

COMET RESOURCES LIMITED
ACN 060 628 202
NOTICE OF ANNUAL GENERAL MEETING

Time: 11.00 am (WST)

Date: 7 October 2009

**Place: Meeting Room, Red Cray Restaurant
86 Great Eastern Highway
Belmont,
Western Australia 6104**

This notice of meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 94757100

COMET RESOURCES LIMITED

ABN 88 060 628 202

NOTICE OF ANNUAL GENERAL MEETING

Annual Report available on www.cometres.com.au

Notice is hereby given that the Annual General Meeting of the Shareholders of Comet Resources Ltd will be convened at 11.00 am on Wednesday 7th October 2009, at the Meeting Room at the Red Cray Restaurant, 86 Great Eastern Highway, Belmont, Western Australia, to consider, and if thought fit, to pass the following resolutions.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy form. The completed Proxy Form must be received by the Company at least 48 hours before the commencement of the meeting.

An Explanatory Statement is attached. Shareholders should read this in full.

GENERAL BUSINESS

Annual Accounts:

"To Receive and Consider the annual Company and consolidated financial statements and reports of the Directors and the Auditor for the year ended 30 June 2009."

ORDINARY BUSINESS

RESOLUTION 1

Adoption of the Remuneration Report

To consider, and if thought fit, to pass, with or without amendment, the following advisory and non-binding resolution:

"That, for all purposes, Shareholders adopt the Remuneration Report set out in the Directors' Report in the Annual Financial Report for the year ended 30 June 2009"

RESOLUTION 2

Re-Election of Anthony Roy Cooper as a Director

To consider and, if thought fit, pass with or without amendment the following resolution as an ordinary resolution:

"That Mr. Anthony Roy Cooper, being a Director of the Company who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."

RESOLUTION 3

Issue of shares to Directors in lieu of Directors' fees/consulting fees.

(a) "That for the purposes of the Corporations Act 2001 and Australian Securities Exchange Limited (ASX) Listing Rule 10.11 and all other purposes, approval is given for the issue of up to the equivalent of \$50,000 in ordinary fully paid shares to Robert Jones, Chairman of the Company or his nominee(s), in lieu of consulting fees, on the terms and conditions which are set out in the Explanatory Statement accompanying this Notice of Meeting." The Company will disregard any votes cast by Mr. Jones and any associates of Mr. Jones.

(b) "That for the purposes of the Corporations Act 2001 and Australian Securities Exchange Limited (ASX) Listing Rule 10.11 and all other purposes, approval is given for the issue of up to the equivalent of \$50,000 in ordinary fully paid shares to Anthony Cooper, Director and CEO of the Company or his nominee(s), in lieu

of consulting fees, on the terms and conditions which are set out in the Explanatory Statement accompanying this Notice of Meeting." The Company will disregard any votes cast by Mr. Cooper and any associates of Mr. Cooper.

(c) "That for the purposes of the Corporations Act 2001 and Australian Securities Exchange Limited (ASX) Listing Rule 10.11 and all other purposes, approval is given for the issue of up to the equivalent of \$15,000 in ordinary fully paid shares to Roger Hill, Non Executive Director of the Company or his nominee(s), in lieu of directors' fees, on the terms and conditions which are set out the Explanatory Statement accompanying this Notice of Meeting." The Company will disregard any votes cast by Mr. Hill and any associates of Mr. Hill.

Dated this 4th day of September 2009

A handwritten signature in blue ink, appearing to be 'Edmund Czechowski', written over a horizontal line.

BY ORDER OF THE BOARD
Edmund Czechowski
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2009 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

The Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting.

General Business

Financial Statements and Reports

The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2009 will be laid before the meeting.

There is no requirement for the Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

RESOLUTION 1 – Adoption of the Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2009 is set out in the Director's Report contained in the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and the key management personnel of the Company.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting. Shareholders should note that the vote on this resolution is advisory only, and does not bind the Company or the Directors.

RESOLUTION 2 Re-Election of Anthony Roy Cooper as a Director

In accordance with ASX Listing Rule 14.4 and clause 3.6 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

The Board, other than Mr. Anthony Roy Cooper, recommends that Shareholders vote in favour of the election of this candidate. Details of Mr. Cooper are set out in the Directors Report of the Annual Report

RESOLUTION 3 (a) Approval of issue of ordinary fully paid shares to Director, Robert Jones, in lieu of consulting fees.

