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Drilling to commence immediately at Devine

Tenement E37/772 granted

High quality nickel sulphide targets defined

Devine Project owned 100% by Comet.

Increased land holding

Comet is pleased to announce the grant of E37/772 (Devine). Granted title now allows ground exploration to commence. Comet believes that this project is highly prospective for locating economic nickel mineralisation. The Project has many positive aspects including the right rock types, known nickel sulphide mineralisation and high quality electromagnetic (EM) nickel targets in prospective locations. These EM targets exhibit responses that are typical of nickel sulphide mineralisation.

Comet has contracted an RC drill rig and it has commenced drilling. Result from this drilling is expected by late July.

Comet has also entered into an option to purchase ELA37/531, a tenement that is contiguous with Comet's Devine Project and prospective for nickel mineralisation.

The Devine Project ELA37/772 (100% Comet) and ELA37/531 (option to purchase) covers an area of 160 square kilometres and is situated approximately 90 kilometres northeast of WMC Resources Ltd nickel mining centre at Leinster. Field inspection located previous drilling (1970's) that intersected disseminated nickel sulphides on the eastern side of a prospective komatiite ultramafic unit.

A detailed EM survey defined a number of high quality EM anomalies. These anomalies have been prioritised based on the quality of the electromagnetic response and on their position in the ultramafic unit. SRK Consulting describes anomaly 1 as a **very high quality target**, anomalies 2, 3 and 4 as good quality targets. The remaining 4 anomalies require further investigation.

A reverse circulation (RC) drilling program will drill a selection of targets. These include the following anomalies that have been delineated from the recently completed EM survey.

Anomaly 1 occurs over 4 flight lines (400m) and is interpreted to be at a depth of 75m. SRK Consulting describes anomaly 1 as a **very high quality target**.

Anomaly 2 occurs over 2 flight lines (200m) and is interpreted to be a high quality anomaly 115m deep and is located 100m north and along strike from the identified nickel sulphide mineralisation.

Anomaly 3 occurs over 2 flight lines (200m) and is interpreted to be a high quality anomaly 95m deep. This anomaly is located 400m south from the identified nickel sulphide mineralisation.

Result from this drilling is expected in late July.

For further information on Comet and its exploration projects please visit Comet's web site or contact.

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Comet listed on the Australian Stock Exchange in 1994. The Company discovered and studied the Ravensthorpe Nickel Project which is now part of a 1.7 billion dollar project being developed by BHP Billiton. In 2001 Comet successfully sold its final equity to BHP Billiton and returned to Comet shareholders 32 million dollars. Comet has a number of exciting exploration projects that it is currently exploring and advancing. Comet has approximately 3 million dollars of cash, 6 million Prosperity shares and has approximately 61 million shares on issue and 34 million 8 cent December 2004 options.