

2nd October 2018

High Grade Northern Zone Extended Interim RC Drill Results

Highlights

Assay highlights include:

- HR0101 - **31m @ 10.7% TGC from 14m including 8m @ 24.5% TGC.**
- HR0114 - **27m @ 11.9% TGC from 27m including 14m @ 17.8% TGC and 1m @ 16.5% TGC.**
- HR0126 - **46m @ 12.2% TGC from 38m including 7m @ 17.1% TGC and 17m @ 19.2% TGC.**
- HR0127 - **25m @ 14% TGC from 30m including 12m @ 26.6% TGC.**
- HR0128 - **19m @ 9% TGC from 47m including 8m @ 15.2% TGC.**

The Northern Zone continues to tick all the boxes:

- High grade.
- Shallow dip.
- Near surface.
- Good location.
- Low sovereign risk.

Approximately 50% of assays returned.

Comet has \$150,000 EIS co-funding grant to assist with drilling costs.

Logged graphitic horizons suggest further positive results to come.

SPRINGDALE PROJECT WESTERN AUSTRALIA (100% CRL)

Comet Resources Limited (ASX: **CRL**) (“Comet” or the “Company”), is pleased to announce interim results for the July/August 2018 RC drilling program at the Northern Zone. This report covers approximately 50% of the reverse circulation (**RC**) drilling completed during this program. Comet plans to release a maiden resource for Springdale after all results have been received and interpretation has been completed.

Overview

In September 2017 Comet conducted a 220 sq km detailed aeromagnetic survey over the Springdale Project in Western Australia (ASX release 10th November 2017). Interpretation of this survey delineated **26 kilometres of stratigraphy deemed to be prospective for graphite mineralisation (currently less than 20% of which is drill-tested)**. Stratigraphy in the Northern Zone was defined as a high priority drill target. RC drilling completed between December 2017 and February 2018 was successful in identifying high grade graphite mineralisation in the Northern Zone. Assay highlights from the initial drilling into this new discovery included:

HR0082

- **19m @ 14.21% TGC (Total Graphitic Carbon) from 20m including 6m @ 27.34% TGC and 1m @ 33% TGC.**

HR0083

- **21m @ 14.57% TGC from 37m including 12m @ 21.75% TGC.**

HR0086

- **22m @ 7.63% TGC from 29m including 6m @ 15.23% TGC.**

HR0087

- **21m @ 4.57% TGC from 11m including 1m @ 28.3%**

■ HR0060

- 20m @ 19.3% TGC from 30m including 13m @ 25.8% TGC mineralised to end of hole.

■ HR0061

- 7m @ 16.3% TGC from 15m including 3m @ 35.1% TGC
- 15m @ 7.3% TGC from 24m including 2m @ 23.1% TGC and 2m @ 16.1% TGC

■ HR0062

- 14m @ 7% TGC from 23m including 2m @ 17.3% TGC and 2m @ 15.5% TGC

■ HR0063

- 10m @ 10.1% TGC from 29m including 2m @ 18.2% TGC, 1m @ 17.2% TGC and 2m @ 17.8% TGC

RC drilling recently executed by Comet was planned to further test the strike extent and orientation of high-grade graphite mineralisation in the Northern Zone.

(Nb: Refer CRL ASX Release dated 17 April 2018 - More High-Grade Intersections in Northern Zone)

