Australian Securities Exchange ("ASX").

Expressions and terms defined in the Prospectus have the same meaning in this report.

This report has been prepared by PKF Melbourne Corporate Pty Ltd ("PKF Corporate"), which holds an Australian financial services licence under the Corporations Act 2001 (AFS Licence No. 222050).

This report is an Independent Limited Assurance Report, the scope of which is set out below. A copy of the Financial Services Guide is attached at Appendix A.

2. Scope

You have requested PKF Corporate to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in Section 9 of the Prospectus.

1. Historical Financial Information

The historical financial information comprises of:

- the statement of profit or loss and other comprehensive income for Cosmo Gold for the period from its incorporation on 11 October 2019 to 30 June 2020;
- the statement of cash flows for Cosmo Gold for the period from its incorporation on 11 October 2019 to 30 June 2020; and
- the statement of financial position for Cosmo Gold as at 30 June 2020.

(together the "Historical Financial Information").

PKF Melbourne Corporate Pty Ltd
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PKF Melbourne Corporate Pty Ltd is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member of correspondent firm or firms.

For office locations visit www.pkf.com.au

10. Investigating Accountant's Report



The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The financial report of Cosmo Gold for the period 11 October 2019 to 30 June 2020 was audited by Morrows Audit Pty Ltd in accordance with the Australian Auditing Standards. Morrows Audit Pty Ltd issued an unqualified audit opinion in respect of this financial report.

2. Pro Forma Historical Financial Information

The financial information includes the pro forma historical statement of financial position for Cosmo Gold as at 30 June 2020 ("Pro Forma Historical Financial Information").

The Pro Forma Historical Financial Information has been derived from the historical financial information of the Company, after adjusting for the effects of the subsequent events and pro forma adjustments described in Section 9 of the Prospectus. The stated basis of preparation are the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the historical financial information and the events or transactions to which the subsequent events and the pro forma adjustments relate, as described in Section 9 of the Prospectus, as if those events or transactions had occurred as at the date of the historical information.

The Pro Forma Historical Financial Information has been compiled by Cosmo Gold to illustrate the impact of the events or transactions described in Section 9 of the Prospectus on Cosmo Gold's financial position as at 30 June 2020.

3. Directors' Responsibility

The Directors of the Company are responsible for the Historical Financial Information and the Pro Forma Historical Financial Information, including its basis of preparation and the selection and determination of the pro forma adjustments made to the Pro Forma Historical Financial Information.

The Directors are also responsible for such internal controls as the Directors determine are necessary to enable the preparation of the Historical Financial Information and the Pro Forma Historical Financial Information that are free from material misstatement.

4. Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

Our review consisted 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 reasonable 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.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

10. Investigating Accountant's Report



5. Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of the Company as described in Section 9 of the Prospectus is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 9 of the Prospectus being:

- the recognition and measurement principles contained in Australian Accounting Standards; and
- the Company's adopted accounting policies applied to the Historical Financial Information.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information of the Company as described in Section 9 of the Prospectus is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 9 of the Prospectus being:

- the recognition and measurement principles contained in Australian Accounting Standards;
- the Company's adopted accounting policies applied to the Pro Forma Historical Financial Information; and
- the events or transactions to which the pro forma adjustments relate, as described in Section 9 of the Prospectus, as if those events or transactions had occurred as at 30 June 2020.

6. Restrictions on use

Without modifying our conclusions, we draw attention to Section 9 of the Prospectus, which describes the purpose of the financial information prepared, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

7. Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with the Standard on Assurance Engagements applicable to Corporate Fundraisings and/or Prospective Financial Information.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside of Australia. We are not recommending or making any representation as to the suitability of any investment to any person.

8. Consent

PKF Corporate has consented to the inclusion of this report in the Prospectus in the form and context in which it is included, but has not authorized the issue of the Prospectus. Accordingly, PKF Corporate makes no representations regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

Yours faithfully

Paul Lom
Director
PKF Melbourne Corporate Pty Ltd

Steven Perri
Director
PKF Melbourne Corporate Pty Ltd

10. Investigating Accountant's Report



Financial Services Guide

This Financial Services Guide provides information to assist retail and wholesale investors in making a decision as to their use of the general financial product advice included in the above report.

PKF Corporate

PKF Corporate holds Australian Financial Services Licence No. 222050, authorizing it to provide general financial product advice in respect of securities to retail and wholesale investors.

Financial Services Offered by PKF Corporate

PKF Corporate prepares reports commissioned by a company or other entity ("Entity"). The reports prepared by PKF Corporate are provided by the Entity to its members.

All reports prepared by PKF Corporate include a description of the circumstances of the engagement and of PKF Corporate's independence of the Entity commissioning the report and other parties to the transactions.

PKF Corporate does not accept instructions from retail investors. PKF Corporate provides no financial services directly to retail investors and receives no remuneration from retail investors for financial services. PKF Corporate does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice to retail investors.

General Financial Product Advice

In this report, PKF Corporate provides general financial product advice. This advice does not take into account the personal objectives, financial situation or needs of individual retail investors.

Investors should consider the appropriateness of a report having regard to their own objectives, financial situation and needs before acting on the advice in a report. Where the advice relates to the acquisition or possible acquisition of a financial product, an investor should also obtain a product disclosure statement relating to the financial product and consider that statement before making any decision about whether to acquire the financial product.

Independence

At the date of this report, none of PKF Corporate, Mr Paul Lom nor Mr Steven Perri have any interest in the outcome of the capital raising, nor any relationship with Cosmo Gold or any of its Directors that may impact on our independence.

Drafts of this report were provided to and discussed with the Directors and management of Cosmo Gold and its advisers. Certain changes were made to factual statements in this report as a result of the reviews of the draft reports. There were no alterations to the methodology or conclusions that have been formed by PKF Corporate.

PKF Corporate and its related entities do not have any shareholding in or other relationship with Cosmo Gold that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to this independent report on the Historical Financial Information and the Pro Forma Historical Financial Information.

PKF Corporate had no part in the formulation of the Historical Financial Information, the Pro Forma Historical Financial Information, the Proposed Capital Raising and ASX Listing. Its only role has been the preparation of this report.

Remuneration

PKF Corporate is entitled to receive a fee of approximately \$20,000 for the preparation of this report. With the exception of the above, PKF Corporate will not receive any other benefits, whether directly or indirectly, for or in connection with the making of this report.

Complaints Process

As the holder of an Australian Financial Services Licence, PKF Corporate is required to have suitable compensation arrangements in place. In order to satisfy this requirement PKF Corporate holds a professional indemnity insurance policy that is compliant with the requirements of Section 912B of the Act.

PKF Corporate is also required to have a system for handling complaints from persons to whom PKF Corporate provides financial services. All complaints should be in writing and sent to the Complaints Officer, PKF Corporate at Level 12, 440 Collins Street, Melbourne VIC 3000.

PKF Corporate will make every effort to resolve a complaint within 45 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Complaints Authority – GPO Box 3, Melbourne Vic 3000.



11 ●

Material Contracts



11. Material Contracts

Set out below is a summary of the material contracts to which the Company is a party (other than the Waturta Heritage Agreement which the Company has negotiated and signed, and is awaiting a signed agreement from Waturta).

11.1 YTAC Access Agreement

On 17 December 2020, the Company entered into a mineral exploration and land access agreement (**YTAC Access Agreement**) with Yilka Talintji Aboriginal Corporation RNTBC (ICN:8415) (**YTAC**). The YTAC Access Agreement permits Cosmo Gold to access and explore the land comprising exploration licences E38/2274, E38/2627, E38/2774, E38/2851, E38/3249, E38/3525, E38/3456 and E38/3457 (**YTAC Tenements**) and governs the manner and form of such access. The YTAC Access Agreement is ongoing until terminated in accordance with its terms, being:

- (a) by YTAC giving 3 months' written notice to the Company in certain limited circumstances, including a failure by the Company to pay any monies due under the YTAC Access Agreement or where a default of the YTAC Access Agreement is not capable of being remedied;
- (b) by either party on notice where the Company no longer holds any interest in the YTAC Tenements;
- (c) by mutual agreement; or
- (d) by either party where the mining access permit required to be granted by the Minister for Aboriginal Affairs pursuant to regulation 8 of the *Aboriginal Affairs Planning Authority Act Regulations 1972* (WA) in relation to the YTAC Tenements is not granted within 120 days of execution of the YTAC Access Agreement.

