2020 ANNUAL REPORT

COMET RESOURCES LIMITED

and its

CONTROLLED ENTITIES

ABN 88 060 628 202

CONTENTS

CORPORATE DIRECTORY

Directors

M O'Kane
HP Halliday
D Prentice
A Molyneux

Company Secretary

S Cheema

Registered Office &
Principal Place of Business

Suite 9
330 Churchill Avenue
SUBIACO WA 6008
Telephone: 61 8 6489 1600

Share Registry

Advanced Share Registry Limited
110 Stirling Highway
NEDLANDS WA 6009
Telephone: 61 8 9389 8033
Facsimile: 61 8 6370 4203

Auditors

Stantons International
Level 2
1 Walker Avenue
WEST PERTH WA 6005

Stock Exchange Listing

The Company is listed on the Australian Securities Exchange Limited
Home Exchange: Perth
ASX Code: CRL

Web Page www.cometres.com.au

The directors present their report together with the consolidated financial report of Comet Resources Limited ("Comet" or "the Group") and its controlled entities for the year ended 30 June 2020 and the auditor's report thereon.

Directors

The directors of the Company at any time during or since the end of the financial year are:

Mr Matthew O'Kane (Managing Director)

Mr. O'Kane is an experienced mineral industry executive and company director with 25 years' experience in the mining, commodities and automotive sectors. He has held senior leadership roles in Australia, the USA and Asia, in both developed and emerging markets, from startup companies through to MNC's. He has served on the board of mining companies in Canada, Hong Kong and Australia. During his career he has worked with companies involved in exploration, development and with producing companies.

Mr. O'Kane is currently a non-executive director of Azarga Uranium Corporation (TSX:AZZ) and Pursuit Minerals (ASX:PUR).

Director since 12 November 2019

Mr Hamish Peter Halliday BSc (Geology), MAusIMM, **(Non-Executive Chairman)**

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, McTavish Industries Pty Ltd and Venture Minerals Ltd. He previously resigned from Renaissance Minerals Limited on 26 September 2016 and Alicanto Minerals Ltd on August 7th, 2020. He has held no other Directorships in listed companies in the last three years.

Director since 16 December 2014, appointed Chairman in October 2018.

Mr Alex Molyneux BEc, Grad. Dip. MinExplGeoSc **(Non-Executive Director)**

Mr Molyneux was CEO of Paladin Energy Limited (ASX: PDN) (2015 – 2018) one of the world's largest uranium companies, where he optimized its operating business and completed a US$700M successful recapitalisation of the company and a re-listing on the ASX. Prior to that, Alex spent approximately five years with Ivanhoe Mines Group and Ivanhoe Energy in various leadership capacities including as CEO and Director of SouthGobi Resources Ltd. (TSX: SGQ) (2009 – 2012). Mr Molyneux is currently Managing Director of Galena Mining Ltd. (ASX: G1A) and serves on a number of public company boards, including: Argosy Minerals Ltd. (ASX: AGY), Metalla Royalty & Streaming Ltd. (TSX-V: MTA), Tempus Resources Ltd. (ASX: TMR) and Azarga Metals Corp. (TSX-V: AZR).

Director since 15 February 2019

Mr David Prentice Grad. Dip BA, MBA, **(Non-Executive Director)**

Mr Prentice is a senior resources executive with 25 plus years domestic and international experience. Mr Prentice started his career working in commercial and business development roles within the resources sector working for some of Australia's most successful gold and nickel exploration and production companies. During the last 13 years, Mr Prentice has gained international oil and gas exploration and production sector experience (with a specific focus on the Mid-Continent region of the United States) working in both executive and non-executive director roles with Australian publicly traded companies.

Mr Prentice is currently Managing Director of Brookside Energy (ASX: BRK), a Non-Executive Director of Black Mesa Production LLC, Non-Executive Chairman of Lustrum Minerals Limited (ASX: LRM).

Director since 11 October 2018.

Mr Sonu Cheema (Company Secretary)

Company Secretary since 22 May 2018.

Mr Cheema is a Certified Practising Accountant and has over 10 years' experience as Company Secretary and Director of publicly listed companies within Australia and abroad.