July/August 2018 RC Drilling

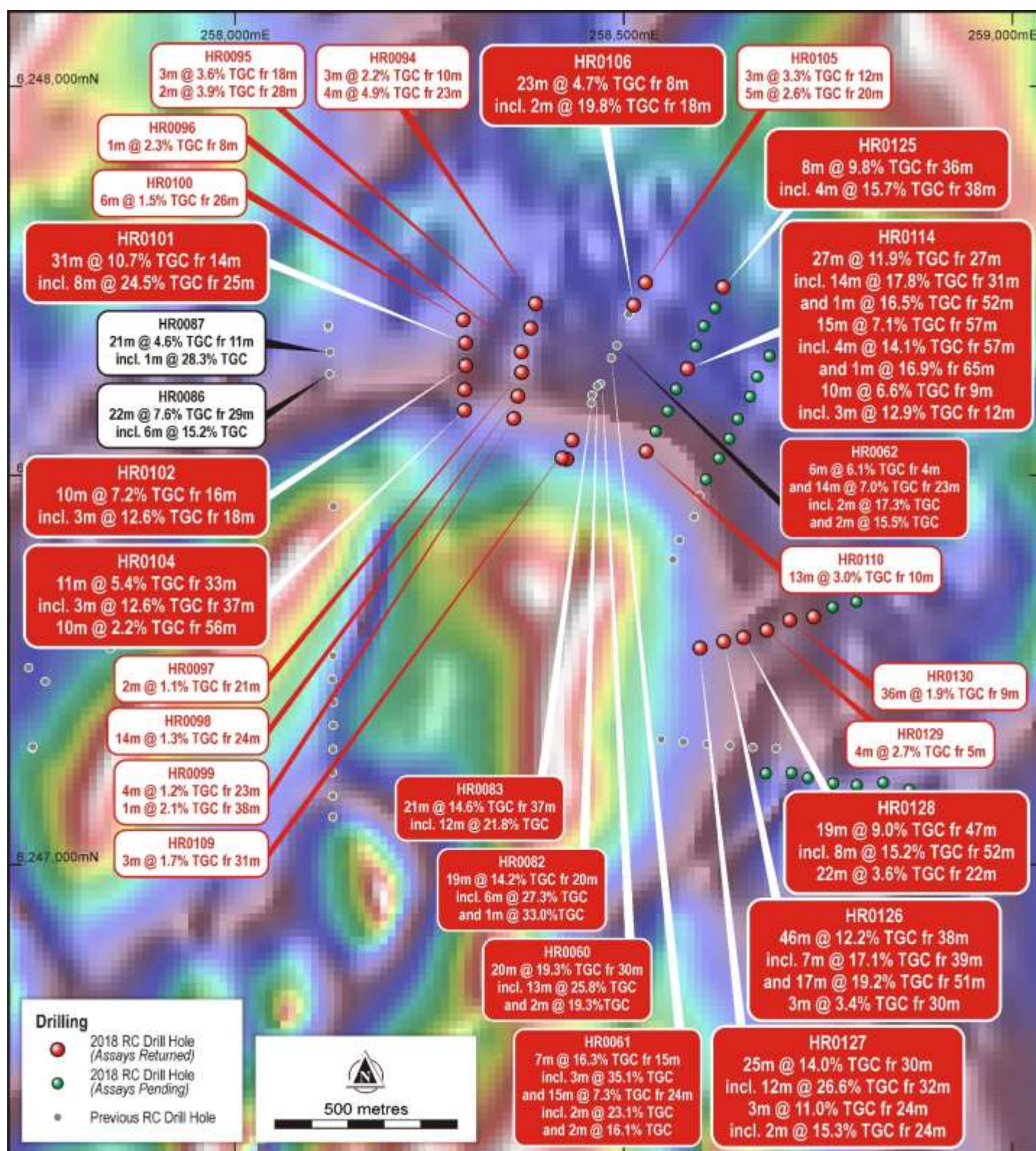


Figure 1 – Location of recent and existing RC drilling covering the Northern Zone. Significant intersections for recent assays returned. Reduced to the pole (RTP) aeromagnetic image underlay.

Using aeromagnetic data to follow stratigraphy prospective for graphite mineralisation in conjunction with drilling results from the 2017/2018 discovery drilling, an RC drill program was conducted to test orientation and strike continuity of high-grade graphite mineralisation in the Northern Zone. This drilling was executed in July-August 2018. 47 shallow, reconnaissance style, RC holes were drilled for a total of 2,537 metres (m). To date assays for approximately 50% of the

holes drilled have been returned. These results confirm the extension of high-grade graphite mineralisation in the Northern Zone for at least 700 m. Mineralisation remains open along strike and at depth. Assay highlights for the results returned include (Figure 1):

