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**COMET RESOURCES LIMITED**

**ACN 060 628 202**

**NOTICE OF GENERAL MEETING**

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**TIME:** 11.00 am (WST)

**DATE:** Friday, 26<sup>th</sup> August 2016

**PLACE:** The Boardroom  
Kalamunda Hotel  
43 Railway Road  
Kalamunda WA 6076

*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.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9466 7770.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 11.00 am (WST) on Friday, 26<sup>th</sup> August 2016 at: The Boardroom, Kalamunda Hotel, 43 Railway Parade, Kalamunda, WA, 6076.

### Your vote is important

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

### Voting eligibility

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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 4.00pm (WST) on 24<sup>th</sup> August 2016.

### Voting in person

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

### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy 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 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 changes to the Corporations Act made in 2011 mean 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.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the Chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – SHARES – ASX 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 13,021,365 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES – ASX 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,410,910 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 3. RESOLUTION 3 – APPROVAL OF PLACEMENT OF SHARES

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 19,758,625 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 4. RESOLUTION 4 – APPROVAL OF PLACEMENT OF OPTIONS TO CICERO

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 20,000,000 Options to Cicero or its respective nominees on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 5. RESOLUTION 5 – RELATED PARTY PARTICIPATION IN THE CAPITAL RAISING – MR A COOPER

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Shares and 4,000,000 Options to Mr A Cooper (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr A Cooper (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 6. RESOLUTION 6 – RELATED PARTY PARTICIPATION IN THE CAPITAL RAISING – MR H HALLIDAY

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,500,000 Shares to Mr H Halliday (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr H Halliday (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**7. RESOLUTION 7– RELATED PARTY PARTICIPATION IN THE CAPITAL RAISING – MR RO JONES**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Shares to Mr RO Jones (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr RO Jones (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**8. RESOLUTION 8– RELATED PARTY PARTICIPATION IN THE CAPITAL RAISING – MR E CZECHOWSKI**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 Shares to Mr E Czechowski (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr E Czechowski (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**9. RESOLUTION 9 – ISSUE OF INCENTIVE OPTIONS TO A RELATED PARTY – MR A COOPER**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,300,000 Incentive Options to Mr A Cooper (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr A Cooper (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**10. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS TO A RELATED PARTY – MR H HALLIDAY**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,500,000 Incentive Options to Mr H Halliday (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr H Halliday (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**11. RESOLUTION 11– ISSUE OF INCENTIVE OPTIONS TO A RELATED PARTY – MR RO JONES**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,800,000 Incentive Options to Mr RO Jones (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr RO Jones (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**12. RESOLUTION 12 – ISSUE OF INCENTIVE OPTIONS TO A RELATED PARTY – MR E CZECHOWSKI**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 400,000 Incentive Options to Mr E Czechowski (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr E Czechowski (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**13. RESOLUTION 13 – ISSUE OF INCENTIVE OPTIONS TO CICERO**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Incentive Options to Cicero or its respective nominees on the terms and conditions set out in the Explanatory Statement.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Cicero and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**Dated: 19 July 2016**

**By order of the Board**



**Edmund Czechowski  
Company Secretary**

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## EXPLANATORY STATEMENT

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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.

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### 14. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE – SHARES

#### 14.1 General

On 8 April 2016 the Company issued 3,500,000 Shares at an issue price of \$0.01 per Share as part of the compensation agreement that the Company had with its main landowner to raise \$35,000 and on 15 June 2016 the Company issued 17,932,275 Shares at an issue price of \$0.02 per Share to raise \$358,645 (**Capital Raising**) pursuant to the Company's combined placement capacity under ASX Listing Rules 7.1 and 7.1A.

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

#### 14.2 Resolution 1

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 13,021,365 Shares issued without Shareholder approval pursuant to the Company's placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the issue the subject of Resolution 3, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 14.3 Resolution 2

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 8,410,910 Shares issued with Shareholder approval pursuant to the Company's placement capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the Company's previous Annual General Meeting held on 12 November 2015.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1A those securities will from that date be included in variable "A" in the formula in ASX Listing Rules 7.1 and 7.1A.2 for the purpose of calculating the annual placement capacity of the Company under both ASX Listing Rules 7.1 and 7.1A.