Directors' interests

The relevant interest of each director in the share capital of the companies within the consolidated entity, as notified by the directors to the Australian Securities Exchange Limited in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary fully paid shares	Incentive Shares	Options	Incentive Options
M O'Kane	-	-	-	-
HP Halliday	9,400,000	-	-	-
A Molyneux	-	-	-	-
D Prentice	683,333	-	-	-

Earnings per Share

	Cents
Basic loss per share	(0.50)
Diluted loss per share	(0.50)

Dividends

No dividends have been paid or will be recommended to be paid.

Nature of Operations and Principal Activities

The principal activities of Comet Resources Ltd and its subsidiaries during the course of the financial year was mineral exploration.

There has been no significant change in the nature of this activity during the year.

Results

The net loss after income tax of the consolidated entity for the financial year was $1,509,482 (2019: $1,904,511 loss).

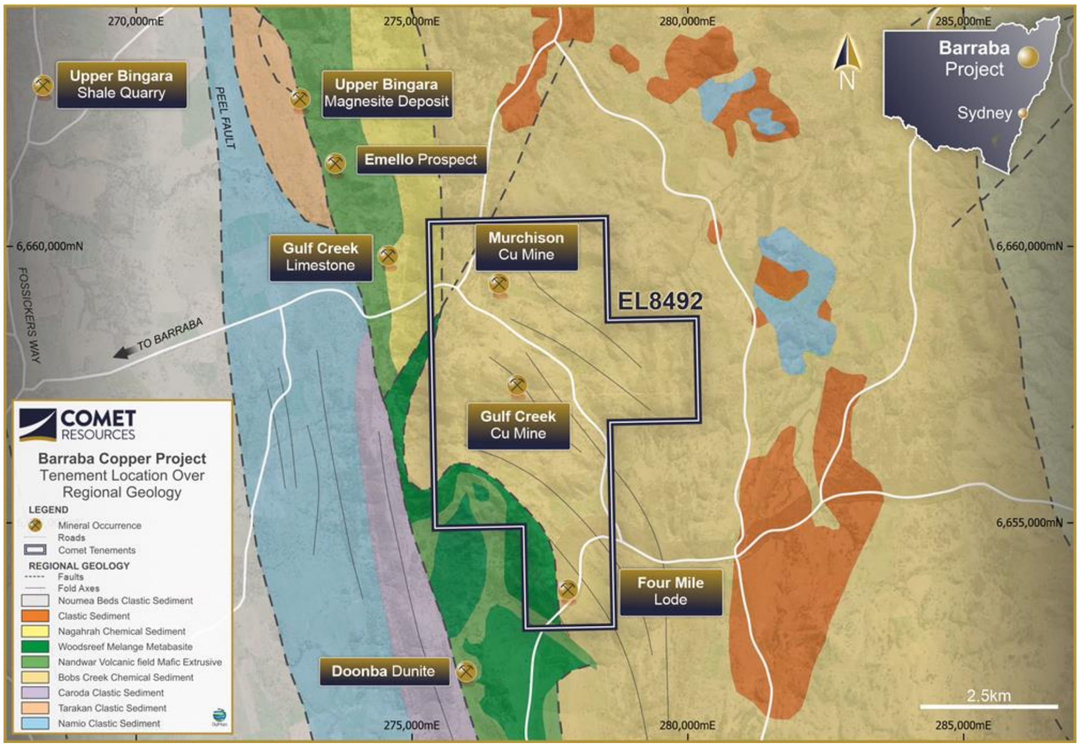
Operating and Financial Review

Comet Resources Ltd is pleased to report the following key operational and financial activities for the year ending 30 June 2020 (FY20).

Operations Report

Barraba Copper Project

Comet Resources Ltd completed the acquisition of an 80% interest in the Barraba Copper Project in Northern NSW as announced on 16 April 2020. 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.



Comet believes that copper is set to see an increase in demand due to the global efforts to reduce emissions from the transport network and also from generation of electricity. Copper is not only an important part the batteries used in BEV's but is also used extensively in the electric motors that drive the wheels of BEV's and is also used intensively in the generation of electricity from renewables, such as solar and wind. The Company believes that the Barraba copper project complements its existing Springdale graphite project due to their shared end uses in batteries for BEV's, and better utilises available board and management resources with the aim of driving shareholder value.

