



31 July 2003
The Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

ACN 060 628 202

Level 9 , 190 St Georges Tce
Perth
Western Australia 6005
PO Box 7761 Cloisters Square
Western Australia 6850

Telephone: (08) 9322 5330

Facsimile: (08) 9322 5988

email:

comet@cometres.com.au

Dear Sir/Madam

JUNE QUARTER ACTIVITIES REPORT

Quarter Highlights

- **Two new projects Charmed and Paradise owned 100% by Comet.**
- **Historical significant intersections at Charmed include:**
 - 22m @ 99.3 g/t Ag**
 - 20m @ 69.5 g/t Ag**
 - 12m @ 76.6 g/t Ag**
 - all intersections include Pb and Zn mineralisation.**
- **Historic rockchip sampling with results up to 57 g/t Au.**

Comet Resources Ltd (Comet) has continued to generate and/or acquire projects and review opportunities during the quarter. Two new projects **Charmed and Paradise** have been acquired, while exploration continued over Comet's interests at Yalgoo.

Comet has a cash position of \$3.5 million with 60,948,982 shares on issue. Comet's top 10 shareholders own over 45% of the issued shares. This strong shareholder base and cash holding puts Comet in a sound position to increase

shareholder value through targeted exploration endeavours and diligent project assessment and acquisition.

Charmed Project (100% Comet)

The Charmed project is located 520 km north of Perth in the Murchison district of Western Australia. The holding covers a greenstone belt with prospective lithological units and alteration. There is also a discrete aeromagnetic bullseye anomaly. The area is considered to have potential for a basemetal and gold deposits.

A data review is currently being conducted for this project area to determine targets and future exploration programs. Four target areas have been identified to date from reviewing previous explores exploration data.

Target 1: A 1.5 km crosscutting arsenic anomaly with a peak value of 5,200 ppm and associated elevated gold values with a peak value of 68ppb. This target has never been drill tested.

Target 2: A 1 km long gossanous basemetal zone identified by soil sampling, rockchip sampling and limited drilling. A selection of significant drill intersections are presented in the following table:

Charmed Project - Significant drill Intersections.

Hole No.	Northing	Easting	Intersection	Depth
SDP6	10080	10513	6m @ 25.3 g/t Ag incl. 2m @ 1.50% Zn, 62.0 g/t Ag, 4.9 g/t Au	13-17m 17-19m
SDP16	10320	10455	22m @ 13.7 g/t Ag incl. 1m @ 1.12% Zn, 39.0 g/t Ag	66-88m 67-68m
SDP5	10320	10480	10m @ 25.0 g/t Ag	30-40m
SDP20	10400	10460	17m @ 19.7 g/t Ag incl. 2m @ 1.36% Pb, 3.88% Zn, 140 g/t Ag	58-75m 66-68m
SDH33	10400	10470	10m @ 38.6 g/t Ag incl. 1m @ 1.75% Zn, 6.2 g/t Ag	32-42m 41-42m
SDH29	10420	10420	20m @ 69.5 g/t Ag incl. 3m @ 1.17% Zn, 25.7 g/t Ag	127-147m 144-147m
SDH28	10420	10450	21m @ 62.7 g/t Ag incl. 1m @ 1.14% Pb, 4.40% Zn, 54.0 g/t Ag 1m @ 2.15% Zn, 45.0 g/t Ag 1m @ 23.0 g/t Ag	77-98m 91-92m 106-107m
SDH34	10420	10470	14m @ 48.0 g/t Ag incl. 4m @ 1.58% Pb, 5.83% Zn, 114.0 g/t Ag	33-47m 38-42m

Hole No.	Northing	Easting	Intersection	Depth
SDP21	10420	10478	12m @ 76.6 g/t Ag incl. 7m @ 0.95% Pb, 2.44% Zn, 112.3 g/t Ag	18-30m 19-26m
SDH30	10440	10470	22m @ 99.3 g/t Ag incl. 1m @ 1.03% Zn, 82.0 g/t Ag incl. 1m @ 3.10% Pb, 600.0 g/t Ag incl. 1m @ 2.07% Zn, 120.0 g/t Ag incl. 1m @ 1.75% Zn	28-50m 31-32m 38-39m 39-40m 46-47m
SDH31	10460	10470	8m @ 67.9 g/t Ag 4m @ 25.5 g/t Ag	25-33m 40-44m

Targets 3 and 4: Two zones of anomalous gold mineralisation. Both zones strike over several hundred metres and have been identified by rock chip sampling with results over 5g/t presented in the following table. These targets have never been drill tested.

Charmed Project - +5g/t rockchip sample results.

Sample No.	g/t Au	g/t Ag	% Pb	Sample No.	g/t Au	g/t Ag	% Pb
299002	10.8	4.5		1179	6.3		
289958	21.4	6.0		1197	5.0		
1176	57.0	64.0	0.68	28972	12.1	100.0	1.10

Paradise Project (100% Comet)

The Paradise Project is located 300km north of Perth. This project was selected due to similarities between the position of this greenstone belt and a major northwest trending craton scale structure (the Koolanooka Fault) and the Westonia Greenstone Belt which hosts the ~1.5 Million ounce Edna May gold deposit. The target style will be epigenetic gold mineralisation in structurally prepared sites. A data review is currently being conducted with preliminary investigations revealing that gold mineralisation has been intersected in historic drilling with results of 2m @ 11.04g/t from 31m and 4m @ 3.33g/t from 8m.

Yalgoo Project (option to Prosperity Resources Ltd)

Comet has granted an extension to Prosperity Resources Limited (Prosperity) for the option to acquire Comet's Yalgoo tenements that are prospective for gold. The option period will now expire on the 2nd October 2003. Comet is to retain a 100% interest in the highly prospective Yalgoo base metal Project. The option is only exercisable if Prosperity is granted admission to the Official List of the Australian Stock Exchange Limited.

The option is exercisable by Prosperity issuing to Comet 6,000,000 ordinary fully paid shares (approximately 20% of Prosperity) and 2,000,000 options expiring 31st May 2005. In addition, Comet shall have the right to nominate one Director to the Board of Prosperity. Comet shareholder's will have priority in purchasing Prosperity shares during the Prosperity capital rising.

A 62 aircore drill hole programme for 2,210m was completed at Yalgoo during the quarter. Results will be available in the September quarter.

Please find attached a media release by Prosperity Resources Ltd.

Blanche Joint Venture

Comet has withdraw from this project

For further information on the Company and its exploration projects please contact

Mr Tony Cooper

Technical Director
Comet Resources Limited
Tel 08.9322 5330
Fax 08.9322 5988
Email tony.cooper@cometres.com.au