By ratifying the issue the subject of Resolution 3, the base figure (ie variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

#### **14.4 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) 21,432,275 Shares were issued on the following basis:
  - (i) 13,021,365 Shares issued pursuant to ASX Listing Rule 7.1; and
  - (ii) 8,410,910 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.01 per Share in respect of 3,500,000 Shares issued pursuant to ASX Listing Rule 7.1 and \$0.02 per Share in respect of 17,932,275 Shares issued pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A;
- (c) the 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;
- (d) the Shares were issued as part of a compensation agreement that the Company had with its main landowner and to clients of Cicero, Corporate Authorised Representative No. 449190 of ACNS Capital Markets Pty Ltd (ACN 088 503 208) trading as Alto Capital AFSL 279099. Neither of these subscribers are related parties of the Company; and
- (e) the funds raised from these issues are intended to be used to fund exploration on the Company's new graphite discovery, ongoing working capital and the assessment of new projects. Refer to Schedule 2 for further details.

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### **15. RESOLUTION 3 – SHARE PLACEMENT AUTHORITY**

#### **15.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to the issue of 19,758,625 Shares (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 14.2.

The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### **15.2 Technical information required by ASX Listing Rule 7.1**

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

- (a) the maximum number of Shares to be issued is 19,758,625;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (c) the issue price will be \$0.02.

- (d) the Shares will be issued to clients of "Cicero" and person(s) nominated by the Company. These persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement towards working capital purposes, exploration and project generation.

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## **16. RESOLUTION 4 – APPROVAL OF PLACEMENT OF OPTIONS**

### **16.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to the issue of 20,000,000 Options to Cicero or its respective nominees.

A summary of ASX Listing Rule 7.1 is set out in Section 14.2.

The effect of Resolution 4 will be to allow the Company to issue these Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

### **16.2 Technical information required by ASX Listing Rule 7.1**

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

- (a) the maximum number of Options to be issued is 20,000,000.
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for \$0.0001 cash consideration to raise \$2,000;
- (d) the Options will be issued to subscribers to the Capital Raising (refer Resolution 3). No subscriber is a related party of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) \$2,000 will be raised from this issue.

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## **17. RESOLUTIONS 5, 6, 7 AND 8 – RELATED PARTY PARTICIPATION IN THE CAPITAL RAISING**

### **17.1 General**

Conditional on the passing of Resolutions 3 and 4 Mr A Cooper, Mr H Halliday, Mr RO Jones and Mr E Czechowski (either directly or through nominees) wish to subscribe for Shares and Options on the same terms as to be issued to participants in the Capital Raising (**Participation**) referred to in Resolutions 3 and 4.

Resolutions 5, 6, 7 and 8 seeks Shareholder approval for the issue of up to 5,000,000 Shares and 4,000,000 Options to each of Mr A Cooper, Mr H Halliday, Mr RO Jones and Mr E Czechowski (or their nominees) to raise up to an additional \$100,400.

## 17.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares and Options which constitutes giving a financial benefit and Mr A Cooper, Mr H Halliday, Mr RO Jones and Mr E Czechowski are related parties of the Company by virtue of being Directors.

The Directors (other than with regards to the Resolution pursuant to which they may be issued Shares and Options) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to the Directors (or their respective nominees) on the same terms as Shares and Options issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

## 17.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Participation involves the issue of Shares and Options to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

## 17.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) The Shares and Options will be issued to:
  - (i) Resolution 5: Mr A Cooper (or his nominee);
  - (ii) Resolution 6: Mr H Halliday (or his nominee);
  - (iii) Resolution 7: Mr RO Jones (or his nominee);
  - (iv) Resolution 8: Mr E Czechowski (or his nominee).The maximum number of Shares and Options to be issued is:
  - (v) Resolution 5: 2,000,000 Shares and 4,000,000 Options;
  - (vi) Resolution 6: 1,500,000 Shares;
  - (vii) Resolution 7: 1,250,000 Shares;
  - (viii) Resolution 8: 250,000 Shares.
- (b) the Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);

- (c) the issue price will be \$0.02 per Share and \$0.0001 per Option ;
- (d) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Options issued will be issued on the terms and conditions set out in Schedule 1; and
- (f) the funds raised from the Participation will be used for the same purposes as funds raised under the Capital Raising (refer to Section 2).

