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EXPLORATION UPDATE

Browns Reef Project

Drilling has commenced at Browns Reef in New South Wales. Previous drilling by the Company has intersected encouraging grades of Zinc and Lead mineralisation. The best intersection was in hole BR18 which returned 6m @ 11.4% Zn, 4.8% Pb, 1.2% Cu and 74g/t Ag within a 58m intersection @ 2% Zn, 0.9% Pb, 0.4% Cu and 19 g/t Ag.

The current drilling is designed over an area of poorly tested anomalous geochemistry to the north of previous Comet drilling. This area also contains a historic drill hole (RC01EG05) that intersected 2 m @ 5.9% Zn and 3.7% Pb at 110 m. The hole was terminated in mineralisation due to drilling difficulties. A gravity anomaly (high) which occurs in this area may also be significant.

Lake Dundas Project

The Project is located on the margin of the Western Australian Norseman- Wiluna Greenstone Belt, 40km south of the gold mining centre of Norseman.

The drilling planned for October 2012 will test for gold mineralisation in targets selected by geochemistry, structure and geophysics. This is Comet's first drilling programme on the project.

For further information on Comet and its projects 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 \$2.5 million, and has approximately 81.4 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.

Any discussion in relation to an exploration target is only conceptual in nature, as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of further Mineral Resources.