The Barraba Copper Project has never been systematically tested by modern exploration techniques. The initial exploration program will include drill testing of areas below the historically identified deposits, plus high-level exploration targets delineated by an induced polarisation (IP) survey of parts of the license area that were never followed up. To complement the drill testing we will also complete downhole geophysics with the aim of providing additional information about potential parallel and blind lodes, in addition to the known historical lodes. As volcanogenic massive sulphide (VMS) deposits often occur in clusters, we are excited about the potential for new discoveries on the Barraba Copper Project though new exploration works and testing the extent of the previously discovered and partially mined lodes.

The key terms of the acquisition of the Barraba Copper Project which were announced to the market in the Company's press release on 23 January 2020 and varied in the ASX release on 16 April 2020 are as follows:

(a) the Cash Consideration of $150,000 payable by the Company shall be paid as follows:
- (i) $50,000 on execution of the Agreement (which amount has now been paid);
- (ii) $50,000 on execution of the variation deed (which amount has now been paid); and
- (iii) $50,000 on the date that is 6 months following the date of the variation deed;

(b) $200,000 at a deemed issue price of $0.01c per share, issued out of the Company's placement capacity under ASX Listing Rule 7.1 (shares now issued);

(c) the quantum of the Capital Raising required in order to satisfy the condition precedent to completion of the Acquisition is $500,000 (condition now satisfied);

(d) The Vendors are free-carried until a decision to mine has been reached at which point they contribute pro rata in a JV or dilute to a 2% royalty; and

(e) Comet has the option to purchase the remaining 20% interest in the first 36 months for $2.5 million.

Santa Teresa Gold Project

The Company announced on 9 June 2020, that it has executed a binding heads of agreement (HOA) with privately owned El Alamo Resources Limited (EARL) for the proposed acquisition of up to 100% (Acquisition) of the Santa Teresa Gold Project (Project), and concurrently executed a non-binding term sheet with Raptor Capital International Limited (Raptor) for a gold streaming and royalty financing (Financing) to fund activities at the Project for up to US$20 million (initial minimum of US$6 million).

On 25 August 2020 the Company announced the completion of the acquisition of the initial 50% of the Santa Teresa Project, and on 16 September 2020 announced the finalisation of the binding agreement for the streaming and royalty financing with Raptor Capital International.

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. In addition to the two claims of the Project, two additional claims totalling a further 378 hectares in the surrounding El Alamo district are proposed to be acquired from EARL. Placer gold deposits of the El Alamo district were discovered in 1888. High grade ore-shoots were subsequently discovered on the Aurora-Princess vein within a year. Lode mining continued until 1907, after which leases were worked until 1912 when mining ceased as a result of the Mexican Revolution.

Springdale Project

A total of 12 pre-collared diamond drill holes were completed for 1005.7 metres between late August and mid-September at Springdale. The drilling was designed to primarily provide bulk sample material for detailed metallurgical test work as well as infill geological, and structural information on the graphite mineralisation at the Northern and Western Resource areas.

The Company is currently working on an initial JORC resource for the project based on historical drilling on the licenses, after which time work will commence on planning further drilling work expected to commence in late 2020 or early 2021. All PQ and HQ diamond infill and twin metallurgical holes completed in the North Zone resource area successfully intersected multiple high grade graphite intersections (Figure 1).

HD024, the first hole targeting identified high-grade graphite mineralisation in the Northern Zone, intersected 57 metres of high-grade graphite of 22.38% TGC (Figure 2), from just 35.5 metres downhole and confirming previous RC drill intersections *(ASX 17 Oct 2019)*. A highest grade graphite result to date of 3.23m @ 51.02% TGC from 35.27m was returned from a wider interval of 42.5m @ 17.02% TGC from 20m in hole HD024A. This hole was drilled as a twin of HD024 and showed stronger oxidation and veining but again confirmed the continuity of the high grade graphite mineralisation on the eastern side of the north zone.

