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

Comet) issued a total of 18,500,000 fully paid ordinary shares at a price of $0.025 per Placement Share to raise $462,500 before costs and 18,500,000 one-for-one free attaching unquoted options. The unquoted options are exercisable at $0.06 expiring 30 June 2021.

Details of the Placement are set out in the Company's ASX announcement dated 19 November 2019 and the attached Appendix 3B.

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

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

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

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

For further information please contact:

MATTHEW O'KANE

Managing Director

(08) 6489 1600

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PO Box 866 Subiaco WA 6904

––Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

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

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

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

Name of entity

COMET RESOURCES LIMITED

ACN

060 628 202

We (the entity) give ASX the following information.

Part 1 - All issues

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

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

+ See chapter 19 for defined terms.

	with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
5	Issue price or consideration	1) $0.025 to raise $462,500 2) One for One free attaching Unquoted Options exercisable at $0.06 expiring 30 June 2021
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Comet will use the funds to continue to evaluate the results of recent drilling at the Springdale project, which will include metallurgical test work on core material from that campaign focussed on classification of the material and test work regarding maximising recoveries, as well as value added test work regarding battery applications and foil opportunities, in addition to general working capital expenditure.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	Yes, at the Company's Annual General Meeting held on 19 November 2019.
6c	Number of +securities issued without security holder approval under rule 7.1	- 18,500,000 FPO Shares - 18,500,000 free attaching Unquoted Options exercisable at $0.06 expiring 30 June 2021
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	NA
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Nil
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<u>Remaining Issue Capacity under Rule 7.1</u> 2,325,000 Shares <u>Remaining Issue Capacity under Rule 7.1A</u> 27,550,000 Shares
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	25 November 2019

8 Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)

Number	+Class
294,000,000	Fully Paid Ordinary Shares
2,000,000	Fully Paid Ordinary Shares classified as voluntary escrowed securities until 3 April 2020

9 Number and +class of all +securities not quoted on ASX

Number	+Class
37,250,000	Options exercisable at $0.06 exp 30 June 2021

+ See chapter 19 for defined terms.

	(*including* the +securities in section 2 if applicable)	12,000,000 57,000,000 5,000,000 10,000,000	Options exercisable at $0.04 exp 31 December 2019 Options exercisable at $0.10 exp 31 December 2019 Advisor options exercisable at $0.10 exp 31 December 2020 Advisor options exercisable at $0.15 exp 31 December 2020
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

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

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

+ See chapter 19 for defined terms.

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

Part 3 - Quotation of securities

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

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1*

(b) ☐ All other +securities*

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

*18,500,000 Fully paid ordinary shares

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A
39	+Class of +securities for which quotation is sought	N/A
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)	N/A	N/A

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

+ See chapter 19 for defined terms.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

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

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

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: ...25 November 2019.....
(Company secretary)

Print name: ....Sonu Cheema.................................

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Appendix 3B – Annexure 1

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

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

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	206,000,000
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil 1,500,000 (Issued February 2019) 24,450,000 (Issued 24 April 2019) 3,050,000 (Issued 24 April 2019) 3,000,000 (Issued 24 April 2019) 14,950,000 (Issued July 2019) 22,550,000 (Issued July 2019) Nil
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	275,500,000

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	41,325,000
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	2,000,000 Escrowed Fully Paid Ordinary Shares – Land Access Compensation Agreement 18,500,000 Fully Paid Ordinary Shares – Placement Nov 2019 18,500,000 One-for-One Free Attaching Options – Placement Nov 2019
"C"	**39,000,000**
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	41,325,000
Subtract "C" *Note: number must be same as shown in Step 3*	39,000,000
Total ["A" x 0.15] – "C"	2,325,000 *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	275,500,000
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	27,550,000
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	-
"E"	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	27,550,000

+ See chapter 19 for defined terms.

Subtract "E" *Note: number must be same as shown in Step 3*	-
Total ["A" x 0.10] – "E"	27,550,000 *Note: this is the remaining placement capacity under rule 7.1A*