- HR0101
 - **31m @ 10.7% TGC from 14m including 8m @ 24.5% TGC**
- HR0102
 - **10m @ 7.2% TGC from 16m including 3m @ 12.6% TGC**
- HR0104
 - **11m @ 5.4% TGC from 33m including 2m @ 11.3% TGC.**
- HR0106
 - **23m @ 4.7% TGC from 8m including 2m @ 19.8% TGC**
- HR0114
 - **10m @ 6.6% TGC from 9m including 3m @ 12.9% TGC**
 - **27m @ 11.9% TGC from 27m including 14m @ 17.8% TGC and 1m @ 16.5% TGC**
 - **15m @ 7.1% TGC from 57m including 4m @ 14.1% TGC and 1m @ 16.9% TGC**
- HR0125
 - **8m @ 9.8% TGC from 36m including 4m @ 15.7% TGC**
- HR0126
 - **46m @ 12.2% TGC from 38m including 7m @ 17.1% TGC and 17m @ 19.2% TGC**
- HR0127
 - **3m @ 11% TGC from 24m including 2m @ 15.3% TGC**
 - **25m @ 14% TGC from 30m including 12m @ 26.6% TGC**
- HR0128
 - **22m @ 3.6% TGC from 22m**
 - **19m @ 9% TGC from 47m including 8m @ 15.2% TGC**

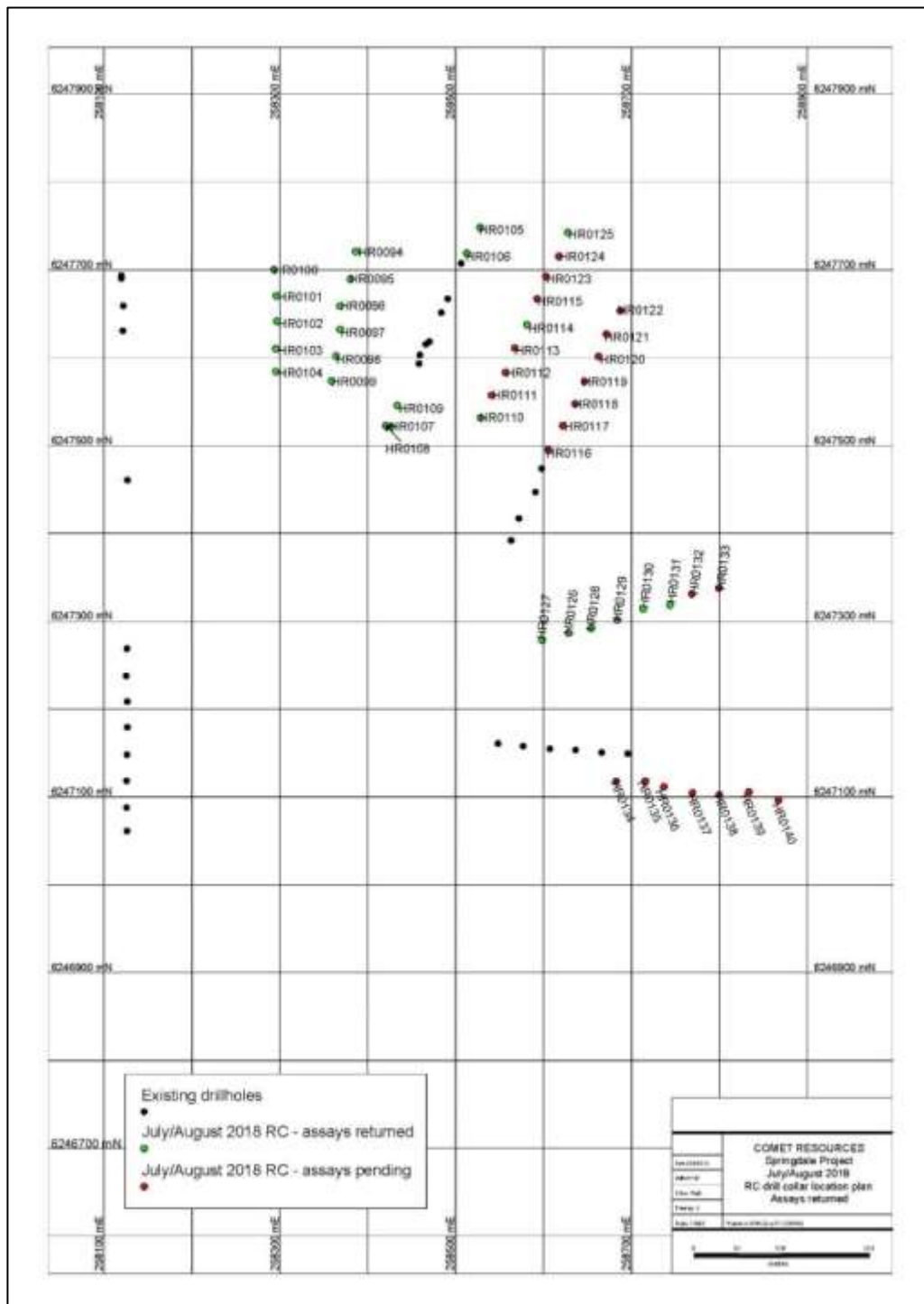


Figure 2 – Collar location plan July/August 2018 RC drilling

Table 1 – Significant intersections assays returned for holes drilled July/August 2018 over the Northern Zone (>=1% TGC, up to 1m of internal waste).