In order to conserve Company funds during the present difficult financial conditions relating to the raising of new share capital for junior exploration companies, Mr. Jones, Chairman, has agreed to reduce his cash consulting fees by up to \$50,000 per year from 1 July 2009. The purpose of this resolution is to give Mr. Jones the opportunity to be paid for his services in fully paid shares in the Company up to the equivalent value of \$50,000 for the 12 months from commencement of the fee reduction. The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

This resolution will enable the Company to issue fully paid shares at the Company's, or Mr. Jones' election, up to the value of \$50,000. ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue securities to particular parties, without first obtaining the approval of members. In addition, rule 10.13.3 requires the shares to be issued within one month after the date of the meeting.

Mr. Jones will enter into a 6 month voluntary escrow agreement over 50% Of the shares issued.

For this purpose ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

☐ **The maximum number of securities that may be issued to Robert Jones under Resolution 3 (a) is \$50,000 of fully paid ordinary shares;**

☐ **Listing Rule 10.13.3 requires the shares to be issued within one month after the date of the meeting;**

☐ **The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.**

☐ **Between 1 July 2009 and 31 August 2009 Comet Shares have traded in a range of 4.2 cents to 5.0 cents. Consequently if Comet's Share price VWAP was 4.2 cents per share 1,190,476 shares would be issued to Mr. Jones; if Comet's Share price VWAP was 5.0 cents per share, 1,000,000 shares would be issued to Mr. Jones.**

☐ **Each share issued pursuant to the will rank pari passu with all existing ordinary fully paid shares of the Company.**

No funds will be raised by the issue of the ordinary shares and no loans will be made in relation to the Shares.

The Directors (other than Director Jones, who makes no recommendation) recommend that shareholders approve Resolution 3 (a) for the approval to issue shares to Mr. Robert Jones in payment consulting fees.

RESOLUTION 3 (b) Approval of issue of ordinary fully paid shares to Director, Anthony Cooper, in lieu of consulting fees.

In order to conserve Company funds during the present difficult financial conditions relating to the raising of new share capital for junior exploration companies, Mr. Cooper, Technical Director and CEO, has agreed to reduce his cash consulting fees by up to \$50,000 per year from 1 July 2009. The purpose of this resolution is to give Mr. Cooper the opportunity to be paid for his services in fully paid shares in the Company up to the equivalent value of \$50,000 for the 12 months from commencement of the fee reduction. The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

This resolution will enable the Company to issue fully paid shares at the Company's, or Mr. Coopers' election, up to the value of \$50,000. ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue securities to particular parties, without first obtaining the approval of members. In addition, rule 10.13.3 requires the shares to be issued within one month after the date of the meeting.

Mr. Cooper will enter into a 6 month voluntary escrow agreement over 50% Of the shares issued.

For this purpose ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

☐ **The maximum number of securities that may be issued to Anthony Cooper under Resolution 3 (b) is \$50,000 of fully paid ordinary shares;**

☐ **Listing Rule 10.13.3 requires the shares to be issued within one month after the date of the meeting.**

☐ **The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.**

☐ Between 1 July 2009 and 31 August 2009 Comet Ordinary Fully Paid Shares have traded in a range of 4.2 cents to 5.0 cents. Consequently if Comet's Share price VWAP was 4.2 cents per share 1,190,476 shares would be issued to Mr. Cooper; if Comet's Share price VWAP was 5.0 cents per share, 1,000,000 shares would be issued to Mr. Cooper.

☐ Each share issued pursuant to the will rank pari passu with all existing ordinary fully paid shares of the Company.

No funds will be raised by the issue of the ordinary shares and no loans will be made in relation to the Shares.

The Directors (other than Director Cooper, who makes no recommendation) recommend that shareholders approve Resolution 3 (b) for the approval to issue shares to Mr. Anthony Cooper in payment of consulting fees.

RESOLUTION 3 (c) Approval of issue of ordinary fully paid shares to Director, Roger Hill, in lieu of director's fees.

In order to conserve Company funds during the present difficult financial conditions relating to the raising of new share capital for junior exploration companies, Mr. Hill, Non Executive Director, has agreed to reduce his cash consulting fees by up to \$15,000 per year from 1 July 2009. The purpose of this resolution is to give Mr. Hill the opportunity to be paid for his services in fully paid shares in the Company up to the equivalent value of \$15,000 for the 12 months from commencement of the fee reduction. The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

This resolution will enable the Company to issue fully paid shares at the Company's, or Mr. Hill's election, up to the value of \$15,000. ASX Listing Rule 10.11 provides that a Company must not issue or agree to issue securities to particular parties, without first obtaining the approval of members. In addition, rule 10.13.3 requires the shares to be issued within one month after the date of the meeting.

Mr. Hill will enter into a 6 month voluntary escrow agreement over 50% Of the shares issued.

For this purpose ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

☐ The maximum number of securities that may be issued to Roger Hill under Resolution 3 (c) is \$15,000 of fully paid ordinary shares;

☐ Listing Rule 10.13.3 requires the shares to be issued within one month after the date of the meeting.