The YTAC Access Agreement is on terms consistent for an access agreement such as this, including the payment of fees for ongoing access and consulting fees for services provided in relation to works surveys.

11.2 YTAC Milestone Securities Issue Agreement

On 17 December 2020, the Company entered into a Milestone Securities Issue Agreement with YTAC (**Milestone Agreement**). Pursuant to the Milestone Agreement, in consideration for YTAC entering into the YTAC Access Agreement (as noted in Section 11.1 above), the Company has agreed to issue to YTAC or its nominee:

- (a) 250,000 Shares on successful completion of the Company's first year exploration program as set out in the Prospectus (see Section 4.2);
- (b) 250,000 Shares on successful completion of the Company's second year exploration program as set out in the Prospectus (see Section 4.2);
- (c) 250,000 Shares on successful completion of the Company's third year exploration program as notified by Cosmo Gold to YTAC and to be determined following the results of the first- and second-years' exploration programs; and
- (d) 250,000 Options (each with an exercise price of \$0.25 and expiring 3 years after the listing of the Company on ASX) on successful completion of the IPO (including official quotation of the Shares).

The Milestone Agreement is subject to and conditional on:

- (a) the Company lodging the Prospectus with ASIC and its admission to the official list of ASX;
- (b) YTAC continuing to comply with the terms of the YTAC Access Agreement; and
- (c) the YTAC Access Agreement not being terminated prior to the relevant issue date for the securities.

The Milestone Agreement also contains a number of representations and warranties given by the parties that are considered standard for an agreement of this type.

11.3 Waturta Heritage Agreement

On 10 December 2020, the Company signed a heritage agreement that will be with the Waturta native title claimants WAD 297 of 2018 (**Waturta Heritage Agreement**). The Company is awaiting execution of the Waturta Heritage Agreement by Waturta. Upon signing of the Waturta Heritage Agreement by Waturta, the Waturta Heritage Agreement will permit Cosmo Gold to access and explore the land comprising exploration licences E38/2627 and E38/3456 (**Waturta Tenements**) and will govern the manner and form of such access. The Waturta Heritage Agreement will be ongoing for the term of the Waturta Tenements, unless terminated earlier in writing by mutual agreement between Cosmo Gold and Waturta. The Waturta Heritage Agreement, as signed by the Company, is otherwise on terms consistent for an access and heritage agreement such as this, including the payment of fees for ongoing access and consulting fees for services provided in relation to works surveys.

11. Material Contracts

11.4 Adderstone Sale Agreement

The Company entered into a Sale and Exclusive Option Agreement (**Sale Agreement**) with Adderstone Holdings Pty Ltd (ACN 054 557 078) (**Adderstone Holdings**) on 16 January 2020 in respect of exploration licence E38/3249 and exploration licence application E38/3250 (**Adderstone Tenements**). Adderstone Holdings had applied for the Adderstone Tenements at the time the Sale Agreement was entered into – the application for tenement E38/3249 was granted to Adderstone Holdings on 18 July 2018 and the application for tenement E38/3250 is pending.

Under the Sale Agreement, the Company acquired 100% of the right, title and interest to tenement E38/3249 from Adderstone Holdings and:

- (a) Adderstone Holdings granted the Company an exclusive option to acquire 100% of the right, title and interest in tenement E38/3250 (free from all encumbrances) (**Adderstone Option**) which is exercisable by the Company from 16 January 2020 until the earlier of the transfer of tenement E38/3250 to the Company or the Company advising Adderstone Holdings that it is no longer interested in pursuing the grant of E38/3250 (**Adderstone Option Period**). The Adderstone Option will not be exercised until the tenement E38/3250 (to which the application relates) is granted; and
- (b) in consideration for the grant of the Adderstone Option, the Company shall, during the Adderstone Option Period, fund all costs associated with the application for tenement E38/3250. No other consideration is payable to Adderstone for the exercise of the Adderstone Option.

11.5 E38/2274 Deed of Sale and Related Documentation

On 2 September 2011, 3D Resources Limited (ACN 120 973 775) (**DDD**, as purchaser), Michael Joseph Foley (**Foley**, as vendor) and Preston Flynn entered into a Deed of Sale (**Deed of Sale**) in respect of Exploration Licence 38/2274 (**E38/2274**).

On 8 May 2013, Foley transferred 75% of his right, title and interest in E38/2274 (**Interest**) to DDD free from all encumbrances or restrictions. On 22 September 2020, DDD transferred the Interest to Cosmo Gold.

Under the Deed of Sale, within a period of 2 years of gaining access to E38/2274 (which will commence as soon as Ministerial consent is obtained for the YTAC Access Agreement signed on 17 December 2020), Cosmo Gold is obliged to carry out an exploration program in respect of E38/2274. If Cosmo Gold fails to undertake the exploration program within that two year period, Foley is entitled to repurchase the Interest for \$1.00.

The Deed of Sale obliges the Company to make a number of milestone payments (**Milestone Payments**) to Foley upon the occurrence of certain events in relation to E38/2274 (**Milestones**). The parties also entered into documentation varying the Deed of Sale on 14 September 2016, 15 March 2017, 15 January 2018 and 6 July 2020 (**Variations**). These Variations provided for certain advance payments to Foley in anticipation of fulfilment of the Milestones, and that any work undertaken on E38/2274 would not constitute DDD gaining access to E38/2274 for the purposes of the Deed of Sale. DDD has previously advanced payments to Foley pursuant to the Variations, such that presently the only Milestone Payment to be paid is \$16,000 upon completion of the initial exploration plan and program in adherence with all native title, social and indigenous requirements.

The Deed of Sale (or the Variations) does not establish a joint venture between the Company and Foley and accordingly the Company carries the risk of being a co-owner of E38/2274 without a formal joint venture agreement. The Deed of Sale also provides DDD/the Company with control of E38/2274, and sole discretion to make decisions affecting it and enabling it to determine all activities to be undertaken.

11.6 Lead Manager Mandate and Underwriting Agreement

On 24 December 2020, Cosmo Gold executed a mandate with RM Corporate Finance in respect of RM Corporate Finance acting as lead manager to the Seed Raising and underwriter to the Offer (**Lead Manager Mandate**), and on 3 February 2021 entered into an underwriting agreement pursuant to which RM Corporate agreed to underwrite the Offer to the extent of 25,000,000 Shares (**Underwritten Shares**), being equal to the Minimum Subscription of \$5,000,000 (**Underwritten Amount**).

The Lead Manager Mandate will be operative until the earlier of 12 months or completion of the Offer and may otherwise be terminated by RM Corporate Finance or Cosmo Gold with cause on 14 days' notice, with indemnity and warranty clauses in the Lead Manager Mandate surviving termination for a period of 12 months. The Lead Manager Mandate also includes a right of first refusal in favour of RM Corporate Finance in respect of acting as lead manager, underwriter or broker to any capital raising conducted by the Company (by way of debt, equity, hybrid securities, quasi debt, quasi equity, convertible loans, or convertible notes) within 12 months from the date of expiration of the Lead Manager Mandate.

11. Material Contracts

The Underwriting Agreement is subject to conditions precedent usual to commercial agreements of this type, such as the Underwriter being satisfied with its due diligence enquiries and providing a consent to be named in this Prospectus.

Pursuant to the Underwriting Agreement, the Company agreed to pay the Lead Manager and Underwriter the following fees in respect of the Seed Raising:

- (a) a lead manager fee equal to 1% (plus GST in cash) in respect of funds raised under the Seed Raising facilitated by the Underwriter;
- (b) a placement fee equal to 5% (plus GST in cash) in respect of funds raised under the Seed Raising facilitated by the Underwriter or its affiliates; and
- (c) a corporate advisory fee of \$8,000 (plus GST in cash) to be satisfied by way of the issue of 80,000 Shares to the Underwriter or its nominee/s.

