

Completion of Acquisition of Highly Prospective Copper Projects in Northern Territory

Highlights:

- Agreement to acquire a portfolio of copper-gold and base metals assets in Australia's Northern Territory now completed
- Assets include: Oonagalabi Copper-Zinc Project, Paradise Well Copper-Gold Prospect and the Silver Valley Copper-Gold-Silver-Lead Prospect, which combined cover approximately 840 km¹
- Oonagalabi best intersections from historical drilling include 36.6m at 1.0% copper and 1.7% zinc from 1.5m, 5m @ 1.26% copper and 1.22% zinc from 70m, 6m at 0.9% copper from 102m and 14m at 0.7% copper from 148m¹
- Paradise Well rock chip samples returned up to 8.9% copper and 2.2g/t gold, Silver Valley rock chip samples returned 554 g/t silver, 20% lead, 11.9% copper and 2 g/t gold, providing exciting earlier stage exploration potential¹

Comet Resources Ltd ("Comet" or "the Company") (ASX: CRL) is pleased to advise that it has now finalised its due diligence and has completed the acquisition of a portfolio of highly prospective copper-gold-zinc-silver-lead assets in the Northern Territory of Australia ("Portfolio") from Bath Resources Pty Ltd ("Vendor" or "Bath").

Commenting on the proposed acquisition, Comet Resources Managing Director Matthew O'Kane stated "***With copper prices recently touching records highs, it's a great time for us to add this portfolio of both advanced and early stage copper, gold and base metals targets to our existing copper exposure. Being located in Australia, a Tier 1 mining jurisdiction, they complement our existing copper and base metals project at Barraba in NSW and provide us with further exposure to copper upside. Industry analysts believe copper prices will continue to strengthen as a result of increased global infrastructure spending and the transition to clean energy. We look forward to getting onto the ground in the Northern Territory shortly to review the projects and make plans for the commencement of field exploration activities.***"

Copper prices have been increasing recently related to an increase in demand due to the global efforts to reduce emissions from the transport network and from the generation of renewable electricity, combined with the recent lack of development of major new projects and lack of new supply. Copper is not only an important part the batteries used in battery electric vehicles ("BEV") but is also used extensively in the electric motors that drive the wheels of BEVs. UBS estimate that a BEV will require on average 95kg of copper, versus traditional internal combustion engine ("ICE") vehicles, which only need approximately 25kg of copper, an increase of 75kg per vehicle. Copper is also used intensively in the generation of electricity from renewables, such as solar and wind. Government spending initiatives, such as the recently approved US Covid-19 relief bill of US\$1.9 trillion, will also generate demand pressure for copper.