☐ The fully paid shares would be issued at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

☐ Between 1 July 2009 and 31 August 2009 Comet Shares have traded in a range of 4.2 cents to 5.0 cents. Consequently if Comet's Share price VWAP was 4.2 cents per share 357,142 shares would be issued to Mr. Hill; if Comet's Share price VWAP was 5.0 cents per share, 300,000 shares would be issued to Mr. Hill.

☐ Each share issued pursuant to the will rank pari passu with all existing ordinary fully paid shares of the Company.

No funds will be raised by the issue of the ordinary shares and no loans will be made in relation to the Shares.

The Directors (other than Director Hill, who makes no recommendation) recommend that shareholders approve Resolution 3 (c) for the approval to issue shares to Mr. Roger Hill in payment of Directors' fees.

PROXY FORM

The Secretary
Unit 2
23 Belgravia Street
Belmont, WA, 6104
Fax: (08) 9277 4147

SHAREHOLDER DETAILS

Name of Shareholder:

Address of Shareholder:

I/We being a member(s) of Comet Resources Ltd, hereby appoint the following person or failing him/her the Chairman of the Meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Meeting Room at the Red Cray Restaurant, 86 Great Eastern Highway, Belmont, Western Australia on Wednesday 7th October 2009 at 11.00 am (and at any adjournment thereof) in the manner indicated below or as he/she thinks fit.

PROXY'S DETAILS:

Name of Proxy:
(Surname) (Given Names)

Address of Proxy:

INSTRUCTIONS AS TO VOTING – Refer attached Notes to the Proxy Form

If you wish to direct your proxy how to vote with respect to the proposed resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded of that interest.

PROXY'S VOTING INSTRUCTIONS (OPTIONAL)



FOR

AGAINST

ABSTAIN

Ordinary Resolutions

1. That the Remuneration Report as tabled be accepted.

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2. Election of Anthony Cooper as a Director of the Company.

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3(a) Approval of issue of ordinary fully paid shares to Director Robert Jones in lieu of consulting fees.

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3(b) Approval of issue of ordinary fully paid shares to Director Anthony Cooper in lieu of consulting fees.

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3(a) Approval of issue of ordinary fully paid shares to Director Roger Hill in lieu of directors fees.

☐☐☐

It is the Chairman's intention to vote in favor of all resolutions in relation to undirected proxies.

REFER OVERLEAF

FOR INDIVIDUALS OR JOINT HOLDERS

.....
Signature of Shareholder

.....
Name (Please Print)

.....
Date

.....
Signature of Shareholder
(Joint Shareholders)

.....
Name (Please Print)

.....
Date

IF THE MEMBER IS A COMPANY:

The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:

.....
Director

.....
Director/Secretary

.....
Date

IF THE MEMBER IS A COMPANY HAVING ONE PERSON AS ITS SOLE DIRECTOR AND SOLE COMPANY SECRETARY.

The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:

.....
Sole Director/Company Secretary

.....
Date

NOTES TO THE PROXY FORM

Pursuant to the Company's Constitution and the Corporations Act 2001, any person registered in the Register of Shareholders as a holder of one or more shares 48 hours prior to the time of commencement of the Meeting is entitled to attend and vote at the Meeting.

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

The Proxy Form and the Power of Attorney (if any) or the instrument appointing the proxy and power of attorney (if any) under which it is signed (or an office copy or notarially certified copy thereof) must be deposited at the Registered Office of the Company (Unit 2, 23 Belgravia St, Belmont, Western Australia 6104) at least 48 hours prior to the time of holding of the Meeting (and at any adjournment thereof), at which the individual named in the Proxy Form proposes to vote.

A proxy must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, under its common seal or under the hand of an authorised officer or attorney.

A person authorised (pursuant to the provisions of the Corporations Act 2001) by a corporation which is a Shareholder of the Company to act as its representative at the Meeting is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Shareholder of the Company.

A legible facsimile transmission copy of the instrument and the power of attorney or other authority is acceptable. The facsimile number to which a Proxy Form may be sent is (08)92774147.

The proxy may, but need not be, a Shareholder of the Company.

Corporate Representation

A company may only vote by proxy, power of attorney or by appointment of a corporate representative. The instrument appointing a proxy is not valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a copy or facsimile which appears on its face to be an authentic copy of that proxy, or power of attorney is submitted to the Registered Office within the time set out herein. A company must sign a proxy under common seal in accordance with its Constitution or under power of attorney, which must be produced, with the Proxy Form.

If the shares are registered in the name of more than one person, all such holders must sign the Proxy Form.

To be valid a Proxy Form and the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the Directors.

