

**ANNUAL GENERAL MEETING - NOTICE AND PROXY FORM****Dear Shareholder**

Comet Resources Limited is convening an Annual General Meeting of shareholders to be held on Monday 30 November 2020 at 10:00am (WST) at Unit 9, 448 Roberts Road Subiaco WA 6008 (**Meeting**). In accordance with subsection 5(f) of the Corporations (**Coronavirus Economic Response**) Determination (**No. 3**) 2020, the Company will not be dispatching physical copies of the Notice of Annual Meeting (**Notice**). Instead, a copy of the Notice is available at the following link <https://www.cometres.com.au/>.

You may vote by attending the Meeting in person, by proxy, or by appointing an authorised representative.

**Voting in Person**

To vote in person, attend the Meeting on the date and at the place as set out above. If possible, Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's share register and note attendance.

**Voting by Proxy**

Appointment of Proxy: Shareholders who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting and to vote on their behalf. The proxy does not need to be a Shareholder. A Shareholder that is entitled to cast two or more votes may appoint two proxies and should specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

Voting by proxy: A Shareholder can direct its proxy to vote for, against or abstain from voting on each Resolution by marking the appropriate box in the voting directions to your proxy section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed in the Proxy Form. Proxy Forms must be received by 10:00am (WST) on Saturday 28 November 2020. Details on how to lodge your Proxy Form can be found on the enclosed Proxy Form. If you have any questions about your Proxy Form, please contact the Company Secretary by telephone at +61 8 6489 1600.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether shareholders will still be able to attend in person and participate in the usual way. The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours faithfully  
By order of the Board

**Sonu Cheema**  
**Company Secretary**  
**Comet Resources Limited**

---

**COMET RESOURCES LIMITED**  
**ACN 060 628 202**  
**NOTICE OF ANNUAL GENERAL MEETING**

---

Notice is given that the Meeting will be held at:

**TIME:** 10:00am WST

**DATE:** 30 November 2020

**PLACE:** Unit 9, 448 Roberts Road Subiaco WA 6008

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 09:00 on 28 November 2020***

---

## BUSINESS OF THE MEETING

---

### AGENDA

---

#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

---

#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020."*

A voting prohibition statement applies to this Resolution. Please see below.

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

---

#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HAMISH HALLIDAY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of clause 14.2 of the Constitution, and for all other purposes, Hamish Halliday, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

---

#### 4. RESOLUTION 3 – ELECTION OF DIRECTOR – MATTHEW O'KANE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of clause 14.4 of the Constitution, and for all other purposes, Matthew O'Kane, a Director who was appointed casually on 12 November 2019, retires, and being eligible, is elected as a Director."*

---

#### 5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."*

---

**6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 60,600,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

---

**7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1A**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 39,400,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

---

**8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 Options on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

---

**9. RESOLUTION 8 – APPROVAL TO ISSUE SHARES AND OPTIONS – EMPIRE FINANCING FEES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue to Empire (or its nominees), 20,869,565 Shares and 20,869,565 Options.”*

A voting exclusion statement applies to this Resolution. Please see below.

---

**Dated: 16 October 2020**

**By order of the Board**

**Sonu Cheema**  
**Company Secretary**

## Voting Prohibition Statements

<b>Resolution 1– Adoption of Remuneration Report</b>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> </ul> </li> </ul> <p>expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</p>
--	---

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolutions 5 and 6 – Ratification of prior issue of Shares</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the placement) or an associate of that person or those persons.
<b>Resolution 7 – Ratification of prior issue of Options</b>	A person who participated in the issue or is a counterparty to the agreement being approved (namely Peloton Capital Pty Ltd) or an associate of that person or those persons.
<b>Resolution 8 – Approval to issue Shares and Options</b>	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Empire Capital Partners Pty Ltd) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting by proxy**

---

To vote by proxy, please complete and sign the enclosed Voting Form and return by the time and in accordance with the instructions set out on the Voting Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

### **Voting in person**

---

To vote in person, attend the Meeting at the time, date and place set out above.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6489 1600.***

---

## EXPLANATORY STATEMENT

---

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

---

### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.cometres.com.au/>.