1. Please see the Company's ASX announcement of 19 March 2021 for full details.

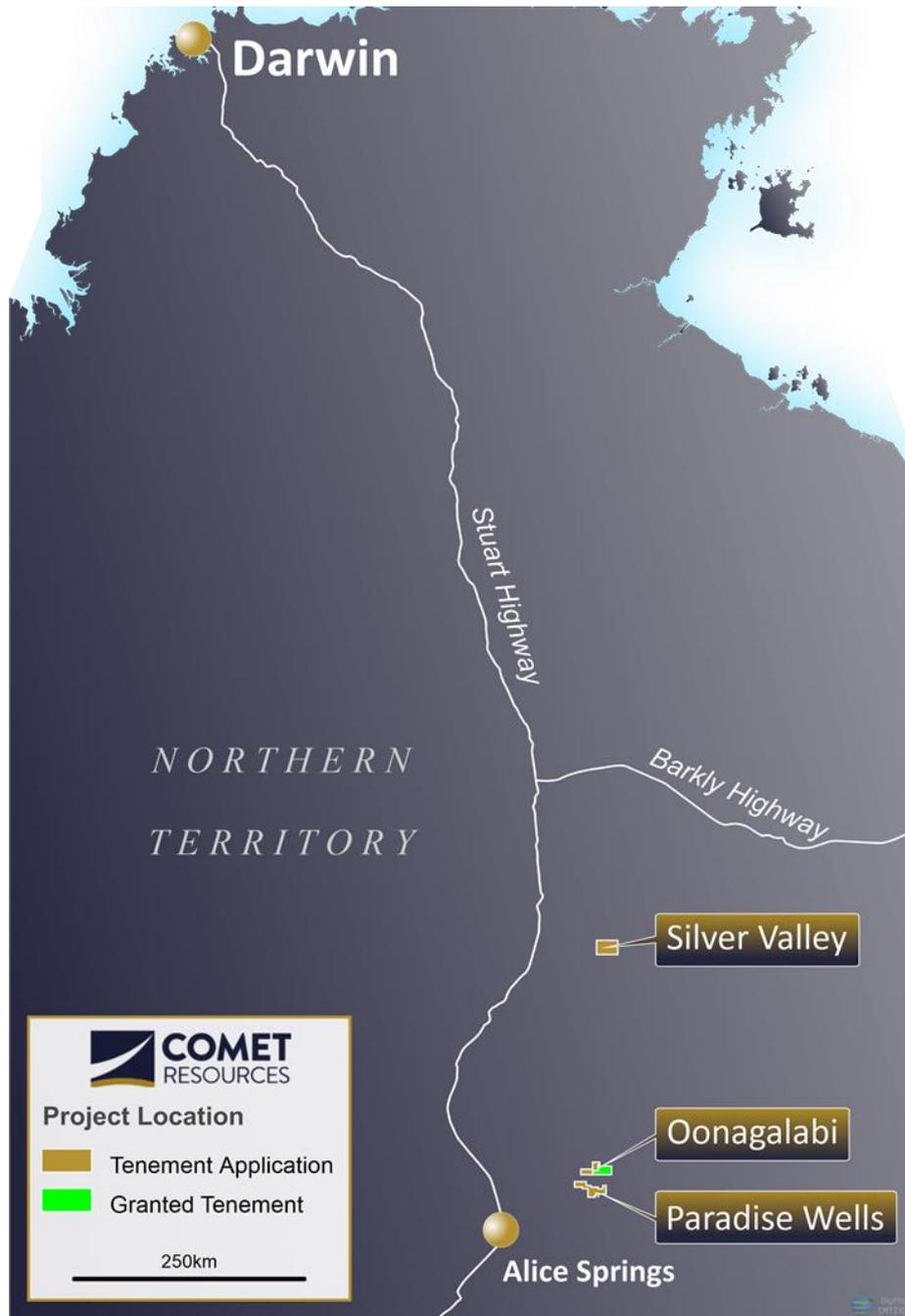


Figure 1: Location of the Portfolio of projects in the NT

Acquisition Portfolio Overview:

The portfolio of Northern Territory exploration licenses and exploration license applications covers an area of approximately 840km². Although historical exploration results were indicative of near surface gold and copper mineralisation, very limited modern exploration has occurred. Comet plans to utilise modern exploration techniques to rapidly advance the scale of known mineralisation, especially where known geophysical and geochemical anomalies exist that have not been comprehensively drill tested.

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Oonagalabi Project:

The Oonagalabi Project exploration licence and exploration license application (EL32279 and ELA32664) contains ~1.7km of outcropping copper, zinc and lead mineralisation, hosted in anthophyllite-cordierite and forsterite marble sitting within the Strangways Metamorphic Complex. The mineralised Oonagalabi Formation represents a very similar geological setting as other known copper deposits in the region, including KGL Resources Jervis Copper Project, which is host to a 20.97 million tonne JORC resource at 2.03% copper and 31.9g/t silver, for 426,200 tonnes of contained copper and 21.4 million ounces of silver (see KGL Resources ASX announcement 15 September 2020).

Exploration at Oonagalabi has been limited, with only one hole of the twenty-two (22) existing holes drilled since 1981 and very limited drilling of the project’s primary mineralisation. The best drill intersection returned to date is **36.5m at 1% copper and 1.7% zinc** (ASX Release 19 March 2021). A high proportion of the mineralisation occurs relatively close to the surface, potentially allowing for an early-stage initial resource. There is the opportunity through methodical exploration, utilizing stratigraphic / structural mapping, combined with ground geophysics, to target primary mineralisation of potential higher metal tenor, and with follow up systematic drill testing of the targets to define a resource at Oonagalabi. Please see Appendix One for full details of all 22 historical drill holes.

