14 April 2021

ASX:CRL

Graphite Metallurgical Test Work Update

Highlights:

- **Bulk sample of Springdale graphite concentrate estimated to be completed in Q2 2021.**
- **Concentrate material will then be sent to Germany to test its amenability for the production of battery anode material suitable for use in EVs.**
- **Final test results expected in Q3 2021.**

Comet Resources Ltd (**Comet** or the **Company**) (**ASX:CRL**) is pleased provide an update on ongoing test work on natural flake graphite from its Springdale Graphite Project (**Springdale**) located in Western Australia. Both excellent grade and recoveries were achieved on initial tests, leading to commencement of work to produce a bulk sample for further testing. Importantly, the graphite concentrates previously produced demonstrated a unique and potentially very valuable characteristic in its small size distribution, with two-thirds of the product passing the 38 µm size fraction screen. Generally, this small size fraction of graphite is a by-product of processing of larger flake fractions, which produces smaller size graphite, but in doing so also damages the smaller flake material in the process, reducing their performance and value. Deposits that contain high quality ultra-fine graphite are uncommon and are potentially suitable for supplying the expanding battery anode market, which continues to grow as the sales of electric vehicles (**EVs**) increase. Graphite suitable for battery anode production also achieves premium pricing in graphite markets, making it a highly sought-after product.

Once the bulk sample of Springdale graphite concentrate is produced it will be forwarded to a specialist lab in Germany where they will assess, among other properties, the performance of the graphite during purification, micronisation and spheronisation. These are the key steps for the processing of natural graphite products for EV battery anode specification markets. Comet's German lab partners will simulate these to test Springdale's product suitability to meet industry standards in all of these areas.

Comet Managing Director, Matthew O'Kane, commented, ***"The results of this ongoing test work will determine the suitability of the natural flake graphite from Springdale for use in the manufacture of battery anodes for electric vehicles. Earlier tests have demonstrated the graphite from Springdale is quite a rare product due to its very small flake size, which could make it ideally suited for anode production. This next stage of specialised testing will hopefully confirm this."***

Further test work on the bulk sample of float concentrate in Germany is designed to assess the ability of the concentrate obtained by flotation to be converted into highly valuable, readily saleable products.

Three different processes are to be tested:

- Purification to carbon content above 99.9%, as these carbon levels pave the way for high tech applications like usage in batteries;
- Micronizing for products which require well defined small flake graphite particles for their end uses; and
- Spheronisation for usage in lithium-ion-battery anodes for the rapidly expanding market for EVs due to the global drive to de-carbonise the transport network.

These test work streams are designed to confirm the suitability of Springdale graphite as a precursor material for these high value-added products.

We look forward to receiving the results from these work streams and will provide updates as soon as the information is available.

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

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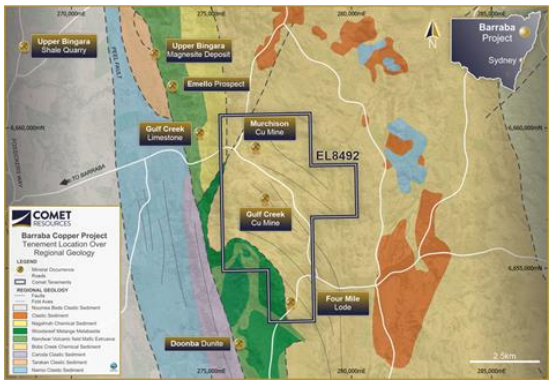
About Comet Resources

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 license 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. 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.