HOLEID	SIGNIFICANT GRAPHITE INTERSECTIONS
HR0094	3m @ 2.2% TGC from 10m
	4m @ 4.9% TGC from 23m
	2m @ 1% TGC from 40m
HR0095	2m @ 1.3% TGC from 10m
	3m @ 3.6% TGC from 18m
	2m @ 3.9% TGC from 28m
HR0096	1m @ 2.3% TGC from 8m
	2m @ 1% TGC from 43m
HR0097	2m @ 1.1% TGC from 21m
HR0098	14m @ 1.3% TGC from 24m
HR0099	4m @ 1.2% TGC from 23m
	1m @ 2.1% TGC from 38m
HR0100	6m @ 1.5% TGC from 26m
	1m @ 1.1% TGC from 36m
	1m @ 1.1% TGC from 42m
HR0101	31m @ 10.7% TGC from 14m including 8m @ 24.5% TGC from 25m
HR0102	10m @ 7.2% TGC from 16m including 3m @ 12.6% TGC from 18m
	4m @ 1.7% TGC from 30m
HR0104	11m @ 5.4% TGC from 33m including 2m @ 11.3% TGC from 37m
	10m @ 2.2% TGC from 56m
HR0105	2m @ 1.9% TGC from 0m
	3m @ 3.3% TGC from 12m
	5m @ 2.6% TGC from 20m
HR0106	23m @ 4.7% TGC from 8m including 2m @ 19.8% TGC from 18m
	1m @ 1.4% TGC from 34m
HR0107	1m @ 1.5% TGC from 43m
	4m @ 5.5% TGC from 62m
HR0109	3m @ 1.7% TGC from 31m
	10m @ 1.9% TGC from 39m
HR0110	3m @ 6.4% TGC from 0m
	3m @ 0.9% TGC from 5m
	2m @ 3.2% TGC from 40m
	4m @ 1.4% TGC from 44m
HR0114	10m @ 6.6% TGC from 9m including 3m @ 12.9% TGC from 12m
	27m @ 11.9% TGC from 27m including 14m @ 17.8% TGC from 31m and 1m @ 16.5% from 52m
	15m @ 7.1% TGC from 57m including 4m @ 14.1% TGC from 57m and 1m @ 16.9% from 65m
HR0125	1m @ 1.2% TGC from 1m
	4m @ 1.6% TGC from 7m
	1m @ 1% TGC from 18m
	1m @ 1.6% TGC from 31m
	8m @ 9.8% TGC from 36m including 4m @ 15.7% TGC from 38m
HR0126	1m @ 3.5% TGC from 0m
	3m @ 2.7% TGC from 7m
	3m @ 3.4% TGC from 30m
	46m @ 12.2% TGC from 38m including 7m @ 17.1% TGC from 39m and 17m @ 19.2% from 51m
HR0127	3m @ 11% TGC from 24m including 2m @ 15.3% TGC from 24m
	25m @ 14% TGC from 30m including 12m @ 26.6% TGC from 32m
	5m @ 3.2% TGC from 57m
	3m @ 1.6% TGC from 66m
	2m @ 1.3% TGC from 72m
HR0128	22m @ 3.6% TGC from 22m
	19m @ 9% TGC from 47m including 8m @ 15.2% TGC from 52m
HR0129	4m @ 2.7% TGC from 5m

HOLEID	SIGNIFICANT GRAPHITE INTERSECTIONS
	1m @ 1.1% TGC from 16m
	2m @ 1.1% TGC from 21m
HR0130	36m @ 1.9% TGC from 9m
	1m @ 1.4% TGC from 48m

The final report for this drilling will be released in the coming quarter.