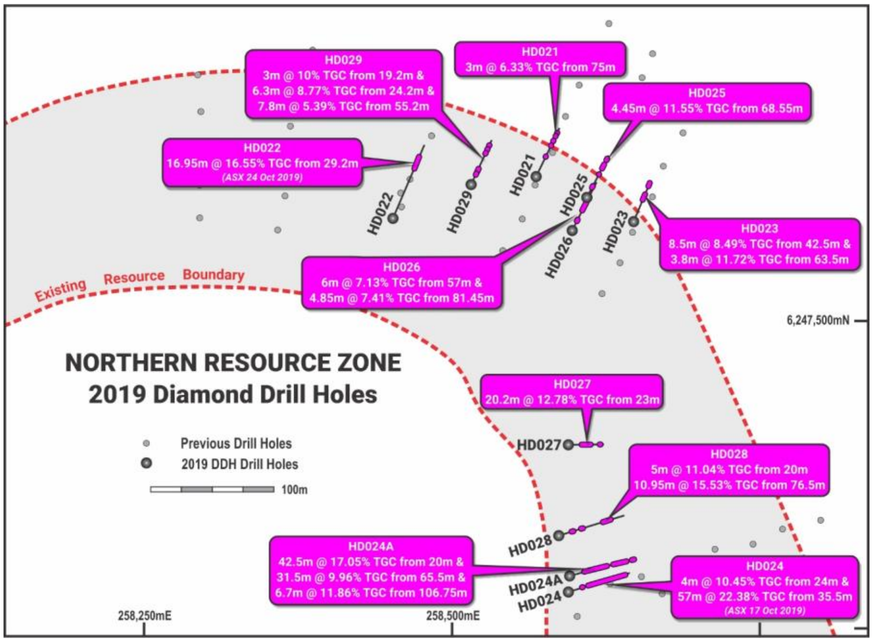


Figure 1. North Zone drill location plan graphite intersections

A single PQ hole HD031 designed to test interpreted high-grade graphite Resource wireframes was drilled targeting the West Zone Resource area. This infill hole was drilled north of previous high grade intersections such as in HD003 (17.5m at 11 % TGC from 27m, including 6m at 22% TGC from 37m; *ASX 15 Nov 2016*) and HD008 (15.02m at 7.13% TGC from 13.1m, including 7.37m at 12.09% TGC from 19.5m; *ASX 15 Sept 2017*). Hole HD031 successfully confirmed the resource interpretation with high grade graphite mineralisation up to 10.9m at 10.61% TGC from 25m including 6m at 17.57% CGT from 26m intersected 40m north of previous intersections.

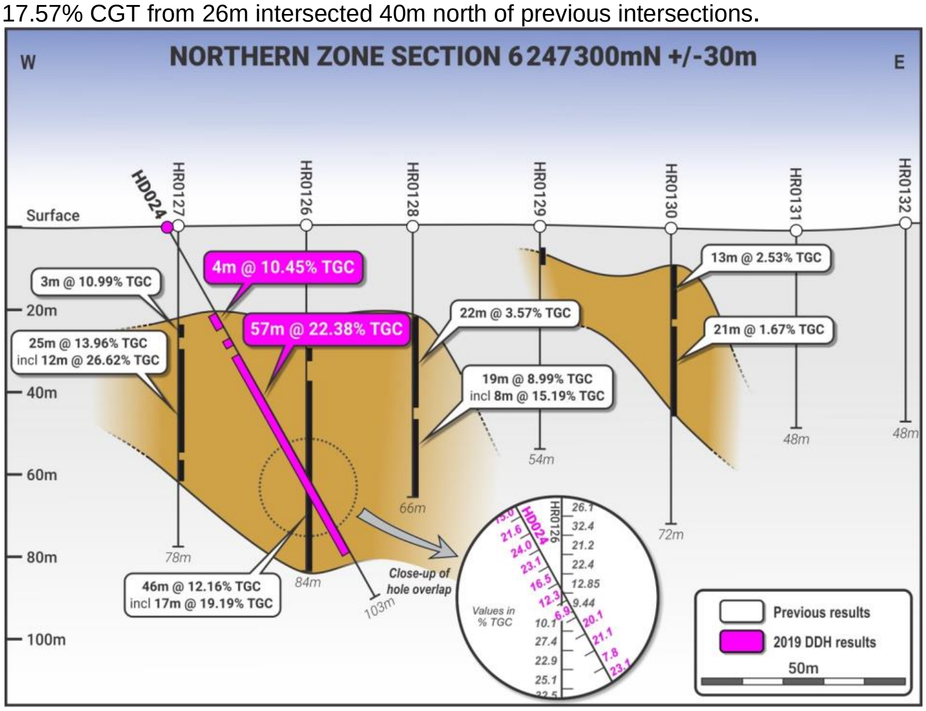


Figure 2. Drilling Cross section looking north-northwest

A single PQ hole HD031 designed to test interpreted high-grade graphite Resource wireframes was drilled targeting the West Zone Resource area. This infill hole was drilled north of previous high grade intersections such as in HD003 (17.5m at 11 % TGC from 27m, including 6m at 22% TGC from 37m; *ASX 15 Nov 2016*) and HD008 (15.02m at 7.13% TGC from 13.1m, including 7.37m at 12.09% TGC from 19.5m; *ASX 15 Sept 2017*). Hole HD031 successfully confirmed the resource interpretation with high grade graphite mineralisation up to 10.9m at 10.61% TGC from 25m including 6m at 17.57% CGT from 26m intersected 40m north of previous intersections.