---

### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

---

## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – HAMISH HALLIDAY**

### **3.1 General**

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Hamish Halliday, who has served as a Director since 16 December 2014 and was last re-elected on 30 November 2018, retires by rotation and seeks re-election.

### **3.2 Qualifications and other material directorships**

Mr Halliday founded Adamus Resources Limited and grew that Company to a multi-million ounce emerging gold producer. Mr Halliday also co-founded Gryphon Minerals Limited and Venture Minerals Ltd, both highly successful junior explorers.

Mr Halliday is a Director of Blackstone Minerals Ltd, Alicanto Minerals Ltd and Venture Minerals Ltd. He resigned from Renaissance Minerals Limited on 26 September 2016.

### **3.3 Independence**

If re-elected the Board considers Hamish Halliday will be an independent Director.

### **3.4 Board recommendation**

The Board has reviewed Hamish Halliday's performance since his appointment to the Board and considers that Hamish Halliday's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Hamish Halliday and recommends that Shareholders vote in favour of Resolution 2.

---

## **4. RESOLUTION 3 – ELECTION OF DIRECTOR – MATTHEW O'KANE**

### **4.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.



Matthew O'Kane, having been appointed by the other Directors on 12 November 2019 in accordance with the Constitution, will retire in accordance with the Constitution and being eligible, seeks election from Shareholders.

#### **4.2 Qualifications and other material directorships**

Matthew O'Kane has over 25 years of finance experience in the mining, commodities and automotive sectors. Matthew has held senior executive roles across a range of private and public companies in Australia, USA and Asia. He also spent nine years in Asia, gaining a wealth of experience and contacts in the region over a wide range of commodities from producing companies to exploration and development plays, as well as commodities trading.

Matthew has experience in internal and external financial reporting, forecasting and analysis, long-range planning, internal control and corporate governance, and productive negotiations. Matthew O'Kane has a Bachelor of Economics and Finance, and an MBA, from the Royal Melbourne Institute of Technology.

#### **4.3 Independence**

Matthew O'Kane has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

However, if elected the Board considers Matthew O'Kane will not be an independent Director by virtue of him being the Managing Director of the Company.

#### **4.4 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Matthew O'Kane, which returned no material or adverse results.

The Company confirms that it is not aware of any other information that would be material to Shareholders in deciding whether to appoint Mr O'Kane to the Board.

#### **4.5 Board recommendation**

The Board has reviewed Matthew O'Kane's performance since his appointment to the Board and considers that Matthew O'Kane's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Matthew O'Kane and recommends that Shareholders vote in favour of Resolution 3.

---

### **5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE**

#### **5.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval

of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

## **5.2 Technical information required by Listing Rule 7.1A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

### **(a) Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

### **(b) Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or

- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

- (i) the acquisition of new resources, assets and investments including expenses associated with such an acquisition;
- (ii) continued exploration expenditure on the Company's current assets/or projects (funds would then be used for project, feasibility studies and ongoing project administration);
- (iii) the development of the Company's current business; or
- (iv) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 15 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

			Dilution		
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.013	\$0.026	\$0.039
			50% decrease	Issue Price	50% increase
			Funds Raised		
<b>Current</b>	570,132,723 Shares	57,013,272 Shares	\$741,173	\$1,482,345	\$2,223,518
<b>50% increase</b>	855,199,085 Shares	85,519,909 Shares	\$1,111,759	\$2,223,518	\$3,335,276
<b>100% increase</b>	1,140,265,446 Shares	114,026,545 Shares	\$1,482,345	\$2,964,690	\$4,447,035

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-

rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 570,132,723 Shares on issue comprising:
  - (a) 549,263,158 existing Shares as at the date of this Notice of Meeting; and
  - (b) 20,869,565 Shares which will be issued if Resolution 8 is passed at this Meeting.
2. The issue price set out above is the closing market price of the Shares on the ASX on 15 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of Placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(e) Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, Placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;

- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 19 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 20 November 2019, the Company issued 70,000,000 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 25.22% of the total diluted number of Equity Securities on issue in the Company on 20 November 2019, which was 277,500,000. This included 30,600,000 Shares that were ratified at the general meeting of the Company held on 21 September 2020, with additional Shares issued in reliance on the Previous Approval through an increased capacity following that ratification. During the 12-month period preceding the date of the Meeting, being on and from 20 November 2019, the Company did not at any time exceed its placement capacity under Listing Rule 7.1A.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

### 5.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

---

## 6. RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULES 7.1 AND 7.1A

### 6.1 General

On 23 September 2020 the Company announced receipt of subscriptions under a placement of 100,000,000 Shares at an issue price of \$0.02 per Share to raise \$2,000,000 (**Placement Shares**). The Company issued 98,500,000 Placement Shares on 23 September 2020, with the balance of 1,500,000 Placement Shares issued on 16 October 2020, following an increase in the Company's placement capacity as a result of the issue of Shares under a share purchase plan on 7 October 2020.

60,600,000 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 5) and 39,400,000 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 19 November 2019.

The Company engaged the services of Peloton Capital Pty Ltd (ACN 149 540 018) (**Peloton**), to manage the issue of the Placement Shares. The Company has paid

Peloton a fee of \$118,200 (being, 6% of the amount raised under the issue of the Placement Shares) and on 21 October 2020, issued Peloton 6,000,000 options at a strike price of \$0.02, expiring 30 June 2021. Peloton will be issued a further 1,500,000 Options on the same terms out of the Company placement capacity under ASX Listing Rule 7.1 following this Meeting, subject to the Company having sufficient placement capacity to do so following the Meeting.

## **6.2 Listing Rules 7.1 and 7.1A**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed by the requisite majority at this Meeting.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

## **6.3 Listing Rule 7.4**

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 5 and 6 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

## **6.4 Technical information required by Listing Rule 14.1A**

If Resolutions 5 and 6 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 5 and 6 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

## 6.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Peloton. The recipients were identified through a bookbuild process, which involved Peloton seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) 100,000,000 Placement Shares were issued on the following basis:
  - (i) 60,600,000 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 5); and
  - (ii) 39,400,000 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 6);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) 98,500,000 Placement Shares were issued on 23 September 2020 and 1,500,000 Placement Shares were issued on 16 October 2020;
- (f) the issue price was \$0.02 per Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise \$2,000,000, which will be applied towards funding activities at the Company's Santa Teresa Gold Project and also the Barraba Copper Project, as well as for working capital purposes; and
- (h) the Placement Shares were not issued under an agreement.

---

## 7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

### 7.1 General

On 21 October 2020, the Company issued 6,000,000 Options in consideration for lead manager services provided by Peloton Capital Pty Ltd (**Peloton Options**). A

further 1,500,000 Options on the same terms as the Peloton Options will be issued using the Company's placement capacity under ASX Listing Rule 7.1 following the Meeting, subject to the Company having sufficient placement capacity to do so following the Meeting.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Peloton Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Peloton Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Peloton Options.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Peloton Options.

## **7.2 Technical information required by Listing Rule 14.1A**

If Resolution 7 is passed, the Peloton Options will be excluded in calculating the Company's 15% limit in Listing Rules 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Peloton Options.

If Resolution 7 is not passed, the Peloton Options will be included in calculating the Company's 15% limit in Listing Rules 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Peloton Options.

## **7.3 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the Peloton Options were issued to Peloton Capital Pty Ltd;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and



- (ii) issued more than 1% of the issued capital of the Company;
- (c) 6,000,000 Peloton Options were issued and the Peloton Options were issued on the terms and conditions set out in Schedule 2;
- (d) the Peloton Options were issued on 21 October 2020;
- (e) the Peloton Options were issued at a nil issue price, in consideration for lead manager services provided by Peloton. The Company has not and will not receive any other consideration for the issue of the Peloton Options (other than in respect of funds received on exercise of the Peloton Options);
- (f) the purpose of the issue of the Peloton Options was to satisfy the Company's obligations under the lead manager mandate; and
- (g) the Peloton Options were issued to Peloton under the lead manager mandate. A summary of the material terms of the lead manager mandate is set out in Schedule 3.