Background

Comet's Springdale project is located approximately 30 km east of Hopetoun, Western Australia. The tenements lie within the deformed southern margin of the Yilgarn Craton and constitute part of the Albany-Fraser Orogen. The tenements cover freehold land with sealed road access within 20km and are located approximately 150km from the port of Esperance. Comet owns 100% of the three tenement's (E74/562, E74/583 and E74/612) that make up the Springdale project. The total land holding at Springdale is approximately 220 square kilometres.

Comet completed a successful first pass aircore drilling program in February 2016. This program confirmed that graphite was present in a prospective zone/horizon (Western Zone). Comet has now drilled 93 RC holes for a total of 5320m, 113 aircore holes for 2,901 metres and 20 diamond holes for 1,193 metres. Significant intersections from drilling include:

Northern Zone

- ▣ HR0060
 - 20m @ 19.3% TGC from 30m including 13m @ 25.8% TGC and 2m @ 19.3% TGC
- ▣ HR0061
 - 7m @ 16.3% TGC from 15m including 3m @ 35.1% TGC
 - 15m @ 7.3% TGC from 24m including 2m @ 23.1% TGC and 2m @ 16.1% TGC
- ▣ HR0082
 - 19m @ 14.21% TGC from 20m including 6m @ 27.34% TGC and 1m @ 33% TGC
- ▣ HR0083
 - 21m @ 14.57% TGC from 37m including 12m @ 21.75% TGC.

Western Zone

- ▣ HD001
 - 15.5m @ 9.9% TGC from 30.5m including 7m @ 20.8% TGC
- ▣ HD003
 - 17.5m @ 11.3% TGC from 27m including 6m @ 22.3% TGC
- ▣ HD016
 - 15.5m @ 7.5% TGC from 8.5m including 4m @ 12.1% TGC and 1.9m @ 19.3%TGC
 - 14m @ 6.7% TGC from 28m including 3.25m @ 20.2% TGC
- ▣ HD017
 - 10.5m @ 7.6% TGC from 9.5 m including 4.95m @ 14.1% TGC
- ▣ HR0074
 - 15m @ 12.9% TGC from 7m including 5m @ 32.62% TGC
- ▣ HR0091
 - 43m @ 6.45% TGC from 7m including 1m@ 32.9% TGC and 3m@ 21.58% TGC

Eastern Zone

- ▣ HD018
 - 5.6m @ 7% TGC from 15.5m
 - 4.6m @ 15.8% TGC from 40m including 3.1m @ 21% TGC
 - 11m @ 25.6% TGC from 49m including 9 metres @ 30.2% TGC
- ▣ HR0036
 - 12m @ 12.2% TGC from 26m including 5m @ 23.1% TGC
- ▣ HR0069
 - 6m @ 9.5% TGC from 38m including 2m @ 16.2% TGC
 - 6m @ 18.3% TGC from 47m including 5m @ 21.7% TGC
- ▣ HR0072
 - 4m @ 2.6% TGC from 21m
 - 10m @ 20.4% TGC from 33m including 5m @ 31.4% TGC

HR0080

- 9m @ 17.6% TGC from 25m including 4m @ 35.5% TGC
- 42m @ 7.6% TGC from 70m including 10m @ 14.3% TGC and 4m @ 12.4% TGC
- 14m @ 4.4% TGC from 118m

Comet discovered in April 2017 that graphene can be produced from Springdale graphite by electrical exfoliation. It is very rare for a graphite deposit to be able to produce graphene using the exfoliation method.

