

23 July 2015

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HIGHLIGHTS

- 1. Springdale project licence granted and Graphite discovered on licence.**
- 2. Field trip completed at Gilmore project sampling prospective areas.**

Dear Sir/Madam

JUNE 2015 QUARTER ACTIVITIES REPORT

Comet continues to review new project opportunities, as well as evaluate its 100% owned projects. Comet is continually evaluating opportunities to peg prospective ground.

SPRINGDALE PROJECT

The Springdale exploration licence E74/562 was granted on the 20th of May 2015. This is a 40 Graticule block licence located about 30 km east of Hopetoun. The tenement lies in the Albany Fraser Orogen which hosts the Halberts Graphite Deposit near Munglinup, an area that has produced the bulk of Western Australia's graphite production. Comet believes its new tenement is prospective for Graphite mineralisation.

A site visit was conducted during June to discuss land access with local farmers. During the trip a few rock samples were collected from within the tenement.

Sample No	Graphitic Carbon %	Northing m	Easting m
SDC001	12.2	6246769	257635
SDC002	7.18	Not in-Situ	Not in-Situ

SDC001 (51H 6246769mN 257635mE) was collected from an outcrop of Graphitic material observed in the eastern face of a shallow gravel pit (about 1.5m deep). The sample was assayed by SGS (Result 12.2% Graphitic Carbon (**Grap-C**)).

The land holder reported that a black rock was observed in the bottom of the Calcrete pit (depth of pit approximate 2 metres) mined several years ago for Calcrete and has now been filled in. A few samples of this material were located in the area where this black rock was

stockpiled. A sample was collected SDC002 and was assayed by SGS (Result 7.18% Grap-C this sample is not in-situ).

Land access agreements with local farmers are being negotiated and a drilling programme to test several Graphite zones is being designed.



Photograph of area where the stockpile sample SDC002 was removed from before pit was filled in.

GILMORE PROJECT EL8282

The Gilmore Project is a 75 unit exploration licence located 80km west of Canberra in New South Wales. A field trip, designed to sample prospective areas, was completed in June. There was a total of 87 outcrop rock chip traverse samples (50m traverse length) and 10 outcrop rock chip point samples collected (G0018-104) (N.B. 17 outcrop rock chip point samples collected previously G0001-17 and reported in the 2014 December quarterly report). The 87 samples collected have been submitted to SGS Laboratories for analysis which includes Au fire assay and a 49 element geochemical suite (four acid digest with combined ICP-OES & ICP-MS finish). Results are expected in August.

Land holders that own land in areas thought to be prospective have signed exploration land accesses agreements.

The Project constitutes an attractive target for gold and base metal mineralisation due to the presence of a Silurian volcano-sedimentary sequence, located close to a major regional thrust fault zone (the Gilmore Suture). The Gilmore Suture is a controlling focus for major gold deposits including Sovereign Gold Ltd.'s Mount Adrah (located approximately 30kms away along the Gilmore Suture), Adelong, Temora, Gidginbung, West Wyalong, Lake Cowal, and Mineral Hill. Widespread gold and base metal geochemical responses within the Project area, defined from previous exploration, also contribute to the potential of this Project.



Photograph of Quartz stockwork veins and Quartz Carbonate limonite stained stockwork veins in altered siliceous felsic rock at 607242 mN 6085495 mE



Photograph on the most northern sample line looking south showing farm land with native bush cover.

EXPLORATION EXPENDITURE INCURRED

Exploration expenditure incurred by Comet during the quarter ending 31 March 2015 on projects is set out below.

Project	Expenditure Incurred
Gilmore Project	\$40,000.00
Springdale Project	\$33,000.00

MINING TENEMENTS STATUS

Mining tenements held at the end of quarter		
Project and location	Interest	Tenement
Gilmore Project, Tumut NSW	100%	EL 8282
Springdale Project, Hopetown WA	100%	E74/562
Bells Find, 10km west Southern Cross	25%	M74/1055

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 \$1.5 million, 0.5 million Ferrowest shares and has approximately 83 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 Consultant and director to Comet is also 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 2012 edition of the "Australian Code for Reporting of Exploration Results, 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.

JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques</i>	The samples were collected as rock chip grab samples. Equipment used was predominately hand held hammer with the collection of rock fragments. No prescriptive methodology has been employed in grab samples however where possible one or more rock fragments over an area of 10cmx10cm has been taken.
<i>Drilling</i>	No drilling has been conducted
<i>Drill sample</i>	No drilling has been conducted.
<i>Logging</i>	Brief descriptions of samples have been collected in field notes but not to a level of detail that would support mineral estimation, mining studies and metallurgical studies.
<i>Sub sampling techniques and sample preparation</i>	No check or repeat samples have yet been submitted for analysis. The complete sample collected was submitted to the laboratory for analysis. Each sample was weighed at the preparation laboratory and the weights recorded along with analytical results. No specific quality control procedure has been adopted for the collection of the samples. Samples were shipped to SGS laboratories in Perth WA for drying, pulverizing and splitting to prepare a pulp of approximately 200 grams which was analysed at SGS laboratories in Perth WA .
<i>Quality of assay data and laboratory tests</i>	Average sample weight submitted for prep was 1kg with a range from 0.5kg to 1.5kg. Analysis was by CSA05V Graphitic Carbon, LECO Method. Samples were dried crushed the pulverised to minus 75 microns. This is an accepted industry analytical process appropriate for the nature and style of mineralisation under investigation. No company generated blanks or standards were incorporated into the sampling procedure. SGS undertook their own internal checks and blanks.
<i>Verification of sampling and assaying</i>	No verification work has been conducted yet. This will be in the forward work program now that the analytical results from this initial sampling are known. No independent or alternative company has yet been engaged to verify results.
<i>Location of data points</i>	All samples sites have been located using a hand held GPS unit and cross checked onto aerial photographs where relevant. The GPS recorded locations used the WGS 84. Accuracy is limited to approx. 4 metres.
<i>Data spacing and</i>	The data is not expected to be incorporated into any Mineral Resource or Ore Reserve estimation and is primarily an initial exploration reconnaissance sampling program. As such the determination of data spacing and distribution is not relevant at this time
<i>Orientation of data in relation to geological structure</i>	Samples were collected from outcrop near areas of interest. No set procedure was followed
<i>Sample security</i>	All samples were collected in calico sample bags with sample number identification on the bag. Bags were then checked against field manifests and loaded into plastic bags for transportation to SGS sample preparation in Perth WA. Given the initial phase of exploration combined with the limited number of field staff involved, the security over sample dispatch is considered adequate for these samples at this time.
<i>Audits or reviews</i>	No audits or reviews have yet been conducted on the exploration data presented in this release.

Section 2 Reporting of Exploration results

Criteria	Explanation
<i>Mineral tenements and land tenure status</i>	The Exploration licence is current and 100% owned by Comet Resources Ltd. There are no outstanding issues regarding access or ownership.
<i>Exploration done by other parties</i>	No further technical information has yet been found
<i>Geology</i>	The Project constitutes an attractive target for Graphite
<i>Drill hole Information</i>	No drilling conducted
<i>Data aggregation methods</i>	No aggregation of sample has only occurred in this release. No aggregation of actual samples material has taken place.
<i>Relationship between mineralisation width and intercept lengths</i>	There is no relationship between mineralization widths and Rock Chip samples.
<i>Diagrams</i>	Attached to the release is a map showing the location the Rock Chip sample. This map sufficiently shows the location of the tabled results and includes appropriate coordinates and scale bar.
<i>Balanced reporting</i>	The report to which these results are attached has identified the number of samples taken and results. Further evaluation into the significance of these results is ongoing.
<i>Other substantive exploration data</i>	At this stage the sample results in this release simply relate to the surface sampling as it stands.
<i>Further work</i>	These results will need to be verified in the field and duplicate test work conducted to ensure repeatability. In addition first phase drilling will need to be done to determine the sub surface nature and extent of the Graphite mineralisation. Initial metallurgical test work will also need to be conducted to give first indications of the potential to recover Graphite identified within the mineralised rocks.

