

Completion of Share Placement

Comet Resources Ltd (Comet or the Company) (ASX:CRL) is pleased to announce subsequent to the announcement on 25 June 2019, the Company has now issued a total of 37,500,000 fully paid ordinary shares and 18,750,000 one-for-two free attaching options at a price of \$0.03 per share to raise \$1,125,000 before costs. The one-for-two free attaching options are exercisable at \$0.06, expiring 30 June 2021.

The shares were issued under the Company's capacity pursuant to ASX Listing Rule 7.1 (14,950,000 shares and 18,750,000 options) and 7.1A (22,550,000 shares). Comet will use the funds for a diamond drilling program to infill and extend the high-grade component of the existing resource and recently announced discoveries. The diamond core will be used to conduct metallurgical test work to optimise the processing circuit to produce a high-grade graphite concentrate.

Capital Structure

Shares	Total ('000)
Ordinary shares on issue prior to placement	240,000
Ordinary shares issued in placement	37,500
Total shares on issue following placement	277,500

Options	Details	Total ('000)
Options on issue prior to placement	4c exp 31/12/19	12,000
	10c exp 31/12/19	57,000
	10c exp 31/12/20	5,000
	15c exp 31/12/20	10,000
Options issued in placement	6c exp 30/06/21	18,750

Additional disclosure under ASX Listing Rule 3.10.5A

The Company provides the following additional information as required under ASX Listing Rule 3.10.5A in respect of the shares issued under the Company's additional 10% placement capacity pursuant to ASX Listing Rule 7.1A:

The dilutive effect of the Placement on existing shareholders is as follows:

Placement	Shares ('000)	%
Shares on issue prior to placement	240,000	86.49
Dilution as a result of ASX LR 7.1A	22,550	8.12
Dilution as a result of ASX LR 7.1	14,950	5.39
Shares on issue following placement	277,500	100.00

The shares issued under ASX Listing Rule 7.1A were issued to both new and existing shareholders of the Company.

The shares issued under ASX Listing Rule 7.1A were issued to sophisticated investors under the Placement. The decision to conduct a Placement pursuant to ASX Listing Rule 7.1A was

considered by the Board of the Company to be the most efficient and effective mechanism to raise capital to fund the diamond drilling program to infill and extend the high-grade component of the existing resource and recently announced discoveries.

Cicero Advisory Services Pty Ltd were engaged to manage the Placement. Fees in respect of the Placement are a Manager to offer fee of \$25,000 and a distribution fee of six percent on capital raised.

Cleansing notice under section 708A of the Corporations Act 2001 (Cth)

Comet) issued a total of 37,500,000 fully paid ordinary shares and 18,750,000 one-for-two free attaching options at a price of \$0.03 per Placement Share to raise \$1,125,000 before costs. The one-for-two free attaching options are exercisable at \$0.06 expiring 30 June 2021.

Details of the Placement are set out in the Company's ASX announcement dated 25 June 2019 and the attached Appendix 3B.

The Company gives this Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (the "Corporations Act").

The placement shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this Notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company, and section 674 of the Corporations Act.

As at the date of this Notice, there is no excluded information for the purposes of section 708A(7) and 708A(8) of the Corporations Act that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

For further information please contact:

PHILIPPA LEGGAT

Chief Executive Officer

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About the Springdale Graphite Project in Western Australia

The 100% owned Springdale graphite project is located approximately 30 kilometres east of Hopetoun in south Western Australia. The project is situated on free hold land, with good access to infrastructure being within 150 kilometres of the port at Esperance via sealed roads.

The tenements lie within the deformed southern margin of the Yilgarn Craton and constitute part of the Albany-Fraser Orogen. Comet owns 100% of the three tenement's (E74/562, E74/583 and E74/612) that make up the Springdale project, with a total land holding of approximately 220 square kilometres.



Key information on the Springdale Graphite Project

- Comet completed a first pass aircore drilling program in February 2016, which confirmed that graphite was present (Western Zone).
- In September 2017 a 220km² detailed aeromagnetic survey was conducted (*ASX 10 Nov 2017*). Interpretation delineated 26 kilometres of stratigraphy deemed to be prospective for graphite mineralisation. Less than 20% of the identified stratigraphy has been drill tested indicating the potential scale of the Project.
- The Northern Zone was defined as a high priority drill target. RC drilling completed between December 2017 and February 2018 was successful in identifying high grade graphite mineralisation in the Northern Zone.
- Comet released a Maiden Resource (*Table 1*) at the Springdale Graphite Project late 2018 that incorporated the Northern, Western and Eastern Zones (*ASX 6 Dec 2018*).
- The high-grade portion of the resource is 2.6Mt at 17.5% Total Graphitic Carbon (TGC) (*Table 1*).
- Metallurgical test work in April 2017 proved that graphene can be produced from Springdale graphite by electrical exfoliation. It is very rare for a graphite deposit to be able to produce graphene using the exfoliation method on solid, untreated rock.
- The discovery of two new high-grade zones of graphite mineralisation was announced in May 2019. The results of the drilling program confirmed that electromagnetic surveys could be used as a targeting tool for shallow, high-grade graphite mineralisation (*ASX 7 May 2019*).

Appendices

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Comet Resources Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Comet Resources Limited believes that its forward-looking statements are reasonable; however, forward looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

Competent Persons Statement

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Matthew Jones, who is a Competent Persons and Member of The Australasian Institute of Mining and Metallurgy. Matthew Jones is full-time Exploration Manager of the Company. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Matthew Jones consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Table 1

Springdale Project Resource Estimate reported at a $\geq 2\%$ TGC cut-off grade.