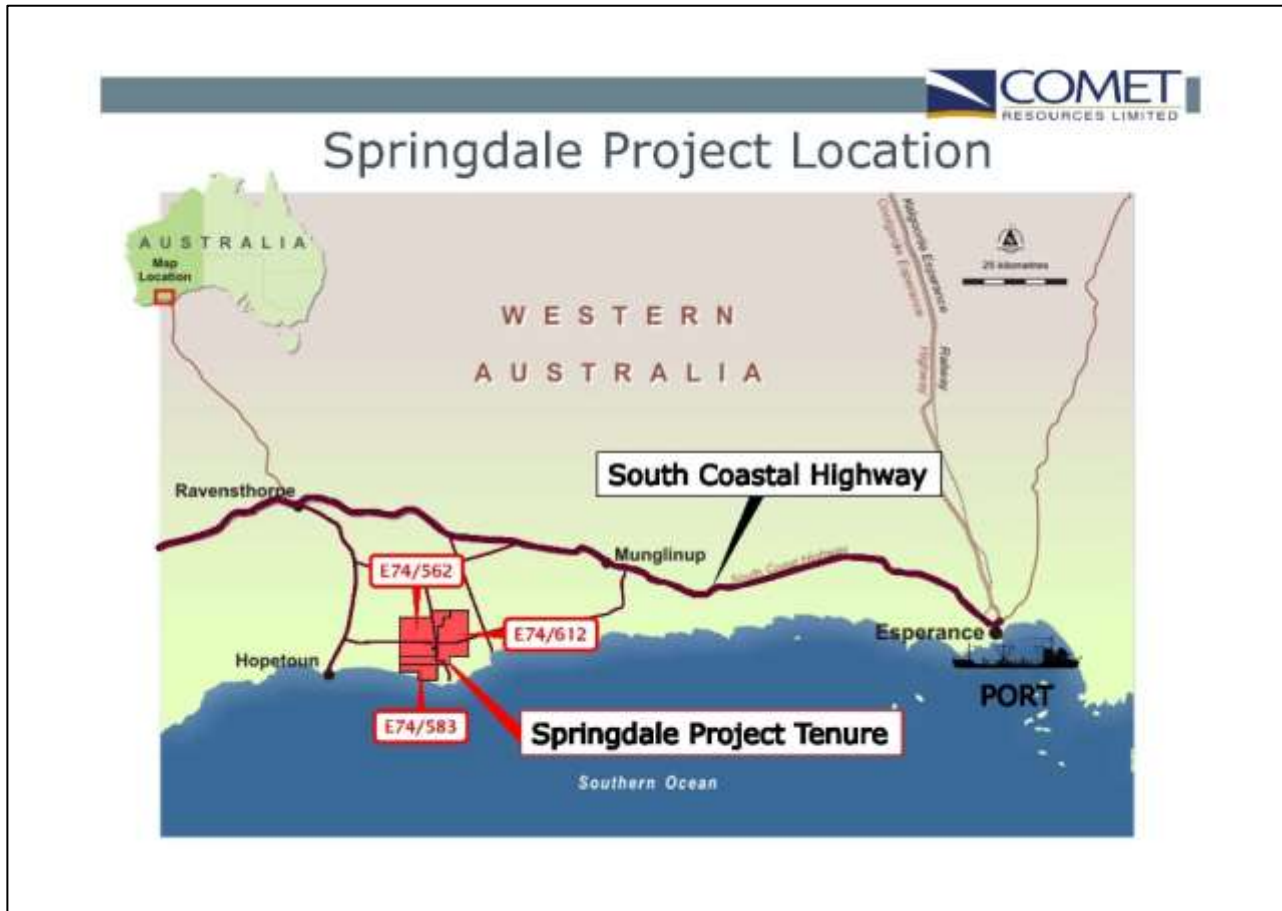


Figure 3: Plan showing location and tenements

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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 \$0.5 million and has approximately 206 million shares on issue.

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Comet Resources Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Comet Resources Limited believes that its forward-looking statements are reasonable; however, forward looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss

Competent Persons Statement

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 30 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.

