

17 July 2014

The Company Announcements Office
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Dear Sir/Madam

JUNE 2014 QUARTER ACTIVITIES REPORT

Comet Resources Limited (**Comet**) currently has cash reserves of \$1.8 million and 83,003,370 million shares on issue. Comet continues to review new project opportunities, as well as evaluate its 100% owned projects.

GILMORE PROJECT

Comet is continually evaluating opportunities to peg prospective ground with 100% ownership. During this process Comet identified the Gilmore Project and applied for tenement coverage during the June quarter. The Gilmore Project is a 75 block exploration licence located 80km west of Canberra in New South Wales. The project's geology and prospectivity fits Comet's exploration philosophy.

The Project constitutes an attractive target for gold and base metal mineralisation due to the presence of Silurian acid volcanics located close to a major thrust fault (Gilmore Fault). The Gilmore Fault is a major regional thrust fault and controlling focus for major gold deposits including Sovereign Gold Ltd, Mount Adrah (located approximately 30kms away along the Gilmore Fault), Gidginbung, West Wyalong and Lake Cowal. Widespread gold and base metal responses within the project area from previous exploration also contribute the potential of this project.

From previewing previous exploration results Comet has identified drill targets within the project area that will require minimal confirmation ground work. The tenement is expected to be granted this quarter.

CANNING BASIN PROJECT

Historical exploration by Stockdale Prospecting Limited drill tested geophysical diamond targets over a large area in the Canning Basin during 1997. During this program the drill logs showed that several holes intersected sedimentary units that contained material describe as coal, lignite, bituminous and carbonaceous (**carbonaceous material**) within Permian sediments. The largest intersection of this carbonaceous material being 32m in KID 528 (KID 528 was terminated in the carbonaceous material at 110m). Comet's tenement has been pegged to cover KID 528.

The quality of this intersection is hard to ascertain from the drill logs and Stockdale did not conduct any further investigation on the carbonaceous material.

Comet is planning an exploration program in 2014 to locate and redrill KID 528 so that samples can be obtained for further test work and also test for extensions to this unit of carbonaceous material. Comet is seeking heritage approval before this exploration program can commence.

EXPLORATION EXPENDITURE INCURRED

Exploration expenditure incurred by Comet during the quarter ending 30 June 2014 on projects is set out below.

Project	Expenditure Incurred
Canning Basin Project	\$25,000.00
Gilmore Project	\$37,000.00

MINING TENEMENTS STATUS

Mining tenements held at the end of quarter (granted)		
Project and location	Interest	Tenement
Canning Basin Project, 750km east of Port Headland WA	100%	E45/3894
Calula Project, 25km north of Orange NSW	20%	EL 7971
Bells Find, 10km west Southern Cross	25%	M74/1055

Mining tenements acquired and/or disposed of during the quarter			
Project and location	Interest	Tenement	Action
Utopia Project 150km south east of Kalgoorlie WA	100%	EL 28/1495	surrendered
	100%	EL 28/1657	surrendered

For further information please contact.

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Comet listed on the Australian Stock Exchange in 1994. The Company discovered and studied the Ravensthorpe Nickel Project. In 2001 Comet successfully sold its final equity to BHP Billiton and returned to Comet shareholders \$32 million. Comet has a number of exciting projects that it is currently exploring and advancing. Comet has cash assets of approximately \$2 million, 0.5 million Ferrowest shares and has approximately 83 million shares on issue.

The information in the report to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves compiled by Mr. A Cooper, who is a Consultant and director to Comet is also a Member of The Australian Institute of Mining and Metallurgy, with over 20 years experience in the mining industry. Mr. Cooper has sufficient experience, which 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 "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.