



Via Electronic Lodgement

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2 November 2009

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The Manager
Companies Announcement Office
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

LAPSE OF UNQUOTED A & B CLASS INCENTIVE SHARES

We wish to advise that 2,725,000 ordinary fully paid Class A incentive shares and 4,125,000 ordinary fully paid class B incentive shares lapsed on 31 October 2009.

Comet Resources Limited did not achieve any of the milestones set out in the terms of the Class A and Class B shares. In view of this the Company was obliged to issue 1 ordinary share for every 100,000 incentive shares held.

This would have resulted in the issue of 69 ordinary fully paid ordinary shares in the Company.

In view of the costs and listing fees associated with the issue of 69 shares all incentive shareholders have agreed to waive their entitlement to receive ordinary fully paid shares in the Company.

Yours faithfully

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

Edmund Czechowski
Company Secretary