The Company has also agreed to pay the Lead Manager and Underwriter the following fees in respect of the IPO:

- (a) a lead manager fee of \$25,000 (plus GST in cash) for acting as lead manager/underwriter to the IPO, to be satisfied by way of the issue of 125,000 Shares to the Underwriter or its nominee/s;
- (b) a corporate advisory fee of \$30,000 (plus GST in cash) to be satisfied by way of the issue of 150,000 Shares to the Underwriter or its nominee/s;
- (c) an underwriter manager fee equal to 1% (plus GST in cash) of the Underwritten Amount (being \$50,000 plus any applicable GST);
- (d) an underwriting fee equal to 5% (plus GST in cash) of the Underwritten Amount (being \$250,000 plus any applicable GST);
- (e) an oversubscription fee equal to 6% (plus GST in cash) in respect to the amount greater than \$5,000,000 placed or arranged by the Lead Manager under the Offer; and
- (f) 2,000,000 Options, each exercisable at \$0.25 on or before 29 February 2024 and an additional 500,000 Options in the event that the Maximum Subscription is raised.

In addition, the Company will pay and will indemnify and keep indemnified the Underwriter against and in relation to, all costs and expenses of and incidental to the Offer (up to certain agreed values).

The obligation of the Underwriter to underwrite the Underwritten Shares is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if (where capitalised terms below have the meaning given to them in the Underwriting Agreement):

- (a) **Indices fall:** the S&P ASX 200 Index falls to a level that is 90% or less of the level as at the close of trading on the day immediately prior to the date of the Underwriting Agreement and is at or below that level at the close of trading for 2 consecutive Business Days during any time after the date of the Underwriting Agreement;
- (b) **Prospectus:** the Company does not lodge the Prospectus by the Lodgement Date (as defined in the Underwriting Agreement) or the Prospectus or the IPO withdrawn by the Company;
- (c) **No Listing Approval:** Listing Approval (as defined in the Underwriting Agreement) has not been granted by the Shortfall Notice Deadline Date (as defined in the Underwriting Agreement) or, having been granted, is subsequently withdrawn, withheld or qualified;
- (d) **Supplementary prospectus:**
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an adverse change, forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter, which will not be unreasonably withheld;
- (e) **Non-compliance with disclosure requirements:** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Underwritten Securities;

11. Material Contracts

- (f) **Misleading Prospectus:** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 710, 711 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (g) **Restriction on allotment:** the Company is prevented from issuing the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (h) **Withdrawal of consent to Prospectus:** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (i) **ASIC application:** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, which is not dismissed or withdrawn by the Shortfall Notice Deadline Date (as defined in the Underwriting Agreement);
- (j) **ASIC hearing:** ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;
- (k) **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (l) **Authorisation:** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (m) **Indictable offence:** a director or proposed director named in the Prospectus is charged with an indictable offence; or
- (n) **Termination Events:** upon the occurrence of any of the following events, subject to those events, in the reasonable opinion of the Underwriter reached in good faith, having or being likely to have, or where such event could reasonably be expected to have, a material adverse effect on the Company or give rise to a material liability of the Underwriter under the Corporations Act:
 - (i) **Default:** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (ii) **Incorrect or untrue representation:** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
 - (iii) **Contravention of constitution or Act:** a material contravention by a Relevant Company (being the Company or any subsidiary) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iv) **Adverse change:** an event occurs which gives rise to a Material Adverse Effect (as defined in the Underwriting Agreement) or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (v) **Error in Due Diligence Results:** it transpires that any of the Due Diligence Results or any part of the Verification Material was materially false, misleading or deceptive or that there was a material omission from them;
 - (vi) **Significant change:** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (vii) **Public statements:** without the prior approval of the Underwriter a public statement is made by the Company in relation to the IPO, the issue of the Offer Shares or the Prospectus;
 - (viii) **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the IPO or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;

11. Material Contracts

- (ix) **Official Quotation qualified:** official quotation of the IPO Shares is qualified or conditional other than as permitted in the Underwriting Agreement;
- (x) **Change in Act or policy:** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement, other than in relation or response to the current COVID-19 global health pandemic;
- (xi) **Prescribed Occurrence:** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in the Prospectus;
- (xii) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (xiii) **Event of Insolvency:** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of a Relevant Company;
- (xiv) **Judgment against a Relevant Company:** a judgment in an amount exceeding \$100,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xv) **Litigation:** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any relevant company, other than any claims foreshadowed in the Prospectus or disclosed as part of the Due Diligence Program;
- (xvi) **Board and senior management composition:** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Shares without the prior written consent of the Underwriter;
- (xvii) **Change in shareholdings:** there is a material change in the major or controlling shareholdings of a Relevant Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xviii) **Timetable:** there is a delay in any specified date in the Prospectus timetable which is greater than 5 Business Days, without the consent of the Underwriter;
- (xix) **Force Majeure:** a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 14 days occurs;
- (xx) **Certain resolutions passed:** a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxi) **Capital Structure:** any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus, the Placement or the Lead Manager Mandate;
- (xxii) **Breach of Material Contracts:** any of the Contracts (as defined in the Underwriting Agreement) is terminated or substantially modified;
- (xxiii) **Investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company; or
- (xxiv) **Market Conditions:** after the date of the Underwriting Agreement, a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets, other than in relation or response to the current COVID-19 global health pandemic.

The Underwriting Agreement also contains a number of indemnities, representations and warranties given by the Company to the Underwriter that are considered standard for an agreement of this type.

11. Material Contracts

11.7 Transaction Implementation Deed

On 16 November 2020, the Company and DDD entered into a transaction implementation deed in relation to the spin out of Cosmo Gold from DDD (**Spin Out**) and the In-specie Distribution (**Transaction Implementation Deed**). The effect of the Transaction Implementation Deed is to provide a formal structure and process for the Spin Out and In-specie Distribution, along with relevant ancillary actions.

The key terms of the Transaction Implementation Deed are as follows:

- (a) **(Conditions precedent):** The outstanding conditions precedent for completion of the Transaction Implementation Deed include (unless otherwise agreed to be waived):
 - (i) the Company transferring the 15,000,000 Shares to Eligible DDD Shareholders under the In-specie Distribution;
 - (ii) the Company receiving valid applications for not less than the Minimum Subscription under the Offer (which includes valid applications made under the Priority Offer);
 - (iii) receipt of a conditional admission letter from ASX in relation to the Company; and
 - (iv) no material adverse effect occurring in respect of the Company prior to completion of the Transaction Implementation Deed;
- (b) **(DDD Obligations):** DDD must promptly hold the general meeting of its shareholders seeking approval for the In-specie Distribution and Spin Out;
- (c) **(Cosmo Gold Obligations):** The Company's obligations under the Transaction Implementation Deed include:
 - (i) conduct the General Offer in accordance with (amongst other things) the Prospectus, the terms of the Transaction Implementation Deed, the Listing Rules and the Corporations Act;
 - (ii) use its best endeavours to assist DDD to procure the release of DDD from any guarantee or encumbrance which it has given in relation to the Company;
 - (iii) use its best endeavours to assist DDD to obtain any third party, change in control or other consents required;
 - (iv) register the Eligible DDD Shareholders as holders of the Shares they are entitled to receive under the In-specie Distribution and issue holding statements for those Shares;
 - (v) ensure that there are no material omissions from the Prospectus and that the Prospectus does not constitute conduct that is misleading or deceptive; and
 - (vi) repay the relevant loan amounts to DDD in accordance with the terms of the Loan Agreement – Tenement Expenditure and Loan Facility Agreement – Offer and Project Operation Costs set out in Sections 11.8 and 11.9;
- (d) **(Termination):** If either the Company or DDD defaults in the performance of its obligations under the Transaction Implementation Deed prior to its completion and such default is not remedied within 7 days of a non-defaulting party serving notice of such default on the defaulting party, the non-defaulting party may terminate the Transaction Implementation Deed by notice in writing;
- (e) **(Representations and warranties):** Both the Company and DDD provide under the Transaction Implementation Deed mutual representations and warranties that are considered standard for agreements of this nature, with each indemnifying the other against any loss or claim arising from or connected with any breach of the warranties contained in the Transaction Implementation Deed; and
- (f) **(Cosmo Gold Warranties):** In addition to the mutual representations and warranties, the Company also provides certain warranties to DDD considered standard for agreements of this nature in relation to its status, capital structure, assets, information and intellectual property, and provides an indemnity in favour of DDD against any loss or claim arising from or connected with any breach of the Company's warranties.

