



28 July 2010
The Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

ABN 88 060 628 202

Unit 2, 23 Belgravia Street
Belmont, Western Australia 6104

Telephone: (08) 94757100

Facsimile: (08) 92774147

email: comet@cometres.com.au

Dear Sir/Madam

JUNE QUARTER ACTIVITIES REPORT

Corporate

The Company currently has cash reserves of approximately \$2 million. In addition Comet holds 5.7 million shares in Ferrowest Limited (ASX Code: FWL). Your Company continues to search for and evaluate new opportunities.

New South Wales Projects

Kerr's Creek Project (100% Comet)

Further analysis of the Kerrs Creek result has been conducted during this quarter.

Drilling intersected several zones of Manganese mineralisation with the best result being K25 4m @ 9.9% Mn from 54m. The Manganese mineralisation is being assessed with further testwork being implemented to establish if the Manganese can be beneficiated.

The drilling showed that the area is geologically complex with in a broad shear zone, accompanied by quartz veining and intruded by porphyry's. Anomalous Gold and Zinc was detected. Hole spacing was sparse testing selected areas several kilometres apart.

Environmental Oil Solutions (A wholly owned subsidiary)

The Company remains in discussions with parties in Eastern Australia to carry out small commercial scale trials with the COM001 product.

Project Evaluation

The Company is evaluating acquisition opportunities in Australia and overseas. Our commodity focus is gold, iron ore and manganese.

For further information please contact.

Mr. Tony Cooper/Roj Jones
Comet Resources Limited
Tel 08.94757100
Fax 08.92774147
Email tony.cooper@cometres.com.au
Web Page www.cometres.com.au

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 2 million, 5.7 million Ferrowest shares and has approximately 71 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 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 2004 edition of the "Australian Code for Reporting of 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.