

29 July 2009
The Company Announcements Office
Australian Stock Exchange Limited
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Dear Sir/Madam



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JUNE QUARTER ACTIVITIES REPORT

Corporate

During the quarter Comet has increased its cash reserves by \$226,541 with no dilution to shareholders. This was achieved with a research and development tax rebate and the sale of Ferrowest shares. The company currently has cash reserves of approximately \$2.26 million.

In addition Comet holds 6.8 million shares and 2.2 million options in Ferrowest Limited (ASX Code: FWL).

Your Company continues to search for new opportunities.

Environmental Oil Solutions (A wholly owned subsidiary)

Samples have been received from a potential commercial remediation client in eastern Australia. Test work is being carried out on these samples to establish the suitability of the EOS remediation technology. If this work is successful a remediation cleanup will be undertaken for the client at a oil facility in eastern Australia.

New South Wales Projects

Kerr's Creek Project (100% Comet)

Comet has been assessing the optimum way to test the East Calula and North Pigment target areas, and has held discussions with a preferred drilling contractor. This contractor is currently working for other companies in the region.

Murrumbateman Project (100% Comet)

A soil sampling program has been designed to test the eastern magnetic anomaly where a 0.5ppm gold rock chip sample is located. This program will be used to define further exploration at Murrumbateman.

Browns Reef

The company continues to believe that the project has the potential to host significant base metal deposits. The possibility of bringing in a Joint Venture partner is being explored.

Utopia

Newmont has withdrawn from the Utopia Farmin and Joint Venture Agreement between Comet and Sipa Exploration Pty Ltd ("Sipa"). Sipa is currently reviewing this project.

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 \$2.2 million, 6.8 million Ferrowest shares, 2.2 million Ferrowest options, and has approximately 68 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 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 2004 edition of the "Australian Code for Reporting of 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.