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ASX Release
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Comet's Cash Reserves Increase by \$1,417,158 to over \$3.4 million

- **Tax refund relating to sale of Ravensthorpe Nickel Project of \$984,413.**
- **Second tranche of grant funding (\$212,745) from SA Government received for Environmental Oil Solutions Project.**
- **Sale of investment shares amounting to \$220,000.**

Tax Refund of \$984,413

Comet has received a refund of \$984,413 from the Australian Taxation Office. This refund is in relation to the sale of the Ravensthorpe Nickel Project in 2001 and is the result of applying to the Federal Government over the last 5 years for a retrospective change to federal taxation legislation.

Environmental Oil Solutions Project

The second tranche of grant funding of \$212,745 has been received for the Environmental Oil Solution Project . These funds have been received through the Hon Karlene Maywald MP, Minister for Science and Information Economy, Government of South Australia. This support for the project has come through the Science Technology and Innovation Directorate of the Department of Further

Education, Employment, Science and Technology. The final amount of approximately \$400,000 is due in July 2007 if the project has met expectations and complied with the grant conditions.

The completion of the scale up pilot test work has been delayed due to hold ups in the supply of waste oil material. It is likely that the schedule for this work will be longer than the 9 months originally planned.

Available Cash Reserves

The events above and the sale of 2,710,000 Prosperity shares for \$220,000 have provided Comet additional funding of \$1,417,158 with no dilution to current shareholders. Comet currently has cash of approximately \$3.4 million. These funds will be used to advance Comet's current projects, in particular Browns Reef and the Environmental Oil Solutions project.

In addition Comet currently holds 3.3 million shares in Prosperity Limited (ASX Code: PSP) and 8.7 million shares in Ferrowest Limited (ASX Code: FWL).

For further information on Comet's 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 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 cash assets of approximately \$3.4 million, 3.3 million Prosperity shares, 8.7 million Ferrowest shares and has approximately 68 million shares on issue.