11. Material Contracts

11.8 Loan Agreement – Tenement Expenditure

On 16 November 2020, Cosmo Gold and DDD entered into a loan agreement pursuant to which Cosmo Gold will repay to DDD \$750,000 for expenditure incurred in relation to the Tenements (**Loan Agreement – Tenement Expenditure**). The loan is unsecured and interest free. The Company has repaid \$500,000 from the proceeds of the Seed Raising, and the remaining \$250,000 will be repaid from the Offer Proceeds.

11.9 Loan Facility Agreement – Offer and Project Operation Costs

On 16 November 2020, Cosmo Gold and DDD entered into a loan facility agreement in respect of funds paid or to be paid by DDD on Cosmo Gold's behalf in respect of costs associated with the Offer and incurred in relation to the Tenements up to \$400,000 (**Loan Facility Agreement – Offer and Project Operation Costs**). The loan is unsecured and interest free, and will be repaid from Offer Proceeds.

DDD may also advance additional loan funds to the Company prior to Admission to assist the Company to carry out its exploration program and costs associated with access to the Tenements. The cost of such work and access has been included as part of the Exploration Work Plan set out in Section 4.2.

11.10 Director Documents

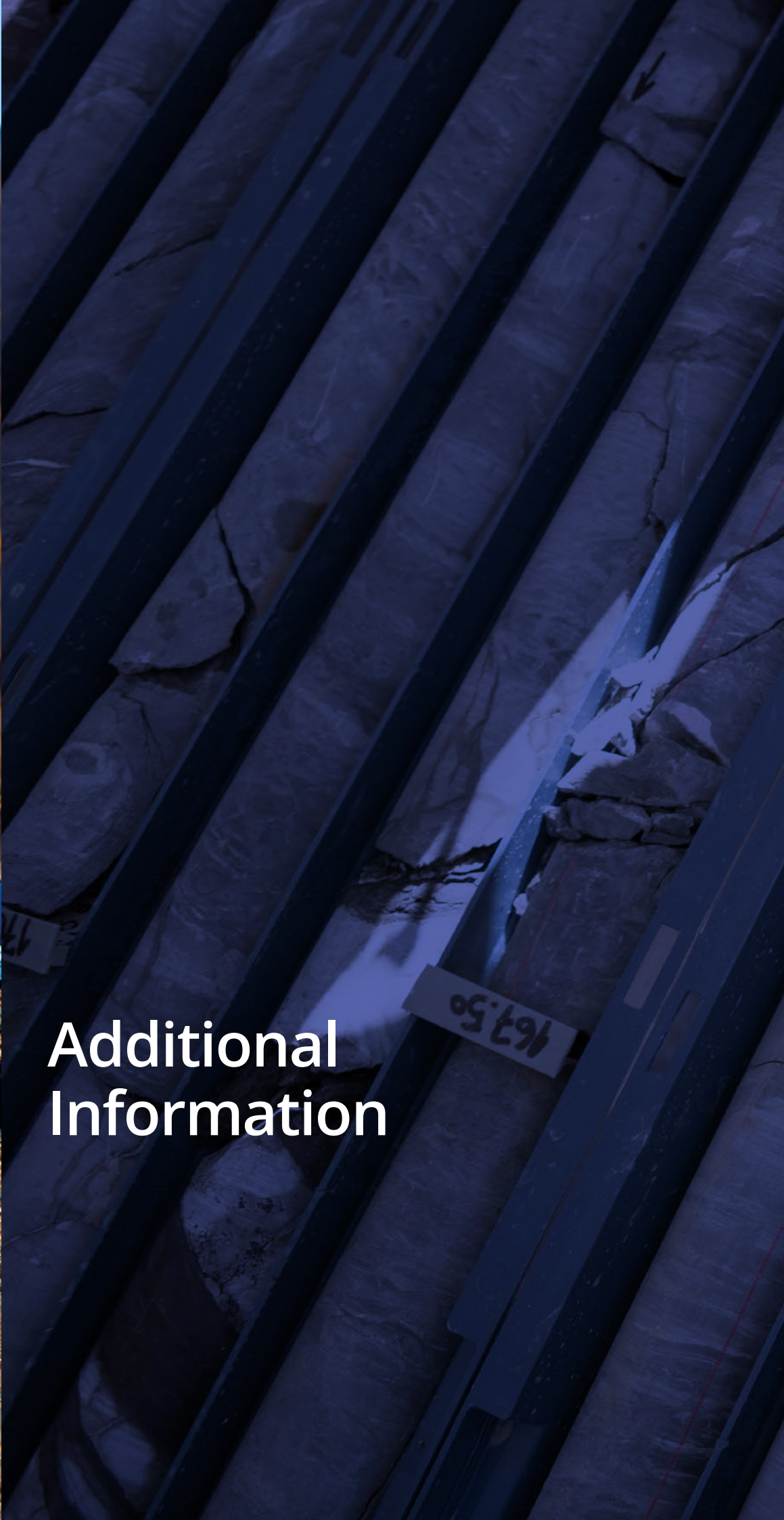
Cosmo Gold has entered into the following agreements with the Directors:

- (a) a letter of appointment as director with each of Mr Ian Hastings, Mr Philip Ash and Mr John Chegwidden;
- (b) an employment agreement with Mr Philip Ash as Managing Director (being the Ash Agreement as summarised at Section 5.4); and
- (c) a consultancy agreement between Mr Ian Hastings and Mr John Chegwidden and their respective consulting companies.

These agreements are on standard arm's length terms.

11.11 Deeds of Confidentiality, Access, Indemnity and Insurance

The Company has entered into a deed of confidentiality access, indemnity and insurance with each Director, which confirms the Director's right of access to Board papers, the Company's books and records and requires the Company to indemnify the Director, on a full indemnity basis and to the full extent permitted by law, against all losses or liabilities (including all reasonable legal costs) incurred by the Director as an officer of the Company or of a related body corporate. Under the deeds of confidentiality, access, indemnity and insurance, the Company undertakes to maintain a directors' and officers' insurance policy insuring the Director against liability as a Director and officer of the Company and its subsidiaries until seven years after a Director ceases to hold office as a Director or a director of a related body corporate (or until the date that any relevant proceedings commenced and notified by the Director to the Company during that seven year period have been finally resolved).



12.

Additional Information

12. Additional Information

12.1 Rights and Liabilities Attaching to Shares

The following is a general description of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Company's Constitution, a copy of which is available on the Company's website at www.cosmogold.com.au.

Ranking of Shares

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with Existing Shares.

Voting Rights

Subject to any special rights or restrictions (at present there are none), at any meeting each member present in person or by proxy has one vote on a show of hands, and on a poll has one vote for each share held. A poll may be demanded by the Chair of the meeting, by at least 5 shareholders present entitled to vote on the resolution in question, or by a shareholder or shareholders present with at least 5% of the votes that may be cast on the resolution, in which case each shareholder voting in the poll has one vote for each fully paid share held.

The Company must not remove or change a security holder's right to vote, unless this is done in accordance with the Corporations Act and the rules of any exchange on which the Company's securities are traded, which is deemed to include the ASX's Listing Rules (for the purposes of the Constitution, the "Listing Rules").

Dividend Rights

Subject to any special rights (at present there are none), any dividends that may be declared by the Company are payable on all Shares in proportion to the amount paid up.

Variation of Rights

The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

Transfer of Shares

Subject to the Company's Constitution, the Corporations Act or any other applicable laws of Australia and the Listing Rules, the Shares are freely transferable. The Directors may refuse to register a transfer of Shares only in limited circumstances, such as where the Company has a lien on those Shares.

The Directors may do anything permitted by the Corporations Act and any applicable Listing Rules which the Directors consider necessary or desirable in connection with the participation of the Company in any computerised or electronic system established or recognised by the Corporations Act or any applicable Listing Rules for the purposes of facilitating dealings in shares including, without limitation, electronic registration of transfers of Shares.

A shareholder may transfer all or any of the shareholder's Shares by a market transfer in accordance with any computerised or electronic system established or recognised by any applicable Listing Rules or the Corporations Act for the purpose of facilitating transfers in shares, including a transfer that takes effect pursuant to a computerised or electronic transfer process. The Company must comply with any obligations which are imposed on it by any applicable Listing Rules in connection with that transfer of Shares.

General Meetings

Each shareholder is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

12. Additional Information

Unmarketable Parcels

The Constitution contains provisions enabling the Company, once it is listed on ASX, to procure the disposal of shares where a shareholder holds less than a marketable parcel of shares within the meaning of the Listing Rules.