JORC Table 1.**Section 1 Sampling Techniques and Data**

Criteria	Explanation
<i>Sampling techniques</i>	Reverse circulation drilling produced samples that were collected at one-metre intervals using a cone splitter to produce an approximate three-kilogram sample, which is considered representative of the full drill metre. This is considered to be an industry standard. Sampling was guided by qualified field personnel. Only sample that contained visible Graphite were submitted to ALS Laboratories Perth. Samples were analysed for Graphitic Carbon with selected Au and base metal analyses
<i>Drilling techniques</i>	Springdale drill program comprised 47 RC drill holes, which were completed by 3 Rivers Drilling using a Schramm T450 RC drill rig with an onboard 900psi / 2200cfm compressor. An auxiliary booster was used on the majority of holes deeper than 70m. The majority of drilling was carried out using a 100mm RC face sampling hammer. When clays were problematic a 100mm aircore bit was used.
<i>Drill sample recovery</i>	Overall recoveries were good. Insufficient drilling and geochemical data is presently available to evaluate any potential sample bias. Many wet samples were reported. A problem may exist with loss of graphite due to high water flows during drilling.
<i>Logging</i>	Geological logging of the drill chips were recorded for all holes, including lithology, mineralogy, grainsize, texture, weathering, oxidation, colour and other features of the samples. Drill chips were not logged to any geotechnical standard. Logging of RC drill chips is considered to be semi-quantitative given the nature of rock chip fragments and the inability to obtain detailed geological information. The drill holes were logged in full to the end of the hole.
<i>Sub sampling techniques and sample preparation</i>	All one-metre splits from the drill holes were passed through a cone splitter to produce a 15% split for assaying. Check or repeat samples have been submitted for analysis. Field logging was used to determine if a sample contained graphite. Samples that contained graphite were submitted for analysis. Each sample was weighed at the preparation laboratory and the weights recorded along with analytical results. No specific quality control procedure has been adopted for the collection of the samples. Samples were shipped to ALS laboratories in Perth WA for drying, pulverizing and splitting to prepare a pulp of approximately 200 grams which was analysed at ALS Laboratories in Queensland, Australia. The sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style.
<i>Quality of assay data and laboratory tests</i>	Average sample weight submitted for prep was 2kg with a range from 1kg to 3kg. Analysis was by C-IR18 Graphitic Carbon, LECO Method. Samples were dried crushed and pulverised to minus 75 microns. This is an accepted industry analytical process appropriate for the nature and style of mineralisation under investigation. Blanks or standards were incorporated into the sampling procedure. ALS undertook their own internal checks and blanks.
<i>Verification of sampling and assaying</i>	Results of standards and field duplicates are within acceptable ranges. No independent or alternative company has yet been engaged to verify results.
<i>Location of data points</i>	All drill hole sites have been located using a GNSS receivers. The GPS recorded locations used the WGS 84 and accuracy is limited to sub 1 metre.
<i>Data spacing and distribution</i>	47 reverse circulation holes were completed with an average depth of 50m to a maximum of 84m. The spacing between these holes varied as indicated by the drill location imaged included in the body of the accompanying report. No sample composting was applied.
<i>Orientation of data in relation to geological structure</i>	The orientation of the comets drilling was designed to test the target zones and minimise the risk of biased sampling. The orientation of the drilling is deemed sufficient at this stage of exploration.
<i>Sample security</i>	All samples were collected in calico sample bags with sample number identification on the bag. Bags were then checked against field manifests and loaded into plastic bags for transportation to ALS sample preparation in Perth WA by Comet staff. Given the initial phase of exploration, combined with the limited number of field staff involved, the security over sample dispatch is considered adequate for these samples at this time.
<i>Audits or reviews</i>	No audits or reviews have yet been conducted on the exploration data presented in this release.

Section 2 Reporting of Exploration results

Criteria	Explanation
<i>Mineral tenements and land tenure status</i>	The Exploration license is current and 100% owned by Comet Resources Ltd. There are no outstanding issues regarding access or ownership on the targeted land.
<i>Exploration done by other parties</i>	Unpublished and verbal reports of graphite mineralisation encountered in shallow calcrete/limestone drilling and extractive industry operations at the Springdale Project.
<i>Geology</i>	Archaean greenstone belt and the surrounding Archaean Munglinup Gneiss which encapsulates the Belt. The greenstone belt is located within the deformed southern margin of the Yilgarn Craton and constitutes part of the Northern Foreland lithotectonic unit of the Albany-Frazer Orogen. Two different mineral deposit models are proposed: <ul style="list-style-type: none"> a) Archaean style gold, nickel copper mineralisation in remnant greenstone and reworked Yilgarn Craton rocks; and b) Graphite mineralisation within metamorphosed Archaean granitic and sedimentary rocks.
<i>Drill hole</i>	Drilling details are in the main body of this announcement.
<i>Data aggregation methods</i>	Reported intersections are based on an average of reverse circulation sample intervals. These intervals are uniformly 1 metre. No upper cuts are applied. Internal dilution of up to 1 metre has been incorporated in intersection calculations. No metal equivalents have been used in this report. A lower cut-off grade of 1% TGC has been used and nominal 1 metre waste (below 1%) has been included in extended intervals. Higher grade intercepts use a cut-off of 10% TGC.
<i>Relationship between mineralisation width and intercept lengths</i>	There is insufficient understanding of the bedrock geology at present to determine the true thickness of any reported drill intersections. Any intersections included in this report are downhole lengths. The true widths of these intersections are not known.
<i>Diagrams</i>	Appropriate plan maps are included in the body of this report.
<i>Balanced reporting</i>	The accompanying document is considered to represent a balanced report. Further evaluation into the significance of these results is ongoing.
<i>Other substantive exploration data</i>	Other exploration data collected by the Company is not considered as material to this report at this stage. Further data collection will be reviewed and reported when considered material.
<i>Further work</i>	These results will need to be verified in the field and duplicate test work conducted to ensure repeatability. In addition more drilling will need to be done to determine the extent of the graphite mineralisation. Further metallurgical and crystal size test work will also need to be conducted to give first indications of the potential to recover Graphite identified within the mineralised rocks.

