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## **EM targets defined at Yalgoo Base Metal Project**

### **EM survey completed**

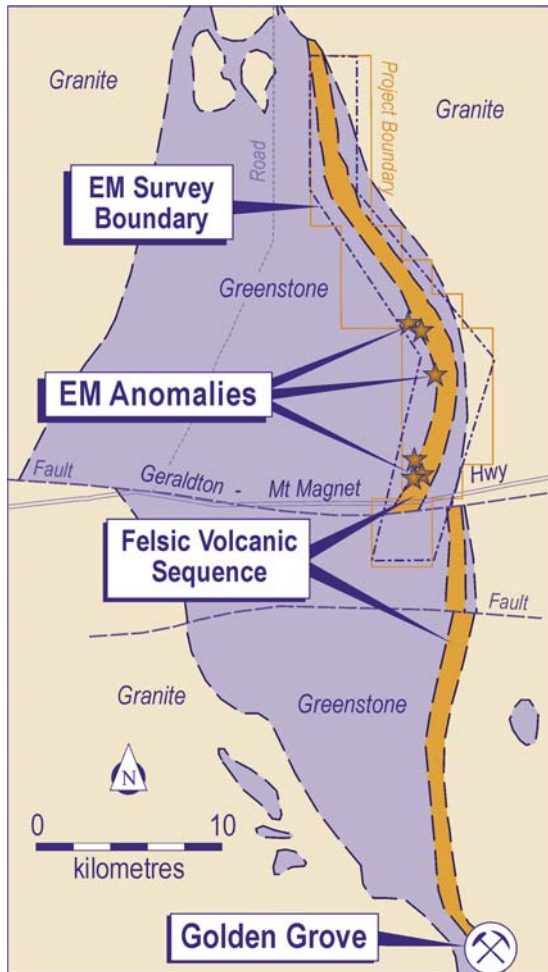
### **Drilling to commence on 26 July**

#### **Yalgoo Base Metal Project (100% Comet)**

Comet Resources Limited is pleased to announce the completion of a detailed airborne electromagnetic (EM) survey at the Company's Yalgoo Base Metal Project located in the Murchison region. The survey was conducted over a 30km felsic volcanic sequence as defined from field work completed by Comet last year. At this stage, 16 anomalies have been identified from the EM survey. Comet and SRK Consulting (SRK) have reviewed and prioritised these anomalies using EM response, geological location and existing surface geochemical data. A 10 hole RC drilling program is to commence on the 26<sup>th</sup> of July to test the 6 best anomalies.

Montagu Stockbrokers Pty Ltd has prepared a research note on Comet featuring the Devine Project and Yalgoo Base Metal Project.

The Yalgoo Base Metal Project is located approximately 430 kilometres north northeast of Perth and 200 kilometres east of Geraldton. Comet is seeking deposits similar to Newmont's world-class base metal/gold mine at Golden Grove, which is located just 50km along strike to the south of Comet's Project. The Golden Grove mine has revenue in excess of \$100 million per year and has been in operation for 20 years. Golden Grove has projected resources for a further 20 years of operation. This style of deposit typically occurs as clusters along a prospective horizon. Comet's Yalgoo Project has over 30km strike length of this prospective felsic volcanic sequence. A significant portion of this felsic volcanic sequence is under thin (<30m) transported cover.



A detailed airborne EM survey has been completed which produced approximately 400km of EM survey data. The EM data has been interpreted by Comet's geophysical consultants SRK Consulting (SRK) for bedrock sources that are potential base metal sulphide occurrences. A total of 16 EM anomalies have been identified by SRK to date. These anomalies have been prioritised based on the quality of the EM response, lithological location and ground geochemistry. Comet has decided to drill test 6 anomalies. These 6 anomalies are considered to be the most prospective due to the quality of the EM responses and their lithological location. Several of these anomalies are associated with elevated surface geochemistry.

An RC drilling program has been designed to test these 6 anomalies. Hole depths range up to 160m. This program is planned to commence on 26 July.

### Devine Project update

Comet Resources Limited has completed the first drilling program at Devine. A total of 4 holes were completed for 730 metres. Holes were drilled at EM anomalies 1, 2 and 3. Assay results are expected before the end of July.

For further information on Comet and its exploration projects, please visit Comet's web page 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. 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.