COSMOS

C1X advises intention to exercise EAU Lithium Option and raises A$5.0 million through a placement

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Highlights

- Cosmos Exploration Ltd (ASX: C1X) has notified EAU Lithium Pty Ltd ('**EAU Lithium**') of its intention to exercise the option to acquire 100% of the issued share capital of EAU Lithium ('**EAU Lithium Option**').
- As part of the exercise of the EAU Lithium Option, and subject to shareholder approval, Cosmos will issue to the vendors an aggregate of approximately 108.5 million fully paid ordinary shares in the capital of Cosmos ('**Consideration Shares**).
- Cosmos has received firm commitments totalling A$5.0 million (before costs) for a placement to institutional and sophisticated investors, including director participation for a total of A$600,000.
- Funds raised will be used primarily towards exploration on existing Cosmos assets, supporting EAU Lithium Pty Ltd to advance its negotiations in Bolivia, EAU Lithium cash consideration (A$525k) and working capital.
- EAU Lithium remains as a Bolivia focussed entity, with its management, leadership and contracts intact, to continue to prosecute its negotiations in Bolivia.

EAU Lithium Option

Cosmos Exploration Limited (**ASX**: **C1X**) (**Cosmos** or **C1X**) is pleased to advise that it has notified EAU Lithium of its intention to exercise the EAU Lithium Option in accordance with the terms of the exclusive option agreement and acquire the Bolivian-focused lithium development company EAU Lithium (**Option Agreement**). Refer to Cosmos' ASX announcement dated 19 December 2024 for further details of the Option Agreement.

The merger will assist EAU Lithium in its strategy to be prepared to proceed with development of their projects in Bolivia with Vulcan Energy Resources (Vulcan) as EAU Lithium's strategic partner, providing VULSORB® A-DLE technology and knowhow. Affinity Capital Partners advised EAU Lithium on the merger and the strategic relationship with Vulcan.

EAU Lithium Executive Chairman, James Durrant said: *"This merger is a key part of EAU Lithium's strategy to collaboratively and transparently support in the development of the lithium sector in Bolivia. The governance, profile, and investment access of the public* *listing is an important aspect in what we hope to be a long term and mutually beneficial relationship with YLB on behalf of the Bolivian State"*

Cosmos Chairman, Jeremy Robinson stated: *"We welcome merging with EAU Lithium and look forward to working with the EAU Lithium team as they prepare to support Bolivia´s lithium company in developing their lithium ambitions. We have been happy to support EAU Lithium on its corporate journey and wish them well in successfully achieving their industrialisation project"*

Cosmos is also pleased to announce the appointment of Dr Reuter Investor Relations as the Company's European Investor Relations advisor. Dr Reuter IR will support Cosmos Exploration in expanding its European shareholder base, particularly across the DACH region (Germany, Austria and Switzerland), and will manage European investor communications and engagement initiatives.

Dr Eva Reuter, CEO of Dr Reuter Investor Relations, said: *"We are pleased to be working with Cosmos and EAU Lithium in Europe. EAU's collaboration with Vulcan Energy Resources, including deployment of advanced direct lithium extraction technologies, places EAU's project initiatives within a broader strategic supply chain being closely followed by European stakeholders. We look forward to introducing Cosmos Exploration and EAU Lithium to investors interested in critical raw materials.*

"Germany is actively supporting secure sustainable lithium sourcing through government, industry and community initiatives, and we are seeing corresponding investor interest and trading activity from German markets. The recent high-level European engagement in Bolivia further highlights the geopolitical importance of these resources and reinforces the relevance of Cosmos Exploration to investors seeking exposure to future European battery-material supply."

Information on EAU Lithium

EAU Lithium has a VULSORB®A-DLE technology licence agreement with Vulcan Energie Ressourcen GmbH, a German subsidiary of Vulcan Energy Resources (ASX:VUL, FRA:VUL) ("Vulcan Energy").

Vulcan Energy Resources is a strategic technology provider to, and has a strategic shareholding in, EAU Lithium. EAU Lithium currently has approximately 25% German investment.

EAU recently confirmed that it signed a Negotiation Agreement with Yacimientos de Litio Bolivianos ("YLB"), Bolivia's state-owned lithium company following successful technology demonstration tests[1].