Rights on Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution;

- divide among the shareholders the whole or any part of the Company's property; and
- decide how the division is to be carried out between the shareholders.

12.2 Terms and Conditions of Attaching Options

The terms of issue of the Attaching Options are:

- the Attaching Options are issued for nil consideration;
- each Attaching Option entitles the holder to be issued one Share for each Attaching Option;
- each Attaching Option has an exercise price of \$0.25;
- the Attaching Options are non-transferable. The Company will not seek to have the Attaching Options quoted on the ASX;
- each Attaching Option expires on 29 February 2024 (**Expiry Date**). The Attaching Options may be exercised at any time after issue and prior to the Expiry Date, in whole or part, upon payment of the exercise price per Attaching Option;
- the Company will provide to each Attaching Option holder a notice that is to be completed and delivered to the Company on exercise of the Attaching Options. Attaching Options may be exercised by the Attaching Option holder in whole or in part by completing and delivering the notice of exercise to the Company prior to the Expiry Date. The notice of exercise must be accompanied by payment in full for the relevant number of Shares being subscribed for on exercise of the Attaching Options;
- all Shares issued on exercise of the Attaching Options will rank equally in all respects with the Company's then issued Shares. The Company will apply for quotation of all Shares issued upon exercise of the Attaching Options; and
- the Attaching Options have no participating rights or entitlements and the holders will not be entitled to participate in new issues, pro rata issues or bonus issues of capital to Shareholders during the term of the Attaching Options unless the holder has first exercised the Attaching Options and is registered as a holder of Shares; and the rights of the Attaching Option holder in respect of any reconstruction of capital of the Company (including consolidation, subdivision, reduction or return of capital) will be adjusted in accordance with requirements of the Listing Rules.

12.3 Substantial Shareholders

Based on the information known as at the date of this Prospectus, and assuming only the Minimum Subscription is achieved, on Admission there will not be any persons having an interest in 5% or more of the Shares on issue.

12.4 Taxation Implications of Investing under the Offer

The taxation consequences of any investment in shares in the Company will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. If you are in doubt as to the course you should follow, you should seek your own professional advice. This overview is based on Australian taxation legislation as currently enacted. The following is general in nature and should not be relied upon or used as advice.

12. Additional Information

Australian tax implications

(a) For the Company

The Company was incorporated in Australia and is a resident of Australia for taxation purposes.

Unless specifically exempted under the tax legislation, the worldwide income of the Company is subject to Australian income tax.

There are no Australian income tax implications for the Company arising from the Offer and listing of Shares on the ASX, or the issue of the Attaching Options.

The demerger from DDD will have no direct tax implications for the Company. As a member of the tax consolidated group, DDD will be primarily liable for any income tax liability arising to the Company while it is a member of the DDD group. Also, any tax losses incurred by the Company prior to it leaving the group will remain with DDD.

The Company is not a party to a tax sharing agreement with DDD. On this basis, the Company will be jointly and severally liable for any income tax debts of the DDD tax consolidated group which arose while the Company was a member of the group.

As it was a member of the DDD tax consolidated group it will be required to lodge an income tax return covering the period from when it leaves the group to the next 30 June, and then for financial years ending 30 June thereafter.

(b) For the Shareholder

The following summary provides an overview of the Australian tax implications of the Offer for investors who are residents of Australia for tax purposes and who hold their securities as capital assets. This summary is based on the Australian law in effect as at the date of this Prospectus, is general in nature and should not be relied on by potential investors as tax advice. Potential investors should seek specific advice applicable to their own particular circumstances from their own tax advisers.

This section does not consider the Australian tax consequences for particular types of investors, including those:

- whose Shares or options are held as trading stock or otherwise on revenue account;
- that may be subject to special tax rules, such as insurance companies, partnerships, tax exempt organizations, trusts (except where expressly stated), superannuation funds (except where expressly stated), or temporary residents;
- who are tax resident of any jurisdiction other than Australia (except where expressly stated); or
- who are subject to the Australian Taxation of Financial Arrangement rules under Division 230 of the *Income Tax Assessment Act 1997* (Cth).

For those Shareholders who originally received their Shares in the Company from the demerger by DDD, as this transaction occurred by way of a reduction in DDD's share capital it should be treated as a return of capital. On this basis it would not be assessable income to participating Australian tax resident Shareholders as a dividend, nor is it subject to Australian dividend withholding tax when the participating Shareholders are non-Australian tax residents.

Any subsequent dividends from the Company received by Australian tax resident individuals must be included in their assessable income in the year the dividend is paid. To the extent that franking credits are attached to the dividend, Australian resident Shareholders should also include the franking credits in their assessable income. Where Shareholders include franking credits in their assessable income, Shareholders should be entitled to a corresponding tax offset against their tax payable for the relevant income year.

In order for Shareholders to qualify for franking credits and the corresponding tax offset, Shareholders must satisfy the 'holding period' rules which require Shareholders to hold their Shares 'at risk' for a period of not less than 45 days, not counting the day of acquisition or disposal. The 'holding period' rules do not apply to Shareholders who are individuals who are entitled to tax offsets (for all franked distributions received by the particular Shareholder in the relevant income year) of not greater than \$5,000 for the relevant income year.

Where the holding period rule is satisfied:

- Shareholders that are individuals or complying superannuation funds should be entitled to a tax offset equal to the amount of the franking credits attached to a dividend. Where these Shareholders have franking credits in excess of their income tax liability they may be entitled to a refund equal to the excess;
- Shareholders that are companies should be entitled to a tax offset equal to the amount of the franking credits attached to a dividend. Accordingly, these Shareholders should not pay any additional tax on the dividend to the extent that it is franked. Any excess tax offset may be able to be converted to a carry forward tax loss. A credit should arise in the franking account of these Shareholders equal to the amount of the franking credits attached to the dividend;

12. Additional Information

- Where Shares are held by Australian resident trusts or partnerships, and the dividend is passed through to Australian resident beneficiaries or partners, the benefit of the franking credit attached to the dividend may also pass through to those Australian resident beneficiaries or partners. The income tax treatment of the dividends including any franking credits in the hands of those beneficiaries or partners should depend upon the tax status of the beneficiaries or partners.

Where the holding period rule is not satisfied, the franking credits are not available to Shareholders.

There will be no Australian income tax implications for non-Australian tax resident individuals receiving dividends if the dividend is either:

- Fully franked, or
- Paid as a distribution from income derived by the Company from foreign sources (e.g. dividends from foreign subsidiaries), provided the Company has maintained a Conduit Foreign Income Account and the dividend is allocated as being paid from that account.

Where a non-resident receives an unfranked dividend, the Company will be liable to deduct dividend withholding tax of 30%. The applicable withholding tax rate may be reduced or eliminated where the shareholder is a tax resident of a country which has a Double Tax Agreement with Australia.

Capital gains tax (CGT) from Disposal of Shares

The disposal of Shares will give rise to a CGT event for Australian resident Shareholders. Shareholders will:

- make a capital gain if the capital proceeds received on the disposal of their Shares are greater than the cost base of those Shares; or
- make a capital loss if the capital proceeds received on the disposal of their Shares are less than the reduced cost base of those Shares.

The capital proceeds received on disposal of Shares should generally be equal to the money received in respect of the disposal.

The cost base of Shares subscribed for under the Offer should generally be equal to the Offer Price plus any incidental costs. The reduced cost base should be the same as the cost base, subject to some modifications.

For those Australian tax resident Shareholders who received their Shares from the demerger by DDD, their cost base and reduced cost base will be a proportionate allocation of the cost base of their DDD shares. This is calculated by:

- taking the cost base of their DDD share/s just before the demerger; and
- apportioning this cost on a reasonable basis between the shares held in DDD and the Shares and Options held in the Company.

CGT Event G1 may arise where the capital reduction amount associated with the demerger exceeds the cost base of the DDD shares. No loss can arise from event G1.

A non-Australian tax resident can ignore any gain on the DDD shares from CGT Event G1 where the shares:

- are not classified as taxable Australian property;
- were not used in carrying on a business through a permanent establishment in Australia; and
- no election had been made to treat the shares to remain as taxable Australian property on cessation of Australian tax residency.