Table 2 – Hole locations for RC holes drilled July/August 2018 (Datum MGA94 zone 51).

HOLEID	TYPE	EASTING	NORTHING	RL	DEPTH	DIP	AZI	TENEMENT
HR0094	RC	258387	6247721	26	44	-90	0	E74/562
HR0095	RC	258380	6247690	26	46	-90	0	E74/562
HR0096	RC	258369	6247659	25	48	-90	0	E74/562
HR0097	RC	258369	6247632	25	54	-90	0	E74/562
HR0098	RC	258364	6247602	25	42	-90	0	E74/562
HR0099	RC	258359	6247573	25	54	-90	0	E74/562
HR0100	RC	258294	6247700	26	48	-90	0	E74/562
HR0101	RC	258296	6247670	25	48	-90	0	E74/562
HR0102	RC	258297	6247642	25	48	-90	0	E74/562
HR0103	RC	258296	6247610	25	45	-90	0	E74/562
HR0104	RC	258295	6247584	25	66	-90	0	E74/562
HR0105	RC	258528	6247748	26	48	-90	0	E74/562
HR0106	RC	258513	6247719	26	48	-90	0	E74/562
HR0107	RC	258427	6247521	24	67	-90	0	E74/562
HR0108	RC	258421	6247522	25	84	-90	0	E74/562
HR0109	RC	258434	6247545	25	49	-90	0	E74/562
HR0110	RC	258529	6247531	26	48	-90	0	E74/562
HR0111	RC	258541	6247557	26	60	-90	0	E74/562
HR0112	RC	258557	6247583	27	54	-90	0	E74/562
HR0113	RC	258567	6247611	27	48	-90	0	E74/562
HR0114	RC	258581	6247637	27	72	-90	0	E74/562
HR0115	RC	258593	6247667	27	66	-90	0	E74/562
HR0116	RC	258606	6247495	28	54	-90	0	E74/562
HR0117	RC	258622	6247522	28	66	-90	0	E74/562
HR0118	RC	258636	6247548	27	48	-90	0	E74/562
HR0119	RC	258647	6247573	27	54	-90	0	E74/562
HR0120	RC	258663	6247601	24	66	-90	0	E74/562
HR0121	RC	258672	6247627	27	54	-90	0	E74/562
HR0122	RC	258687	6247654	27	18	-90	0	E74/562
HR0123	RC	258603	6247692	27	48	-90	0	E74/562
HR0124	RC	258617	6247715	26	60	-90	0	E74/562
HR0125	RC	258628	6247742	26	48	-90	0	E74/562
HR0126	RC	258629	6247287	26	84	-90	0	E74/562
HR0127	RC	258598	6247278	26	78	-90	0	E74/562
HR0128	RC	258654	6247292	26	66	-90	0	E74/562
HR0129	RC	258684	6247301	26	54	-90	0	E74/562
HR0130	RC	258714	6247314	26	72	-90	0	E74/562
HR0131	RC	258744	6247318	25	48	-90	0	E74/562
HR0132	RC	258769	6247331	27	48	-90	0	E74/562
HR0133	RC	258799	6247338	25	48	-90	0	E74/562
HR0134	RC	258683	6247117	24	48	-90	0	E74/562
HR0135	RC	258716	6247118	24	48	-90	0	E74/562
HR0136	RC	258737	6247111	24	48	-90	0	E74/562
HR0137	RC	258769	6247105	24	48	-90	0	E74/562
HR0138	RC	258800	6247102	24	48	-90	0	E74/562
HR0139	RC	258834	6247105	24	48	-90	0	E74/562
HR0140	RC	258867	6247096	24	48	-90	0	E74/562