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares and Options to the Directors (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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## RESOLUTIONS 9 TO 12 – ISSUE OF INCENTIVE OPTIONS TO RELATED PARTIES

### 18. GENERAL

As part of the current year remuneration review, the Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 8,000,000 Incentive Options to Related Parties as follows:

- (a) Mr A Cooper (or his nominee) is to be issued 3,300,000 Incentive Options as incentive remuneration;
- (b) Mr H Halliday (or his nominee) is to be issued 2,500,000 Incentive Options as incentive remuneration;
- (c) Mr R Jones (or his nominee) is to be issued 1,800,000 Incentive Options as incentive remuneration;
- (d) Mr E Czechowski (or his nominee) is to be issued 400,000 Incentive Options as incentive remuneration; and

(together, the **Related Party Incentive Options**) on the terms and conditions set out below.

The Incentive Options are performance based options and subject to vesting conditions. Each option shall vest, and therefore be exercisable as follows:

- (a) Tranche 1 - 50% of the Incentive Options shall vest on 1<sup>st</sup> July 2017 subject to the Related Party remaining an officer, employee or consultant to the Company at the time of vesting (failing which, any unvested Incentive Options will lapse);
- (b) Tranche 2 - the remaining 50% of the Incentive Options are exercisable upon the Company reporting 20 or more holes intersecting 6 metres or more at 8%+ Graphite;
- (c) All Incentive Options will vest immediately upon a change of control or takeover.

The proposed allottees are considered Related Parties as they are either currently a Director of the Company, or a consultants to the company.

Resolutions 4 to 7 seek Shareholder approval for the issue of the Incentive Options to the Related Parties (or their nominees).

#### 18.1 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Incentive Options constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of being Directors or consultants.

Each Director considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options to each of the other Directors because the agreement to issue Incentive Options is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

## 18.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Incentive Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

## 18.3 Shareholder approval (Listing Rule 10.11)

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 5 to 8:

- (a) the Related Party Incentive Options will be issued to Messrs A Cooper, H Halliday, R Jones and E Czechowski;
- (b) the maximum number of Related Party Incentive Options to be issued is:
  - (i) in the case of A Cooper, 3,300,000 Incentive Options;
  - (ii) in the case of H Halliday, 2,500,000 Incentive Options;
  - (iii) in the case of R Jones, 1,800,000 Incentive Options; and
  - (iv) in the case of E Czechowski, 400,000 Incentive Options.
- (c) The Related Party Incentive Options will be issued as incentive remuneration and therefore have a \$nil cash issue price.
- (d) the Related Party Incentive Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Incentive Options will occur on the same date;
- (e) Related Party Incentive Options will be issued for \$0.0001 cash consideration, to raise \$800; and
- (f) the terms and conditions of the Related Party Incentive Options are set out in Schedule 1;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Incentive Shares	Options
Mr A Cooper	14,563,517	3,000,000	Nil
Mr H Halliday	Nil	1,500,000	Nil
Mr RO Jones	14,459,953	750,000	Nil
Mr E Czechowski	90,000	750,000	Nil

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

<b>Related Party</b>	<b>30 June 2014</b>	<b>30 June 2015</b>	<b>30 June 2016</b>
Mr A Cooper	\$169,658	\$170,076	\$170,000
Mr H Halliday	\$Nil	\$17,493	\$35,000
Mr RO Jones	\$163,863	\$100,988	\$38,000
Mr E Czechowski	\$37,863	\$37,988	\$38,000

- (i) the dilution effect on existing shareholders if the Related Party Options issued to the Related Parties are exercised is set out below:

<b>Director</b>	<b>Number of Related Party Options</b>	<b>Dilution effect on existing Shareholders should Options be exercised</b>
Mr A Cooper <sup>1</sup>	3,300,000	3.0%
Mr H Halliday <sup>2</sup>	2,500,000	2.3%
Mr RO Jones <sup>3</sup>	1,800,000	1.7%
Mr E Czechowski <sup>4</sup>	400,000	0.4%

<sup>1</sup> Pursuant to Resolution 5 Mr A Cooper (or his nominee) may also subscribe for a further 2,000,000 Shares and 4,000,000 Options.

<sup>2</sup> Pursuant to Resolution 6 Mr H Halliday (or his nominee) may also subscribe for a further 1,500,000 Shares.

<sup>3</sup> Pursuant to Resolution 7 Mr RO Jones (or his nominee) may also subscribe for a further 1,250,000 Shares.