To the extent Australian resident Shareholders derive a capital gain on disposal of the Shares in the Company, Shareholders that are individuals, trusts or complying superannuation funds that have held their Shares for more than 12 months should be eligible for a CGT discount in respect of the capital gain of 50% for individuals and trusts and 33.33% for complying superannuation funds. Prior to applying the CGT discount, Shareholders must offset their capital gain against any available capital losses incurred in the relevant income year or any carry forward net capital losses. The net capital gain (after applying any losses and the CGT discount) should be included in their assessable income in the relevant income year.

To the extent Shareholders incur a capital loss on disposal of the Shares in the Company, Shareholders may offset their capital loss against any capital gains derived in the relevant income year. Where the capital losses incurred in the relevant income year exceed the capital gains derived in the relevant income year, Shareholders may be entitled to carry forward the excess (referred to as a 'net capital loss') to future income years subject to the application of the loss recoupment rules in certain cases. Shareholders cannot offset their net capital losses against their ordinary income.

12. Additional Information

If a return of capital is made by the Company, the cost base and reduced cost base of a Shareholder's Shares for CGT purposes should be reduced by the amount of the return of capital, with any excess over the cost base resulting in a capital gain.

A non-Australian tax resident will be subject to capital gains tax in Australia on disposal of Shares where the interest sold is an indirect interest in Australian real property. This requires the non-Australian resident and any associates of that Shareholder hold 10% or more of the Shares in the Company and the value of the Company is principally attributable to Australian real property.

Attaching Options Granted Under the Offer

The initial allotment of the Attaching Options will not give rise to assessable income to Shareholders and will have a nil cost base for CGT purposes.

Any disposal of the Options will give rise to a capital gain equal to the amount of the proceeds received on sale less any costs of sale.

For any Options which are not exercised and lapse after the Expiry Date, neither a capital gain or loss should arise.

If the Options are exercised, the exercise price of \$0.25 per option will become the cost base of the Shares in the Company, with the date of acquisition for the Shares being the date the exercise amount was paid.

Any subsequent disposal of the Shares received would result in a capital gain or loss in a similar manner to that described above.

Other Australian tax implications

(a) Goods and Services Tax

No GST is payable in respect of the acquisition of Shares, nor should there be any GST liability arising from the receipt of dividends in respect of the Shares. An Australian resident that is registered or required to be registered for GST seeking to claim input tax credits on related transaction costs should seek their own independent tax advice in this regard.

(b) Stamp Duty

No stamp duty should be payable on the issue or transfer of a Share.

(c) Quotation of Tax File Number ("TFN") or Australian Business Number ("ABN")

Shareholders are not required to quote their TFN to the Company. If Shareholders do not quote their TFN or other relevant exemption details, tax may be required to be withheld by the Company from certain distributions at the top marginal rate plus the Medicare levy.

12.5 Interests of Experts and Advisers

No interest except as disclosed

Other than as set out in the table below or elsewhere in the Prospectus, no expert, promoter, underwriter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with has or had, within two years before lodgement of the Prospectus with ASIC:

- (a) any interest in the formation or promotion of the Company or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer or in the Offer; and
- (b) recorded any amounts or benefits or agreed to be paid benefits for services rendered by such persons in connection with the formation or promotion of the Company or the Offer.

12. Additional Information

Expert/Adviser	Service or function	Amount paid in the 2 years prior to the date of this Prospectus	Amount paid or to be paid in connection with this Prospectus and Admission (exclusive of GST)
Morrrows Audit Pty Ltd	Auditor	\$Nil	\$2,000
PKF Melbourne Corporate Pty Ltd	Investigating Accountant	\$Nil	\$20,000
GrilloHiggins Lawyers	Legal Advisers	\$Nil	\$105,000
RM Corporate Finance Pty Ltd	Lead Manager and Underwriter	\$Nil	\$483,000
CSA Global Pty Ltd	Independent Geologist	\$Nil	\$29,300
Austwide Mining Title Management Pty Ltd	Tenements Reporting	\$Nil	\$6,330
Walch in Practice Pty Ltd	Tax Advisor	\$Nil	\$1,000

12.6 Consents

The following written consents have been given in accordance with the Corporations Act with respect to the issue of this Prospectus in both paper and electronic form:

Auditor

Morrrows Audit Pty Ltd has given and not withdrawn its written consent to being named as Auditor for Cosmo Gold in the Prospectus in the form and context in which it is named. Morrrows Audit Pty Ltd was not involved in the preparation of any part of the Prospectus and did not authorise or cause the issue of any part of the Prospectus.

Investigating Accountant

PKF Melbourne Corporate Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as Investigating Accountant and to the inclusion of the Investigating Accountant's Report in Section 9 in the form and context in which it is included, together with all references to it and to that report in this Prospectus. PKF Melbourne Corporate Pty Ltd has not authorised nor caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than its report and any references to it or its report.

Legal Adviser

GrilloHiggins Lawyers has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Australian legal advisers in the form and context in which it is named, together with all references to it in this Prospectus.

Lead Manager and Underwriter

RM Corporate Finance has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Lead Manager and Underwriter to the Offer in the form and context in which it is named, together with all references to it in this Prospectus.

Independent Geologist

CSA Global has given, and has not before lodgement of this Prospectus withdrawn, written consent to be named in this Prospectus as having prepared the Independent Technical Assessment Report, and to the inclusion of the Independent Technical Assessment Report in Section 6 to this Prospectus in the form and context in which it is included, together with all references to each of them and to that report in this Prospectus. CSA Global has not authorised or caused the issue of this Prospectus and each takes no responsibility for any part of this Prospectus other than the Independent Technical Assessment Report and any references to them or the Independent Technical Assessment Report.

Tenements Report

Austwide has given, and has not before lodgement of this Prospectus withdrawn, written consent to be named in this Prospectus as having prepared the Tenements Report, and to the inclusion of the Tenements Report in Section 7 to this Prospectus in the form and context in which it is included, together with all references to each of them and to that report in this Prospectus. Austwide has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of this Prospectus other than the Tenements Report and any references to them or the Tenements Report.

12. Additional Information

Tax Advisor

Walch in Practice Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Tax Advisor to the Offer in the form and context in which it is named, together with all references to it in this Prospectus.

DDD

DDD has given, and has not before lodgement of this Prospectus withdrawn, its written consent in relation to the including of information in this Prospectus in respect of the In-specie Distribution.

Share Registry

Automic Pty Ltd has given, and has not before lodgement of this Prospectus withdrawn, its written consent to be named in this Prospectus as the Company's share registry in the form and context in which it is named, together with all references to it in this Prospectus.

Others

There are a number of persons referred to elsewhere in this Prospectus who have not made statements included in this Prospectus nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in this Prospectus and did not authorise or cause the issue of this Prospectus.

12.7 Expenses of the Offer

The expenses of the Offer are expected to comprise the following estimated costs and are exclusive of any GST payable by the Company.

Expense	Minimum Subscription	Maximum Subscription
Corporate advisory fees	\$30,000	\$30,000
Underwriter/Lead Manager commissions/management fees	\$453,000	\$545,000
Investigating Accountant fees	\$20,000	\$20,000
Independent Geologist's fees	\$29,300	\$29,300
Audit Fees	\$2,000	\$2,000
Tenements Report fees	\$6,330	\$6,330
Legal fees	\$105,000	\$105,000
Tax Advisor fees	\$1,000	\$1,000
Printing and distribution	\$21,754	\$21,754
ASIC fees	\$3,206	\$3,206
ASX fees	\$72,843	\$77,141
Total	\$744,433	\$840,731

12.8 Electronic Prospectus

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please contact the Company Secretary, Andrew Draffin, on +61 3 8611 5333 to receive a free copy of the Prospectus in hard copy, or electronic copy, or both. Alternatively, you may obtain a copy of the Prospectus from the Company's website at www.cosmogold.com.au.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

12. Additional Information

12.9 Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the period of 12 months prior to the date of this document which may have, or have had in the recent past, significant effects on the financial position or success of the Company.

12.10 Continuous Disclosure and Documents Available for Inspection

Following Admission, the Company will be a “disclosing entity” for the purposes of Part 1.2A of the Corporations Act. As such, it will be subject to regular reporting and disclosure obligations which require it to disclose to ASX any information which it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company. The Company’s announcements will be available free of charge on the ASX website or on request to the Company.