Corporate Activities

The Company appointed Matthew O'Kane as Managing Director during the financial year *(ASX 12 Nov 2019)*. Mr O'Kane is an experienced Executive and Company Director with a career spanning 25 years, across the mining, commodities and automotive sectors. He has held senior executive roles across a range of private and public-companies in Australia, the USA and Asia.

The Company successfully completed a capital raise of $462,500 before costs *(ASX 25 Nov 2019).* The application submitted for an R&D grant in December of 2019 was approved by the Australian Government and funds of $479,064 were received during January of 2020.

On 16 April 2020, CRL announced subscriptions for a placement of 65,000,000 fully paid ordinary shares (Placement) at a price of $0.01 per share to raise $650,000 before costs. The General Meeting held on 21 September 2020, sought and received shareholder approval for the issue of 8,500,000 of the placement shares in excess of the Company's 7.1 and 7.1A capacity, as well as for the 65,000,000 free attaching 1 for 1 placement options expiring 30 June 2021 and exercisable at $0.02. Pursuant to the completion of the Barraba Copper Project acquisition, the Company has issued 20,000,000 fully paid ordinary shares (Acquisition Shares) at a deemed issue price of $0.01 per share issued under the Company's 7.1 placement capacity.

It is recommended that this full report be read in conjunction with the 31 December 2019 Half Year Report and any public announcements made by the Group during the full year.

In accordance with the continuous disclosure requirements, readers are referred to the announcements lodged with the Australian Securities Exchange regarding exploration and other activities of the consolidated entity.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Options

At the date of this report, the unissued ordinary shares of Comet Resources Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
9 Aug 2017	31 Dec 2020	$0.15	5,000,000
9 Aug 2017	31 Dec 2020	$0.10	10,000,000
30 Nov 2018	30 Jun 2021	$0.06	18,750,000
19 Nov 2019	30 Jun 2021	$0.06	18,500,000
9 Nov 2019	30 Jun 2021	$0.06	4,000,000
21 Sep 2020	30 Jun 2021	$0.02	65,000,000
			121,250,000

(i) 18,750,000 granted on 30 November 2018, 18,500,000 granted on 19 November 2019 and 4,000,000 granted on 9 November 2019.

Option holders do not have any rights to participate in any issues of shares or other interests of the Company or any other entity.

For details of options issued to directors and executives as remuneration, refer to the remuneration report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes have occurred in the state of affairs of the consolidated entity.

ASX Listing Rules Compliance

In preparing the full year Review for the period ended 30 June 2020, the Company has relied on the following ASX announcements

ASX Announcement	9 July 2019	EM Survey Targets Extensions to High-Grade Graphite Resource
ASX Announcement	18 July 2019	Drilling to Commence at High Grade Springdale Project
ASX Announcement	31 July 2019	Quarterly Activities Report and Appendix 5B Jun 2019
ASX Announcement	4 September 2019	Springdale Aerial EM Survey Complete and Drilling Progress
ASX Announcement	10 October 2019	Appointment of Experienced Team for Metallurgical Testwork
ASX Announcement	15 October 2019	EM Survey Identifies Priority Graphite Targets
ASX Announcement	17 October 2019	Outstanding Graphite Results From Latest Diamond Drilling
ASX Announcement	24 October 2019	More High Grade Results From Latest Diamond Drilling
ASX Announcement	24 October 2019	Outstanding Graphite Results From Latest Diamond Drilling
ASX Announcement	31 October 2019	Quarterly Activities Report and Appendix 5B Sep 2019
ASX Announcement	12 November 2019	Comet Appoints Managing Director
ASX Announcement	19 November 2019	Funding to Advance the High-Grade Springdale Project Secured
ASX Announcement	25 November 2019	West Zone Hole Confirms High Grade Graphite Continuity
ASX Announcement	28 November 2019	Highest Grade Graphite Intercept to date from North Zone
ASX Announcement	23 January 2020	Copper Project Acquisition
ASX Announcement	31 January 2020	Quarterly Activities Report and Appendix 5B Dec 2019
ASX Announcement	18 February 2020	Capital Raising Provides Strong Endorsement for Acquisition
ASX Announcement	20 February 2020	CRL Investor Presentation - RIU explorers conference
ASX Announcement	16 April 2020	Capital Raising Closed and Project Acquisition Completed
ASX Announcement	29 April 2020	Quarterly Activities Report and Appendix 5B Mar 2020
ASX Announcement	9 June 2020	Acquisition - Santa Teresa Gold Project and Stream Financing
ASX Announcement	16 June 2020	Barraba Copper Project Update
ASX Announcement	2 July 2020	Update on High Grade Santa Teresa Gold Project
ASX Announcement	15 July 2020	Excellent Graphite Grades - Initial Metallurgical Test Work
ASX Announcement	23 July 2020	Barraba Copper Project Update
ASX Announcement	30 July 2020	Quarterly Activities Report and Appendix 5B Jun 2020