DOMAIN	TONNES (MT)	DENSITY (t/m ³)	Graphite (TGC%)	CLASSIFICATION
HIGH GRADE	2.6	2.1	17.5	INFERRED
LOW GRADE	13.0	2.2	3.7	INFERRED
TOTAL RESOURCE	15.6	2.2	6.0	INFERRED

Note – Inferred Resources have only been reported from within mineralised wireframe domains defined by a nominal 2% TGC cut-off for low-grade and a nominal 15% TGC cut-off for high-grade to a nominal depth of 100m.

--Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

COMET RESOURCES LIMITED

ACN

060 628 202

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1) Fully Paid Ordinary Shares (FPO)
2) Unquoted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1) 37,500,000 FPO Shares
2) 18,750,000 Unquoted Options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1) FPO Shares
2) Unquoted Options exercisable at \$0.06 expiring 30 June 2021 |
| 4 | Do the +securities rank equally in all respects from the +issue date | 1) Yes, rank equally with FPO Shares
2) Unquoted Options |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

with an existing +class of quoted +securities?	
If the additional +securities do not rank equally, please state:	
<ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5 Issue price or consideration	<ol style="list-style-type: none"> 1) \$0.03 to raise \$1,125,000 2) One for Two free attaching Unquoted Options exercisable at \$0.06 expiring 30 June 2021
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Monies raised will be used to advance the high-grade Springdale Graphite Project, in south Western Australia, towards the next stage of development. This will involve the diamond drilling program to infill and extend the high-grade component of the existing resource and recently announced discoveries.</p>
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?	<p>Yes</p>
If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	
6b The date the security holder resolution under rule 7.1A was passed	<p>Yes, at the Company's Annual General Meeting held on 30 November 2018.</p>
6c Number of +securities issued without security holder approval under rule 7.1	<ul style="list-style-type: none"> - 14,950,000 FPO Shares - 18,750,000 free attaching Unquoted Options exercisable at \$0.06 expiring 30 June 2021
6d Number of +securities issued with security holder approval under rule 7.1A	<ul style="list-style-type: none"> - 22,550,000 FPO Shares

6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) Nil

6f Number of +securities issued under an exception in rule 7.2 Nil

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. Yes, On 1 July 2019, 15 day VWAP: \$0.0308 based on trading days of recorded trades prior to the date the issue price was agreed (25 June 2019) 75% of 15 day VWAP: \$0.0231 Source: Commsec

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements Nil

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements
Remaining Issue Capacity under Rule 7.1
Nil
Remaining Issue Capacity under Rule 7.1A
1,250,000 Shares

7 +Issue dates
Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
Cross reference: item 33 of Appendix 3B. 1 July 2019

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	275,500,000	Fully Paid Ordinary Shares
	2,000,000	Fully Paid Ordinary Shares classified as voluntary escrowed securities until 3 April 2020

	Number	+Class
9 Number and +class of all +securities not quoted on ASX	18,750,000	Options exercisable at \$0.06 exp 30 June 2021

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

(including the ⁺ securities in section 2 if applicable)	12,000,000	Options exercisable at \$0.04 exp 31 December 2019
	57,000,000	Options exercisable at \$0.10 exp 31 December 2019
	5,000,000	Advisor options exercisable at \$0.10 exp 31 December 2020
	10,000,000	Advisor options exercisable at \$0.15 exp 31 December 2020

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

- | | | |
|----|--|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the ⁺ securities will be offered | N/A |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | N/A |
| 15 | ⁺ Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents | N/A |
- Note: Security holders must be told how their entitlements are to be dealt with.
- Cross reference: rule 7.7.

19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

- | | | |
|----|--|-----|
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Issue date | N/A |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1*
- (b) All other +securities*
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

*37,500,000 Fully paid ordinary shares

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A
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39	+Class of +securities for which quotation is sought	N/A
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40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A
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41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A
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42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A
Number	+Class					
N/A	N/A					

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.

+ See chapter 19 for defined terms.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: ...1 July 2019.....
(Company secretary)

Print name:Sonu Cheema.....

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	170,500,000
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil 6,000,000 (Issued 31 January 2018) 19,250,000 (Issued 25 May 2018) 4,250,000 (Issued 16 August 2018) 6,000,000 (Issued 16 August 2018) 1,500,000 (Issued February 2019) 24,450,000 (Issued 24 April 2019) 3,050,000 (Issued 24 April 2019) 3,000,000 (Issued 24 April 2019)
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	238,000,000

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	35,700,000
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>2,000,000 Escrowed Fully Paid Ordinary Shares – Land Access Compensation Agreement</p> <p>14,950,000 Fully Paid Ordinary Shares – Placement June 2019</p> <p>18,750,000 One-for-Two Free Attaching Options – Placement June 2019</p>
“C”	-
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	35,700,000
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	35,700,000
Total [“A” x 0.15] – “C”	- <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	238,000,000
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	23,800,000
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	22,550,000 Fully Paid Ordinary Shares – Placement June 2019
“E”	Nil

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	23,800,000

+ See chapter 19 for defined terms.

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New issue announcement

Subtract "E" <i>Note: number must be same as shown in Step 3</i>	22,550,000
Total ["A" x 0.10] – "E"	1,250,000 <i>Note: this is the remaining placement capacity under rule 7.1A</i>