12.11 Forecasts

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. The Directors have considered the matters in ASIC Regulatory Guide 170. Accordingly, any forecast or prospective information would contain a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection. Therefore the Directors believe that they do not have a reasonable basis to forecast future earnings due to uncertainty as to timing and outcome of the Company’s growth strategies. Accordingly, the Directors have not included financial forecasts in this Prospectus.

12.12 Governing Law

This Prospectus and the contracts that arise from the acceptance of the Applications under this Prospectus are governed by the laws applicable in Victoria, Australia and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of Victoria, Australia.

12.13 Taxation

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual circumstances of each investor. All potential investors in the Company are urged to obtain independent professional financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. It is the sole responsibility of potential Applicants to inform themselves of their taxation position resulting from participation in the Offer.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to any taxation consequences to investors of subscribing for Shares under this Prospectus.

12.14 ASX Relief

The Company will apply to ASX for the following confirmations and waivers:

- (a) confirm that the In-specie Distribution Shares that will be distributed to Eligible DDD Shareholders pursuant to the In-specie Distribution will not be subject to the escrow requirements in Listing Rule 9.1; and
- (b) confirm that non-affiliated Eligible DDD Shareholders who received the In-specie Distribution Shares through the In-specie Distribution will not be excluded for the purposes of the Company demonstrating satisfaction of the spread requirements in Listing Rule 1.1 condition 8.



13.

Directors' Authorisation

13. Directors' Authorisation

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company.

A handwritten signature in black ink, appearing to read 'Ian Hastings', with a long horizontal stroke extending to the right.

Ian Hastings

Non-executive Chairman
Cosmo Gold Limited

4 February 2021



14

Definitions

14. Definitions

A\$ or **\$** means an Australian dollar.

AC drilling means air core drilling.

Adderstone Holdings means Adderstone Holdings Pty Ltd (ACN 054 557 078).

Adderstone Option means the exclusive option granted by Adderstone Holdings to the Company to acquire 100% of the right, title and interest in tenement application E38/3250.

Adderstone Option Period means 16 January 2020 until the earlier of the transfer of tenement application E38/3250 to the Company or the Company advising Adderstone Holdings that it is no longer interested in pursuing the grant of E38/3250.

Adderstone Tenements means exploration licence E38/3249 and exploration licence application E38/3250.

Admission means admission of the Company to the Official List of the ASX.

AEDT means Australian Eastern Daylight savings Time as observed in Melbourne, Victoria.

Applicant means a person who submits an Application Form.

Application means an application for Shares made pursuant to an Application Form.

Application Form means the General Offer Application Form and the Priority Offer Application Form (as appropriate), that is attached to, and forms part of, this Prospectus.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer Price per Share pursuant to the Offer under this Prospectus.

Ash Agreement means the executive services agreement between the Company and Mr Philip Ash as summarised in Section 5.4.

Ash Options means the 500,000 Options issued to Mr Philip Ash under the Equity Incentive Plan, as set out in Section 5.4.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Recommendations means 4th edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement and operating rules of ASX Settlement.

Attaching Option means an Option exercisable at \$0.25 and with an expiry date of 29 February 2024, issued as a free attaching option on the basis of one Option for every two Shares issued under the Offer.

Auditor means Morrows Audit Pty Ltd (ACN 626 582 232).

Austwide means Austwide Mining Title Management Pty Ltd (ACN 064 099 109).

Award means an award under the Equity Incentive Plan.

Board means the board of Directors of the Company.

CFO means chief financial officer.

CHESS means ASX Clearing House Electronic Sub-register System.

Closing Date means the closing date for the receipt of an Application Form under this Prospectus, being 5.00pm (AEDT) on 11 March 2021 (unless the Offer is extended or closed early).

Company or **Cosmo Gold** means Cosmo Gold Limited (ACN 636 743 649).

Competent Person has the meaning given in the JORC Code.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Cosmo Newbery Project or **Project** means Company's exploration project in the Cosmo Newbery area of Western Australia comprising the Tenements.

CSA Global means CSA Global Pty Ltd (ACN 077 165 532).

DDD means 3D Resources Limited (ACN 120 973 775).

14. Definitions

DDD Shareholder means a holder of fully paid ordinary shares in DDD.

Deed of Sale means the deed of sale between DDD, Michael Foley and Preston Flynn as summarised in Section 11.5.

Director mean a director of the Company.

DW Accounting means DW Accounting and Advisory Pty Ltd (ACN 612 650 496).

Eligible DDD Shareholders means DDD Shareholders resident in Australia or as otherwise determined by the Company, and who are registered on the DDD register of members on the Priority Offer Record Date.

Equity Incentive Plan means the Company's equity incentive plan as summarised in Section 5.6.

Existing Shares means the Shares on issue in the Company as at the date of this Prospectus.

Expiry Date means 29 February 2024.

Exploration Work Plan means the exploration work plan set out at Section 4.2.

Exposure Period means the seven day period after the date of lodgement of the Prospectus with ASIC (as extended by ASIC (if applicable)).

FMC Act means the *New Zealand Financial Markets Conduct Act 2013*.

Foley means Michael Joseph Foley, in his capacity as co-owner of E38/2274.

General Offer means the offer of a minimum of 25,000,000 Shares and up to a maximum of 30,000,000 Shares at the Offer Price pursuant to this Prospectus to raise a minimum of \$5,000,000 and up to a maximum of \$6,000,000 before costs (and includes the Priority Offer).

General Offer Application Form means the application form to apply for Shares under the General Offer that is attached to, and forms part of, this Prospectus.

GST means goods and services tax levied in Australia pursuant to *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

In-specie Distribution means the proposed in-specie distribution of the In-specie Distribution Shares to DDD Shareholders.

In-specie Distribution Record Date means 5.00pm (AEDT) on 17 March 2021.

In-specie Distribution Shares means 15,000,000 Shares held by DDD.

Independent Geologist means CSA Global Pty Ltd (ACN 077 165 532).

Independent Technical Assessment Report means the report prepared by the Independent Geologist as set out at Section 6.

Investigating Accountant means PKF Melbourne Corporate Pty Ltd (ACN 063 564 045).

Investigating Accountant's Report means the report contained in Section 10 prepared by the Investigating Accountant.

JORC means Joint Ore Reserves Committee.

JORC Code means The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves contained in The JORC Code 2012 Edition.

Lead Manager, Underwriter or RM Corporate Finance means RM Corporate Finance Pty Ltd (ACN 108 084 386).

Lead Manager Mandate has the meaning given in Section 11.6.

Listing Rules means the listing rules of ASX.

Loan Agreement – Tenement Expenditure has the meaning given in Section 11.8.

Loan Facility Agreement – Offer and Project Operation Costs has the meaning given in Section 11.9.

Maximum Subscription means the maximum amount to be raised under the Offer, being \$6,000,000.

Milestone Payments has the meaning given in Section 11.5.

Milestones has the meaning given in Section 11.5.

Milestone Agreement means the milestone securities issue agreement between the Company and YTAC as summarised in Section 11.2.

Minimum Subscription means the minimum amount to be raised under the Offer, being \$5,000,000.

Offer means the General Offer and the Priority Offer.

14. Definitions

Offer Price means \$0.20 per Share.

Offer Proceeds means the funds raised by the issue of Shares under this Prospectus.

Official List means the official list of ASX.

Opening Date means the first date for receipt of a completed Application Form which is 9:00am (AEDT) on 12 February 2021, unless ASIC extends the Exposure Period.

Option means an option to acquire a Share.

Priority Offer means a priority offer of Shares to Eligible DDD Shareholders of up to a maximum of 10,000,000 Shares at the Offer Price pursuant to this Prospectus to raise up to a maximum of \$2,000,000 before costs.

Priority Offer Application Form means the application form to apply for Shares under the Priority Offer that is attached to, and forms part of, this Prospectus.

Priority Offer Record Date means 5.00pm (AEDT) on 9 February 2021.

Project means the Cosmo Newbery Project.

Prospectus means this Prospectus dated 4 February 2021.

RAC drilling means percussion rotary air blast drilling.

Sale Agreement means the sale and exclusive option agreement between Adderstone and the Company dated 16 January 2020 as summarised in Section 11.4.

Section means a section of this Prospectus.