<sup>4</sup> Pursuant to Resolution 8 Mr E Czechowski (or his nominee) may also subscribe for a further 250,000 Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Options to the Related Parties (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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**19. RESOLUTION 13 - ISSUE OF INCENTIVE OPTIONS TO CICERO****19.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 4,000,000 Incentive Options to Cicero (or its respective nominees) on the terms and conditions set out below.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 13:

- (a) the maximum number of Incentive Options to be issued is 4,000,000.
- (b) the Incentive Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Incentive Options will be issued for \$0.0001 cash consideration to raise \$400;
- (d) the Incentive Options will be issued to Cicero or its respective nominees;
- (e) the Incentive Options will be issued on the terms and conditions set out in Schedule 3; and
- (f) \$400 will be raised from this issue.

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## GLOSSARY

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**\$** means Australian dollars. **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.

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

**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.

**Cicero** means Cicero Advisory Services Pty Ltd ACN 166 321 393.

**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.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

**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.

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

**Incentive Option** means an Incentive Option issued pursuant to Resolutions 9, 10, 11, 12 and 13.

**Incentive Share** means an unlisted Incentive Share expiring on 24 November 2018.

**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.

**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, Related Party Option or Related Party Incentive Option as the context requires.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

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

**Related Party Incentive Option** means an Incentive Option issued pursuant to Resolutions 9, 10, 11 and 12.

**Related Party Option** means an Option issued pursuant to Resolutions 5, 6, 7 and 8.

**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 2015.

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

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

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

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

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be 12,000,000 exercisable at \$0.04 (**Exercise Price**) and 12,000,000 exercisable at \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 4.00pm (WST) on 31 December 2019 (**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 the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder 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.

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**SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 12 NOVEMBER 2015**


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Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
<b>Issue –</b>					
9/12/15	3,802,205	Shares <sup>2</sup>	Alberta Resources Ltd	\$0.013	\$50,000 in lieu of fees as approved by the shareholders on 15/11/15
8/4/16	3,500,000	Shares <sup>2</sup>	Fairplan Holdings Ltd	\$0.01	Cash - \$35,000
15/6/16	17,932,275	Shares <sup>2</sup>	Clients of Cicero Advisory Services Pty Ltd	\$0.02	Cash - \$358,645

**Notes:**

1. Market Price means the closing price 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.
4. Based on the closing price of Shares (\$0.039 cents) on the ASX on the trading day prior to the date of this Notice (11 July 2016).

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### SCHEDULE 3 - TERMS AND CONDITIONS OF INCENTIVE OPTIONS

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(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Incentive Option will be \$0.001 (**Exercise Price**).

(c) **Expiry Date**

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

(d) **Exercise Period**

Each Incentive Option shall vest, and therefore be exercisable as follows:

- (i) Tranche 1 - 50% of the Incentive Options shall vest on 1 July 2017 subject to the Related Party remaining an officer, employee or consultant to the Company at the time of vesting (failing which, any unvested Incentive Options will lapse);
- (ii) Tranche 2 - the remaining 50% of the Incentive Options shall vest upon the Company achieving one of the following milestones:
  - The Incentive Options are exercisable upon the Company reporting 20 or more holes intersecting 6 metres or more at 8%+ Graphite;
- (iii) All Incentive Options will vest immediately upon a change of control or takeover.

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

(e) **Notice of Exercise**

The Incentive Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Incentive Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Incentive 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 Incentive Option being exercised in cleared funds (**Exercise Date**).

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

Within 15 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 Incentive 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 Incentive 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 the exercise of the Incentive 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 Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options without exercising the Incentive Options.

(l) **Change in exercise price**

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

(m) **Unquoted**

The Company will not apply for quotation of the Incentive Options on ASX.

(n) **Transferability**

The Incentive Options are non-transferable.

(o) **Taxation**

Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Scheme unless the Offer provides otherwise.

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PROXY FORM

COMET RESOURCES LIMITED
ACN 060 628 202

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 11.00 am (WST), on Friday, 26th August 2016 at The Boardroom, Kalamunda Hotel, 43 Railway Parade, Kalamunda, WA, 6076 and at any adjournment thereof.

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.

Table with 4 columns: Resolution, Description, FOR, AGAINST, ABSTAIN. Rows include resolutions 1-13 regarding ratification, share placement, and incentive options.

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): \_\_\_\_\_

Email 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. **(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.
4. **(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.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Comet Resources Limited, Unit 1, 4 Canning Road, Kalamunda, WA, 6076; or
  - (b) email to the Company at comet@cometres.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.**