[1] ASX Announcement 17 February 2026: EAU Lithium Executes Negotiation Agreement with YLB

Completion of Acquisition

In accordance with the terms of the Option Agreement, completion of the acquisition of 100% of the issued share capital of EAU Lithium (**Acquisition**) remains subject to Cosmos:

- subject to shareholder approval, issuing approximately 108,466,602[2] Consideration Shares to the shareholders of EAU Lithium in their relevant proportions; and
- payment of the cash consideration component of $525,000.

The issue of the Consideration Shares is subject to shareholder approval which is to be sought at an extraordinary general meeting (**EGM**) to be held in April 2026. Details of the time and venue for the EGM will be provided in a notice of meeting to be despatched to shareholders in due course.

This transaction was proposed in December 2024[3] as part of EAU Lithium's corporate strategy to ensure it was optimised to prosecute its development initiatives in Bolivia.

EAU Lithium will remain as the controlling entity of its Bolivian business with James Durrant, Todd Romaine and Kay Hofmann as Directors and executives.

As part of the transaction and following completion of the Acquisition, Executive Chairman of EAU Lithium, James Durrant and CEO of EAU Lithium, Todd Romaine, will be appointed as non-executive directors of the Company. Kay Hofmann will become Chief Technical Officer of Cosmos.

Share Placement

Cosmos is also pleased to announce that it has received firm commitments to raise A$5 million (before costs) through a placement of 25,000,000 fully paid ordinary shares in the capital of Cosmos (**Placement Shares**) to institutional and sophisticated investors at an issue price of A$0.20 per Placement Share (**Placement**). The Placement Shares will be issued in a single tranche under to the Company's placement capacity pursuant ASX Listing Rule 7.1 (13,000,000 Placement Shares) and 7.1A (9,000,000 Placement Shares).

Investors in the Placement will receive one (1) unlisted attaching option exercisable A$0.30 per share with a two (2) year expiry from date of issue (**Attaching Options**) for every two (2) Placement Shares subscribed, subject to shareholder approval at the EGM (12,500,000 Attaching Options).

The Placement includes participation by Cosmos' Executive Chairman, Jeremy Robinson and current Non-Executive Director James Bahen, who have subscribed for a combined

[2] Final figure remains subject to rounding.
[3] Refer to Company ASX announcement on 19 December 2024

total of A$600,000 (3,000,000 million Placement Shares and 1,500,000 Attaching Options), subject to receipt of shareholder approval.

A significant portion of the Placement was committed by existing shareholders, employees and key stakeholders of both EAU Lithium and Cosmos.

The offer price of A$0.20 per Placement Share represents a:

- 24.5% discount to Cosmos' last closing price of A$0.265 on 26 February 2026;
- 6% premium to Cosmos' 5-day volume weighted average price (**VWAP**) of A$0.188; and
- 31% premium to Cosmos' 15-day VWAP of A$0.153

The Placement Shares are expected to settle on Wednesday, 11 March 2026 and be issued and commence trading on the ASX on a normal basis on Thursday, 12 March 2026.

Placement Shares issued under the Placement will rank equally with the Cosmos' existing fully paid ordinary shares on issue (**Shares**).

Yelverton Capital Pty Ltd (**Yelverton**) is acting as Lead Manager and Bookrunner to the Placement. As part of its fee, Yelverton (or its nominee/s) will also be issued 8.0 million options on the same terms as the Attaching Options, subject to shareholder approval at the EGM.

Proceeds from the Placement will be applied towards:

- exploration on existing Cosmos assets;
- supporting EAU Lithium Pty Ltd advance its negotiations in Bolivia;
- EAU Lithium vendor fees; and
- cost of the offer and working capital;

The proposed use of funds is indicative only and will be subject to modification on an ongoing basis depending on the results obtained from Cosmos' activities and other factors relevant to the Board's discretion as to use of funding. Appropriate contingencies have been built into the application of funding.

The Placement is not conditional on the Acquisition completing. Accordingly, if the Acquisition does not complete, Cosmos will use all funds raised from the Placement towards, exploration on the Company's existing assets (in particular, IP surveys at Orange East) and working capital.

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

For further information please contact:

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