Seed Raising means the issue of 6,000,000 Shares at \$0.10 per Share together with one free-attaching Option for each Share issued, each Option exercisable at \$0.25 and expiring on 29 February 2024.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic Pty Ltd (ACN 152 260 814).

Shareholder means a registered holder of a Share.

Spin Out has the meaning given in Section 11.7.

Tax Advisor means Walch in Practice Pty Ltd (ACN 088 280 906).

Tenements Report means the tenements report prepared by Austwide Mining Title Management Pty Ltd (ACN 064 099 109) as set out at Section 7.

Transaction Implementation Deed means the transaction implementation deed between DDD and Cosmo Gold dated 16 November 2020 as summarised in Section 11.7.

Tenements means the tenements held by the Company, being Western Australian exploration licence E38/2274, E38/2627, E38/2774, E38/2851 and E38/3249, and Western Australian exploration licence applications E38/3250 (under option with Adderstone Holdings), E38/3456, E38/3457 and E38/3525.

Underwriting Agreement has the meaning given in Section 11.6.

Underwritten Amount means \$5,000,000.

Underwritten Shares means 25,000,000 Shares.

US Securities Act means United States Securities Act of 1933, as amended.

Waturta means representatives of the Waturta Claim Group.

Waturta Heritage Agreement means the heritage agreement between the Company and Waturta as summarised in Section 11.3 (and which has been signed by the Company and is awaiting signing by Waturta).

Waturta Tenements means exploration licences E38/2627 and E38/3456.

YTAC means Yilka Talintji Aboriginal Corporation RNTBC (ICN:8415).

YTAC Access Agreement means the access agreement between the Company and YTAC as summarised in Section 11.1.

YTAC Tenements means exploration licences E38/2274, E38/2627, E38/2774, E38/2851, E38/3249, E38/3525, E38/3456 and E38/3457.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual	Mr John Richard Sample	J R Sample
Joint Holdings	Mr John Richard Sample & Mrs Anne Sample	John Richard & Anne Sample
Company	ABC Pty Ltd	ABC P/L or ABC Co
Trusts	Mr John Richard Sample <Sample Family A/C>	John Sample Family Company
Superannuation Funds	Mr John Sample & Mrs Anne Sample <Sample Family Super A/C>	John & Anne Superannuation Fund
Partnerships	Mr John Sample & Mr Richard Sample <Sample & Son A/C>	John Sample & Son
Clubs/Unincorporated Bodies	Mr John Sample <Health Club A/C>	Health Club
Deceased Estates	Mr John Sample <Estate Late Anne Sample A/C>	Anne Sample (Deceased)

INSTRUCTIONS FOR COMPLETING THE FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

This is an Application Form for fully paid ordinary Shares in Cosmo Gold Limited (ACN 636 743 649) (the "Company") made under the terms of the Priority Offer set out in the Prospectus dated 4 February 2021.

Capitalised terms not otherwise defined in this document has the meaning given to them in the Prospectus. The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Shares. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus and any supplementary Prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary Prospectus (if applicable) and an Application Form, on request and without charge.

- Shares Applied For & Payment Amount** - Enter the number of Shares you wish to apply for. Your Application must be a minimum of A\$2,000 of Shares and in multiples of A\$500 thereafter, there is no maximum Application amount. Next, enter the amount of the Application Monies payable. To calculate this amount, multiply the number of Shares applied for by the Offer Price, which is A\$0.20 per Share.
- Applicant Name(s) and Postal Address** - ONLY legal entities can hold Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. Refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
- Contact Details** - Please provide your contact details for us to contact you between 9:00am and 5:00pm (AEDT) should we need to speak to you about your application. In providing your email address you elect to receive electronic communications. You can change your communication preferences at any time by logging in to the Investor Portal accessible at <https://investor.automic.com.au/-/home>
- CHES Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold Shares allotted to you under this Application on the CHES subregister, enter your CHES HIN. Otherwise leave the section blank and an allotment you will be sponsored by the Company and a "Securityholder Reference Number" ("SRN") will be allocated to you.
- TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application.
- Payment** - Payments for Applications made through this Application Form can only be made by cheque. Payment can be made by BPAY but only by making an online Application, which can be accessed by following the web address provided on the front of the Application Form. Do not forward cash with this Application Form as it will not be accepted.
Your cheque must be made payable to "Cosmo Gold Limited" and drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable". Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid. Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

DECLARATIONS

BY SUBMITTING THIS APPLICATION FORM WITH THE APPLICATION MONIES, I/WE DECLARE THAT I/WE:

- Have received a copy of the Prospectus, either in printed or electronic form and have read the Prospectus in full;
- Have completed this Application Form in accordance with the instructions on the form and in the Prospectus;
- Declare that the Application Form and all details and statements made by me/us are complete and accurate;
- I/we agree to provide further information or personal details, including information related to tax-related requirements, and acknowledge that processing of my application may be delayed, or my application may be rejected if such required information has not been provided;
- Agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- Where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- Acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- Apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- Acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- Authorise the Company and their agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated;
- Am/are over 18 years of age;
- Agree to be bound by the Constitution of the Company; and
- Acknowledge that neither the Company nor any person or entity guarantees any particular rate of return of the Shares, nor do they guarantee the repayment of capital.

LODGEMENT INSTRUCTIONS

The Offer is expected to open on 11 February 2021. The Offer is expected to close at 5:00pm (AEDT) on 11 March 2021. The Directors reserve the right to close the Offer at any time once sufficient funds are received or to extend the Offer period. Applicants are therefore encouraged to submit their Applications as early as possible. Completed Application Forms and cheques must be submitted:

By Post:  Cosmo Gold Limited C/- Automic Group GPO Box 5193 SYDNEY NSW 2001	By Hand Delivery:  Cosmo Gold Limited C/- Automic Group Level 5, 126 Phillip Street SYDNEY NSW 2000	Online: https://investor.automic.com.au/#/ipo/cosmogold
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ASSISTANCE

Need help with your application, no problem. Please contact Automic on:



PHONE:
 1300 288 664 within Australia
 +61 (2) 9698 5414 from outside Australia



LIVE WEBCHAT:
 Go to www.automicgroup.com.au



EMAIL:
corporate.actions@automicgroup.com.au



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Capitalised terms not otherwise defined in this document has the meaning given to them in the Prospectus. The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Shares. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus and any supplementary Prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary Prospectus (if applicable) and an Application Form, on request and without charge.

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- I/we agree to provide further information or personal details, including information related to tax-related requirements, and acknowledge that processing of my application may be delayed, or my application may be rejected if such required information has not been provided;
- Agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- Where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
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- Apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
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ASSISTANCE

Need help with your application, no problem. Please contact Automic on:



PHONE:
 1300 288 664 within Australia
 +61 (2) 9698 5414 from outside Australia



LIVE WEBCHAT:
 Go to www.automicgroup.com.au



EMAIL:
corporate.actions@automicgroup.com.au



Corporate Directory

Directors

Ian Hastings – Non-Executive Chairman
Philip Ash – Managing Director
John Chegwiddden – Non-Executive Director

Company Secretary

Andrew Draffin

Registered Office

C/-DW Accounting & Advisory
Level 4, 91 William Street
Melbourne VIC 3000

Telephone: +61 3 8611 5333
Email: info@cosmogold.com.au
Website: www.cosmogold.com.au

Lead Manager and Underwriter

RM Corporate Finance Pty Ltd

AFSL 315235
Level 1, 1205 Hay Street
West Perth WA 6008

Auditor

Morrows Audit Pty Ltd

Level 13, Freshwater Place
2 Southbank Boulevard
Southbank VIC 3006

Investigating Accountant

PKF Melbourne Corporate Pty Ltd

Level 12, 440 Collins Street
Melbourne VIC 3000

Legal Adviser

GrilloHiggins Lawyers

Level 4, 114 William Street
Melbourne VIC 3000

Independent Geologist

CSA Global Pty Ltd

Level 2, 3 Ord Street
West Perth WA 6005

Title Reporting

Austwide Mining Title Management Pty Ltd

Unit 6, 42 Dellamarta Road
Wangara WA 6065

Tax Advisor

Walch in Practice Pty Ltd

Level 4, 91 William Street
Melbourne VIC 3000

Share Registry

Automic Pty Ltd

Level 5, 126 Phillip Street
Sydney NSW 2000

Proposed ASX Code

CSM



COSMO
Gold Limited