---

## **8. RESOLUTION 8 – APPROVAL TO ISSUE SHARES AND OPTIONS – EMPIRE FINANCING FEES**

### **8.1 General**

Pursuant to the Company's Resolution 8 in the notice of general meeting dated 20 August 2020 (**Prior Notice of Meeting**), the Company sought approval for the issue of Shares and Options to Empire Capital Partners Pty Ltd (**Empire**) in accordance with the Empire Mandate, which was received at the meeting held on 21 September 2020 (**Prior Meeting**). Refer to the Prior Notice of Meeting for further details with respect to the arrangements with Empire.

At the Prior Meeting, Shareholders approved the issue of 20,869,565 Shares (**Empire Shares**) at a deemed issue price of \$0.025 per Share and 20,869,565 Options exercisable at \$0.0325 on or before 30 June 2021 (**Empire Options**). However, the Prior Meeting contained an inconsistency with respect to the timing of issue of Empire Shares and Empire Options (together, the **Empire Securities**), with a reference included in the notice of meeting that the Empire Securities would be issued once the initial US\$6 million under the Raptor Financing becomes available to the Company.

The commercial arrangements between the Company and Empire were that Empire would be entitled to be issued the Empire Securities upon the Company entering into a definitive agreement in respect of the Raptor Financing (as referenced in Schedule 1 of the Prior Notice of Meeting). As announced on 16 September 2020, the Company has now entered into a definitive agreement with respect to the Raptor Financing, resulting in Empire being entitled to the Empire Securities, subject to approval of this Resolution.

In order to ensure that Shareholder approval for the issue of Empire Securities is consistent with the commercial arrangements between the parties, the Company is seeking Shareholder approval for the issue of the Empire Securities pursuant to this Resolution.

A summary of the material terms and conditions of the Empire Mandate is set out in Item 2 of Schedule 3 and a summary of the material terms of the definitive

agreement for the Raptor Financing is set out in the Company's announcement of 16 September 2020.

As summarised in Section 6.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Empire Securities under the Empire Mandate in connection with the Raptor Financing does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

## **8.2 Technical information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Empire Securities to Empire in accordance with the terms of the Empire Mandate in connection with the Raptor Financing. In addition, the issue of the Empire Securities to Empire will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will be unable to proceed with the issue of the Empire Securities in accordance with the Empire Mandate in connection with the Raptor Financing, in which case the Company will be required to enter into negotiations with Empire with respect to paying fees to Empire out of its cash reserves, which the Company considers will be detrimental to Shareholders as it may require that the Company raises additional funds in order to make such payments while still undertaking its proposed exploration activities at its projects.

## **8.3 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Empire Securities will be issued to Empire, who is not a related party of the Company;
- (b) the maximum number of Empire Shares to be issued is 20,869,565;
- (c) the maximum number of Empire Options to be issued is 20,869,565;
- (d) the terms and conditions of the Empire Options to be issued to Empire are set out in Schedule 4;
- (e) the Empire Securities will be issued within 3 months following the date of the Meeting and will be issued on the same date;
- (f) the Empire Shares will be issued at a deemed issue price of \$0.025 and the Empire Options will be issued at a nil issue price, in consideration for services provided by Empire in connection with the Raptor Financing;
- (g) the purpose of the issue of the Empire Securities to Empire is to satisfy the Company's obligations under the Empire Mandate, the material terms of which are set out in Item 3 of Schedule 1;
- (h) the Empire Securities are not being issued under, or to fund, a reverse takeover; and

- (i) a voting exclusion statement is included in Resolution 8 of the Notice.