Compliance Statement This report contains information extracted from reports cited herein. These are available to view on the website www.cometres.com.au. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Full Year Report for the period ended 30 June 2020.

Tenement List

Project	Location	Tenement	Interest
Springdale	**WA**	**E74/562**	**100%**
		E74/612	**100%**
Bell's find	**NSW**	**M74/1055**	**25%**
Barraba	**NSW**	**EL8492**	**80%**

Competent Person Statement

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resources for the Springdale Project is based on information compiled by Matthew Jones, who is a Competent Persons and Member of The Australasian Institute of Mining and Metallurgy. Matthew Jones is full-time Exploration Manager of the Company. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Matthew Jones consents to the inclusion in this report of the matters based on their information in the form and context in which it appears. This Report may include forward-looking statements that are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risk, uncertainties and other factors, many of which are outside the control of Comet Resources that could cause actual results to differ materially from such statements. Comet Resources makes no undertaking to subsequently update or revise forward-looking statements made in this Report to reflect events or circumstances after the date of this Report.

Covid-19
The outbreak of COVID-19 is impacting global financial and commodity markets. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business, however the situation is continuing to change and evolve. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to any material impact of COVID-19 on its operations, work programs or any other material adverse impact on the Company.

Review of Financial Condition

The Group has cash reserves of $673,692 at 30 June 2020 (2019: $1,291,468) and a net asset position of $994,020 (2019: $1,198,676). The Company considers this to be adequate to:

- meet the tenement exploration commitments; and
- assess new exploration projects.

Risk Management

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities are identified on a timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Group believes that it is crucial for all Board members to be part of this process, and as such the Board has not established a separate risk management committee and the whole Board acts in that role.

The Board has a number of mechanisms in place to ensure that the management's objectives and activities are aligned with the risks identified by the Board.

Significant Events since Reporting Date

On 25 August 2020, Comet announced that it had executed a Share Purchase and Joint Venture Agreement (SPA) with the shareholders of El Alamo Resources Limited (EARL) for the 100% acquisition (Acquisition) of the Santa Teresa Gold Project (Project). Documentation of the binding gold streaming and royalty financing (Financing) with Raptor Capital International Limited (Raptor) to fund activities at the Project for up to US$20 million (initial minimum of US$6 million) has advanced as announced on 16 September 2020.

On 7 September 2020, Comet announced that it had received commitments for a placement of 100,000,000 new fully paid ordinary shares in Comet (Placement Shares) to eligible sophisticated and institutional investors at $0.02 per New Share (the Placement). The Placement will raise $2 million (before costs) and is priced at a 9.52% discount to the last closing price of Comet shares on 2 September 2020. Concurrently, Comet offered existing eligible shareholders the opportunity to participate in a non-underwritten share purchase plan (SPP) to raise up to $500,000. Under the SPP, eligible Comet shareholders, being shareholders with a registered address in Australia or New Zealand on Comet's register as at 5.00pm (AWST) on Wednesday, 9 September 2020, will have the opportunity to apply for up to $30,000 of New Shares at an offer price of $0.02 per New Share. The SPP price equates to approximately a 10.13% discount to the 5-day volume weighted average market price of the Company's Shares as traded on the ASX immediately prior to the announcement of the SPP.