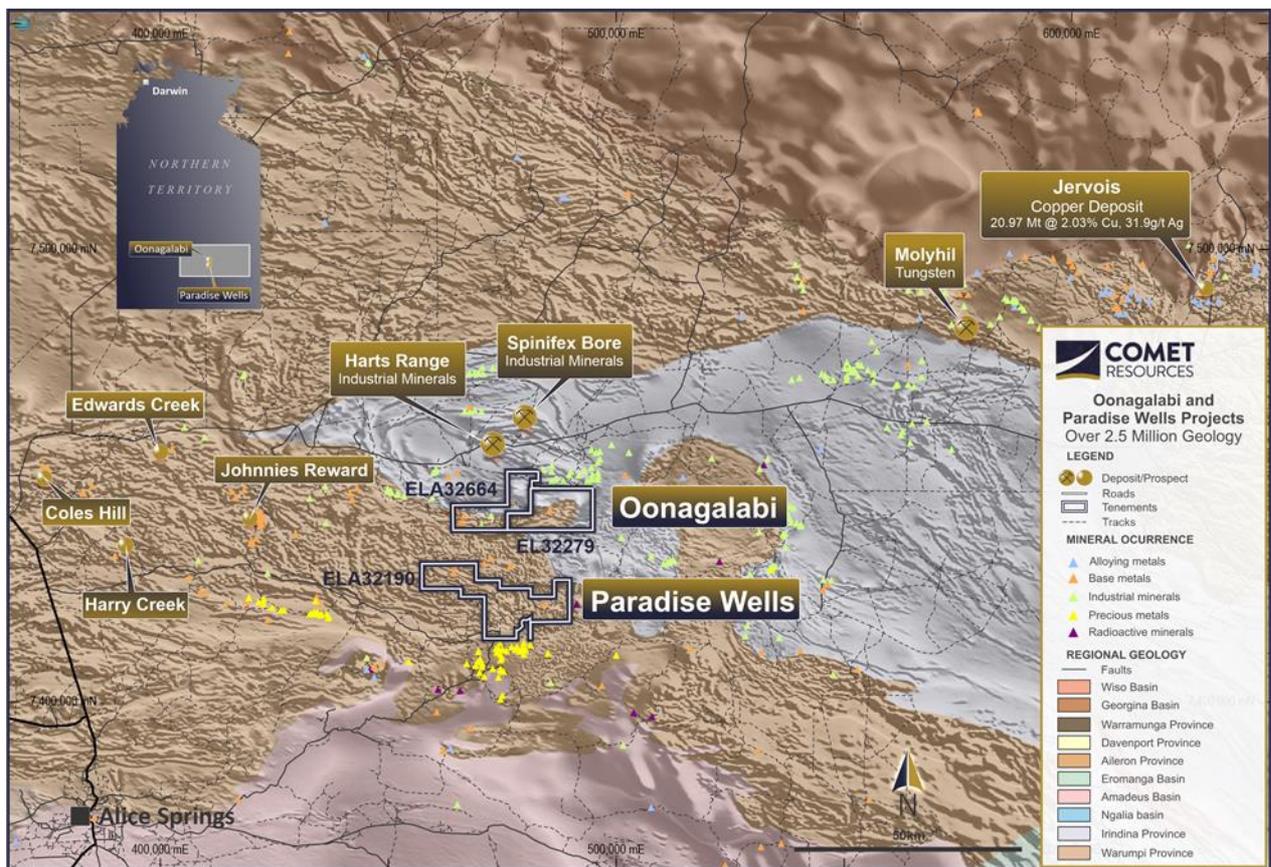


Figure 2: Oonagalabi and Paradise Wells Projects

Paradise Well:

The Paradise Well Copper-Gold Prospect exploration licence application (ELA32190) sits approximately 10km due south of the Oonagalabi exploration licence and covers an area of ~250km². Two prospects have been identified on the tenement through historical rock chip sampling programs which returned copper grades of up to **8.88% copper** (Manny Prospect) and copper/gold rock chips of **6.24% copper and 2.15g/t gold** (New Paradise Well Prospect) (ASX Release 19 March 2021). Neither prospect has been subject to ground geophysics or drill testing and presents an opportunity for Comet to follow up historical work with a systematic program geophysics to identify drill targets. Numerous outcropping copper oxide locations are known across the tenement from previous work but have never been tested with modern exploration. Please see Appendix Three for full details of the rock chip samples taken at the Manny and New Paradise Well prospects. ELA32190 is located on pastoral land and is easily accessible through station track access.

Silver Valley:

The Silver Valley Copper-Gold-Silver-Lead exploration licence application (ELA32241) sits approximately 300km north of the Oonagalabi Project exploration licence and sits within the Davenport Province, a folded succession of Paleoproterozoic shallow marine sedimentary rocks and volcanic units. Four outcropping lead / silver bearing quartz veins, which have been worked by historical pits and shafts, are present within the tenement. Key prospects include the Chablo Prospect which is prospective for lead, silver, copper and gold. A sample of 130 rock chip assays collected produced results up to **554 g/t silver, 20% lead, 11.9% copper and 2 g/t gold** (ASX Release 19 March 2021). Please see Appendix Five of ASX release dated 19 March 2021 for full results of the rock chip samples.