---

## GLOSSARY

---

**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Section 5.1.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Comet Resources Limited (ACN 060 628 202).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## SCHEDULE 1 – ISSUES OF EQUITY SECURITIES UNDER LISTING RULE 7.1A SINCE 19 NOVEMBER 2019

Date	Recipients	Number and Class of Equity Securities Issued	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Total Cash Consideration and Use of Funds
Issue – 24 April 2020 Appendix 2A – 24 April 2020	Professional and sophisticated investors as part of a Placement announced on 16 April 2020. The Placement participants were identified through a bookbuild process, which involved Empire seeking expressions of interest to participate in the Placement from non-related parties of the Company.	30,600,000 Shares <sup>2</sup>	\$0.01 (representing a discount to Market Price of 9.09%)	Amount raised or to be raised = \$306,000  Amount spent = \$306,000  Use of funds: to support the acquisition of the Barraba Copper Project in NSW and initial project works.  Amount remaining = \$Nil
Issue – 23 September 2020 Appendix 2A – 23 September 2020	Professional and sophisticated investors as part of a Placement announced on 23 September 2020. The Placement participants were identified through a bookbuild process, which involved Peloton Capital Pty Ltd seeking expressions of interest to participate in the Placement from non-related parties of the Company.	39,400,000 Shares <sup>2</sup>	\$0.02 (representing a discount to Market Price of 10%)	Amount raised or to be raised = \$800,000  Amount spent = \$Nil  Use of funds: fund activities at the Company's Santa Teresa Gold Project and also the Barraba Copper Project, as well as for working capital purposes.  remaining = \$800,000  Proposed use of remaining funds <sup>24</sup> fund activities at the Company's Santa Teresa Gold Project and also the Barraba Copper Project, as well as for working capital purposes.

### Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CRL (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis

---

## SCHEDULE 2 – TERMS AND CONDITIONS OF PELOTON OPTIONS

---

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of the Options will be \$0.02 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



---

## **SCHEDULE 3 – SUMMARY OF AGREEMENTS**

---

### **1. Peloton Capital Mandate**

The Company has entered into the Peloton Capital Mandate with Peloton Capital under which Peloton Capital has been engaged as advisor in respect of any capital raising undertaken by the Company before 26 May 2021.

The Peloton Capital Mandate has a term of 12 months, expiring 26 May 2021, and can be terminated by the Company or Peloton in the event either party is in material breach of its obligations under the Peloton Capital Mandate.

Until 26 May 2022 Peloton Capital will have first right of refusal to act as the Company's lead financial advisor and capital markets advisor, lead placement agent, lead arranger, lead book-runner or lead manager, in respect to any actual or proposed:

- (a) acquisition or disposal transactions which the company will engage a financial advisor;
- (b) public or private offering of equity, equity linked, debt or asset securities; or
- (c) coin offering, ACO or similar tokenized capital raising.

In consideration for Peloton Capital agreeing to provide these services, Peloton Capital will receive 3,000,000 Shares in the Company. Further the Company will pay Peloton Capital \$6,000 per month to be paid either in cash or fully paid ordinary shares (priced at the Company's 20 Day VWAP preceding settlement) at the election of the Company.

### **2. Empire Mandate**

The Company has entered into the Empire Mandate with Empire under which Empire has been engaged by the Company as corporate advisor in connection with merger and acquisition and financing transactions.

The Empire Mandate has a term of 12 months, expiring 25 May 2021, and can be terminated by the Company without cause and by Empire in the event the Company is in material breach of its obligations under the Empire Mandate.

In the event that the Empire Mandate is terminated during the term, and the Company enters into a transaction with a counterparty introduced by Empire during the term of the Empire Mandate within a period of 12 months following termination, Empire will remain entitled to the fees payable under the Empire Mandate if a transaction with the party is consummated.

Set out below is a summary of the fees payable by the Company to Empire Capita in respect of the Santa Teresa Acquisition and Raptor Financing:

Fee Summary	Explanation	Number of Securities (US\$6 million drawdown on financing) <sup>5</sup>	Value (US\$6 million drawdown on financing)	Number of Securities (US\$20 million drawdown on financing) <sup>5</sup>	Value (US\$20 million drawdown on financing)
Item 1 - Share Based Fee <sup>1</sup>	\$60,000 CRL shares at the 20-day VWAP on the day prior to execution of the Heads of Agreement	5,263,158 shares	\$60,000	5,263,158 shares	\$60,000
Item 2 - Share Based Fee (Acquisition) <sup>2,3</sup>	Fees to the value of 3% of the value of the consideration payable for the Acquisition transaction in cash or shares at Empire's election, in two tranches based on the staged structuring of the acquisition (50% payable on the Company acquiring a 50% interest in the Santa Teresa Project and 50% payable upon the Company acquiring 100% of the Santa Teresa Project)	4,200,000 shares	\$105,000	4,200,000 shares	\$105,000
Item 3 - Share Based Fee (Financing) <sup>2</sup>	Upon entering into definitive transaction documents, 6% of the initial US\$6 million to be made available under the Financing in shares (at the greater of \$0.025 and the 20-day VWAP of the Company on the day prior to the execution of the documents), with an entitlement fees equal to 6% of amounts drawn down under the Financing at the greater of \$0.025 and the 20-day VWAP of the shares on the day prior to the drawdown.	20,869,565 shares	\$521,739	69,565,217 shares	\$1,739,130
Item 4 - Option Based Fee (Financing) <sup>4</sup>	Upon entering into definitive transaction documents, an equivalent number of options to the number of shares issued under Item 3 above, exercisable at a 30% premium to the 20-day VWAP and expiring on 30 June 2023, with an entitlement to additional options upon drawdown of further amounts under the Financing (equal to the number of shares issued under Item 3 above and exercisable at a 30% premium to the 20 day VWAP prior to the drawdown and expiring 2 years following the date of issue.	20,869,565 options	\$114,020	69,565,217 options	\$380,066
<b>TOTAL</b>		<b>30,332,723 shares 20,869,565 options</b>	<b>\$800,759</b>	<b>79,028,375 shares 69,565,217 options</b>	<b>\$2,284,196</b>

**Notes:**

1. Value of share based fee component of \$0.0114 per share.
2. Value of share based fee component of \$0.025 per share.
3. Note that this fee is payable in cash or shares at Empire's election.

4. In respect of unquoted Equity Securities, the value of Options is measured using the Black-Scholes methodology. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected future volatility of the underlying Share, the expected dividend yield and the risk free interest rate for the term of the Option.
5. Please note, the value and quantity of share and option based fees could be potentially lower through increased VWAP.

---

## SCHEDULE 4 – TERMS AND CONDITIONS OF EMPIRE OPTIONS

---

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of the Options will be a 30% premium to the issue price of Shares issued in respect of the relevant tranche of Options (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on:

1. in respect of the Options to be issued upon the initial US\$6,000,000 under the Raptor Financing becoming available, 30 June 2021; and
2. in respect of the Options to be issued on subsequent drawdowns under the Raptor Financing, the date that is 2 years from the date of issue,

(**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

**PROXY FORM  
COMET RESOURCES LIMITED  
ACN 060 628 202  
ANNUAL GENERAL MEETING**

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:** ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Unit 9, 448 Roberts Road Subiaco WA 6008, on 30 November 2020 at 10:00am WST, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**Voting on business of the Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Hamish Halliday	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Matthew O'Kane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue of Shares – Listing Rule 7.1a	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to Issue Shares and Options – Empire Financing Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail  
in relation to this Proxy Form:** YES ☐ NO ☐

## Instructions for completing Proxy Form

### 1. **Appointing a proxy**

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.

### 2. **Direction to vote**

A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.

### 3. **Compliance with Listing Rule 14.11**

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

### 4. **Signing instructions:**

- **Individual:** Where the holding is in one name, the Shareholder must sign.
- **Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.
- **Power of attorney:** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
- **Companies:** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.

### 5. **Attending the Meeting**

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

### 6. **Lodgement of Proxy Form**

Proxy forms can be lodged by completing and signing the enclosed Proxy Form and returning by:

- (a) post to Comet Resources Limited, PO Box 866, SUBIACO WA 6904;
- (b) facsimile to the Company on facsimile number +61 8 6489 1601;
- (c) hand delivering to Comet Resources Limited at Suite 9, 330 Churchill Avenue, SUBIACO WA 6008; or
- (d) email to the Company at [sonu@cicerogroup.com.au](mailto:sonu@cicerogroup.com.au),

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**