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24 March 2012

Mr M Piccini
ASX Compliance Pty Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

By email: mauro.piccini@asx.com.au

Dear Mauro

**COMET RESOURCES LIMITED (the "COMPANY")
APPENDIX 3Y – DIRECTOR'S INTEREST NOTICE**

In response to your letter dated 23 March 2012 we respond as follows:

1. *"Please explain why the Appendices 3Y were lodged late?"*

Answer - The Appendices 3Y were lodged late due to an administrative oversight.

2. *"What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?"*

Answer - The Company has procedures in place to ensure that it is able to meet its disclosure obligations under listing rule 3.19A. The procedure requires all directors to notify the Chairman of his intention to trade and must notify the company secretary of any dealings in the Company's securities within 5 business days. The company secretary is then required to prepare the appropriate document and forward it to the ASX.

3. *"If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?"*

Answer - The Company considers the current arrangements to be adequate to ensure compliance with listing rule 3.19B in relation to the size of the Company and Board.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Edmund Czechowski', with a stylized flourish at the end.

Edmund Czechowski
Company Secretary



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23 March 2012

Mr Edmund Czechowski
Company Secretary
Comet Resources Limited
Unit 2, 23 Belgravia Street
BELMONT WA 6104

By Email: edmund.czechowski@cometres.com.au

Dear Edmund

Comet Resources Limited (the "Company") Appendix 3Y – Director's Interest Notice.

We refer to the following;

1. The Appendices 3Y lodged by the Company with ASX Limited ("ASX") on 22 March 2012 for Mr Robert (Roj) Jones, Mr Anthony Cooper and Mr Roger Hill.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendices 3Y indicated that changes in the directors' relevant interests occurred on 13 March 2012, it appears that the Appendices 3Y should have been lodged with the ASX by 20 March 2012. As the Appendices 3Y were lodged on 22 March 2012, it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices 3Y were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to mauro.piccini@asx.com.au or facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible (i.e. before 4.00pm W.S.T.) on **Wednesday, 28 March 2012**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately

Yours sincerely,



Mauro Piccini
Adviser, Issuers (Perth)