Figure 3: Silver Valley Regional Geology

Summary of Key Terms for the Acquisition of the NT licenses:

The Agreement allows for the acquisition of 100% of the Portfolio of tenements from Bath. Bath are not a related party of the Company nor are they a shareholder in the Company. The key terms are summarised below.

1. **(Exclusivity Fee):** The Company will pay Bath Resources a non-refundable deposit of \$50,000 to secure an exclusive right to acquire the Sale Shares for 45 days or the time required to get ASX approval (if required) to acquire the Sale Shares. The Exclusivity fee is to be paid into Bath Resource's nominated bank account within five (5) business days after execution of the Agreement (Paid);
2. **(Completion fee):** The Company will pay Bath Resources \$50,000 upon completion of the Agreement;
3. **(Initial Consideration):** The Company will issue to Bath Resources fully paid ordinary shares in the capital of the Company (**CRL Shares**) to the value of \$450,000 based on an amount per share equal to the greater of \$0.025 or the 20-Day VWAP, upon completion of the Agreement (**Initial Consideration Shares**);
4. **(Secondary Consideration):** The Company will issue CRL Shares to Bath Resources to the value of \$200,000, based on an amount per share equal to the greater of \$0.025 or the 20-Day VWAP of CRL Shares as traded on ASX payable to Bath Resources twelve (12) months after the completion of the Agreement; and
5. **(Final Consideration):** The Company will issue CRL Shares to Bath Resources to the value of \$200,000 on the delineation of the maiden JORC resource of no less than 5 million tonnes at a Cu-equivalent of 1% or greater (as verified by an independent qualified competent person under the JORC Code) and based on an amount per share equal to the greater of \$0.025 or the 20-day VWAP of CRL Shares as traded on ASX at the time the resource is announced to ASX.

Note: The Company may elect to walk away from the transaction prior to the issue of any CRL Shares as contemplated in item 4 above and transfer the Sale Shares back to Bath Resources. In this case, the obligation to issue the CRL shares under items 4 and 5 will fall away. Further, if the Company is required to issue CRL Shares under items 4 or 5 and shareholder approval for the issue of the CRL Shares is not obtained, then the Company must make an equivalent cash payment to Bath Resources in the place of issuing any CRL Shares.

The issue of the deferred share consideration payable under the Second Consideration and Final Consideration remains subject to shareholder and ASX approval.

This announcement has been authorised by the Board of Comet Resources Limited.

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About Comet Resources

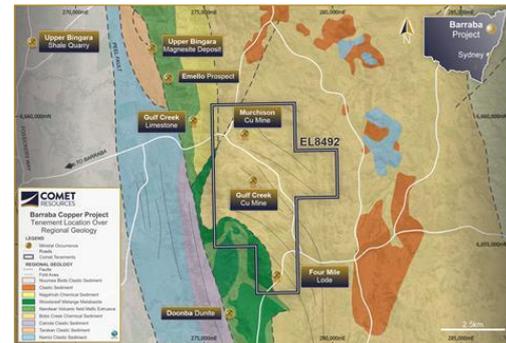
Santa Teresa Gold Project (Mexico)

The Santa Teresa Gold Project is comprised of two mineral claims totalling 202 hectares located in the gold rich El Alamo district, approximately 100 km southeast of Ensenada, Baja California, Mexico; and 250 km southeast of San Diego, California, USA. The Project is prospective for high grade gold. In addition to the two claims of the Project, two additional claims totalling a further 378 hectares in the surrounding El Alamo district are being acquired from EARL.



Barraba Copper Project (NSW)

The 2,375ha exploration licence that covers the project area, EL8492, is located near the town of Barraba, approximately 550km north of Sydney. It sits along the Peel Fault line and encompasses the historic Gulf Creek and Murchison copper mines as well as the Four Mile Lode. The region is known to host volcanogenic massive sulphide (VMS) style mineralisation containing copper, zinc, lead and precious metals. Historical workings at Gulf Creek produced high-grade copper and zinc for a short period around the turn of the 19th century, and this area will form a key part of the initial exploration focus.



Springdale Graphite Project (WA)

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 and E74/612) that make up the Springdale project, with a total land holding of approximately 198 square kilometres.



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.

Competent Persons Statement

The information in this report that relates to exploration and geological data for the Onagalabi, Paradise Well and Silver Valley Projects is based on information compiled by Mr Jonathan Downes, a member of the Australian Institute of Mining and Metallurgy. Mr Downes has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are undertaking 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' ("JORC Code"). Mr Downes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.