

## Company Update

**Comet Resources Ltd (Comet or the Company) (ASX:CRL)** is providing a Company update on corporate activities and also to advise of the sale of its Northern Territory tenements to Litchfield Minerals Limited.

### Northern Territory tenement sale:

As Comet is currently not funded to pursue active on ground exploration at its Northern Territory tenements, the Board decided it was best to test the market for potential interest in the projects. The aim of the exercise was to remove the ongoing costs associated with maintaining the tenements, payment of annual rents and performing the minimum required exploration works to meet the tenement conditions, and to also generate income from their sale to provide additional financial resources to Comet.

We are pleased to announce that a buyer for the tenements has been found, and on Monday 7 October 2024, a binding agreement was signed for their sale to Litchfield Minerals Limited. Comet will receive \$200,000 before costs are paid to the introducing broker for the sale. The funds from the sale will be used to meet ongoing working capital requirements (refer 'Future Plans' below). The sale is subject to certain customary conditions precedent which the Company is confident will be met.

### IG6 Loan and settlement of debts:

As previously announced in July of 2023 while pursuing requotation of the Company's shares on the ASX, the Company raised funds to support the business through to the planned requotation via the issue of a number of convertible loans. In total \$790,000 was raised from the issue of six convertible loans. International Graphite (IG6) subscribed to \$250,000 of the convertible loan.

Approximately 75% of the debts owed to convertible loan holders (apart from IG6) have been met through a combination of cash and equity (approximately 7.2M IG6 shares held by Comet formed part of the settlement) in IG6 with the balance of the convertible loans, plus interest, of approximately \$150,785 due in cash on January 1, 2025.

As announced on 13 March of 2024, Comet reached an agreement with IG6 for them to provide a loan of up to \$1.5M dollars (**Loan**). The proceeds of the Loan were to be used to settle trade creditor debts that had accumulated during the period the Company was suspended while pursuing the acquisition of the Mount Margaret Copper Project, as well as provide funds on an ongoing basis to allow Comet to continue as a going concern. To date \$790,000 has been advanced under the Loan Agreement.

Concurrent with the execution of the Loan, Comet consolidated all corporate back-office functions and the Company Secretarial role with IG6 to reduce the cost of maintaining Comet and to benefit from synergies available across the two companies.

### Director appointments and resignations:

As part of the Loan agreement with IG6, Comet also agreed to allow IG6 to appoint directors to the Board of Comet. That has subsequently occurred, with Andrew Worland being appointed on 1 July 2024 as non-executive director and Robert Hodby being appointed on 18 April 2024 as Company Secretary.

Hamish Halliday, formerly Chairman of Comet Resources, resigned from his role on 1 July 2024. The Company thanks Hamish for his many years of service and wishes him well in his other endeavours.

The Board of Comet now comprises Matthew O’Kane, Alex Molyneux and Andrew Worland.

Future Plans:

The Company’s aim remains to find a suitable new project and to complete an IPO to relist on the ASX. The remaining asset of the Company is its 32.8M shares in IG6. Unfortunately, 2024 has been a difficult period for nearly all exploration and development companies, and IG6 has also found the market difficult during this period. Based on a share price of 7c per share for IG6, the value of our holdings is approximately \$2.3M. Other than the remaining amounts due under the convertible loans and amounts due to IG6 under the Loan Agreement described above, the Company has limited working capital and third-party debts. This leaves the company with net assets of approximately \$1M after proceeds from the sale of the Northern Territory projects are received.

It is the present view of the Board that the shares of IG6 are undervalued, and that the Company would be best to wait for IG6 to continue to develop its business and complete significant milestones, such as feasibility studies, which will also allow time for the market to potentially gain some momentum in the exploration and development sector and provide a more favourable valuation for Comet to enter into a transaction.

Should plans change we will inform shareholders.

**For further information please contact:**

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**Forward-Looking Statement**

This announcement 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.

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