On 22 September 2020, the Company issued 8,500,000 shares as the second tranche of shares in accordance with the share placement to institutional and sophisticated investors completed in April 2020 (Placement) at an issue price of $0.02 per share. The issue was approved at the General Meeting (GM) held on 21 September 2020. Comet also issued 3,000,000 shares were issued pursuant to shareholder approval received at the GM held on 21 September 2020 and 65,000,000 Options, which are exercisable at $0.02 on or before 30 June 2021, were issued as free attaching options as part of the Placement. The options were issued following shareholder approval at a GM held on 21 September 2020.

On 23 September 2020, the Company announced that it had completed the first tranche of its placement of 100,000,000 fully paid ordinary shares (Shares)(Placement) at a price of $0.02 per share to raise $2,000,000 before costs. The Company on 23 September 2020 issued 98,500,000 Shares under the Placement to raise $1,970,000 pursuant to its placement capacity under ASX Listing Rules 7.1 (59,100,000 Shares) and 7.1A (39,400,000 Shares). The remaining 1,500,000 Shares in excess of the Company's current 7.1 and 7.1A capacity will be issued either at the completion of the SPP, should the amount of shares issued under the SPP provide the increased 7.1 and 7.1A capacity to do so, or upon receiving shareholder approval at the Company's forthcoming Annual General Meeting.

There have not been any other significant changes in the state of affairs during the year ended 30 June 2020 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company.

Likely Developments

The consolidated entity will focus on the exploration of its portfolio of mining tenements and the acquisition of new projects and/or assets.

Further information about likely developments in the operations of the consolidated entity and the expected results of those operations on future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental Regulation and Performance

The consolidated entity's operations were subject to environmental regulations under both Commonwealth and State legislation in relation to its exploration activities.

The directors are not aware of any breaches during the period covered by this report.

Indemnification of Officers

The Company has agreed to indemnify and keep indemnified the following officers, Mr A Molyneux, Mr D Prentice, Mr M O'Kane, Mr HP Halliday and Mr S Cheema against all liabilities incurred by the directors and officers as a director or officer of the Company (and subsidiaries) and all legal expenses incurred by the directors as a director of the Company (and subsidiaries).

The indemnity only applies to the extent and in the amount that the directors and officers are not indemnified under any other indemnity, including an indemnity contained in any insurance policy taken out by the Company (or subsidiaries), under the general law or otherwise.

The indemnity does not extend to any liability:

- to the Company or a related body corporate of the Company; or
- arising out of conduct of the directors involving a lack of good faith; or
- which was incurred prior to 15 April 1994 and which is in respect of any negligence, default, breach of duty or breach of trust of which the directors may be guilty in relation to the Company or related body corporate.

Insurance of Officers

Since the end of the previous financial year the Company has paid insurance premiums of $19,616 in respect of directors and officer's liability and corporate reimbursement, for directors and officers of the Company. The insurance premiums relate to:

- any loss for which the directors and officers may not be legally indemnified by the Company arising out of any claim, by reason of any wrongful act committed by them in their capacity as a director or officer, first made against them jointly or severally during the period of insurance; and
- indemnifying the Company against any payment which it has made and was legally permitted to make arising out of any claim, by reason of any wrongful act, committed by any director or officer in their capacity as a director or officer, first made against the director or officer during the period of insurance.

The insurance policy outlined above does not allocate the premium paid in respect of each individual officer of the Company.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for directors and key management personnel of Comet Resources Ltd.

Remuneration Philosophy

The performance of the Group depends upon the quality of its directors and key management personnel. To prosper the Company must attract, motivate and retain appropriately skilled directors and executives.

The Company's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Company bases its remuneration of employees and consultants on industry standards and the Australasian Institute of Mining and Metallurgy Remuneration and Membership Survey. Whilst in the exploration and acquisition phase, the Company targets the lowest quartile of remuneration levels.

Remuneration Structure

In accordance with best practice corporate governance, the structure of Non-executive director and Executive remuneration is separate and distinct.

Details of the nature and amount of each element of the emoluments of each director of the Company and the Group are disclosed below:

Remuneration Committee

Due to the size and composition of the current board, remuneration related matters are collectively discussed and resolved in accordance with Company requirements.

Employment Agreements

Comet has entered into the following agreements with Directors:

- Agreement with Matthew O'Kane for the services as Managing Director (MD), with fees of $225,000 per year and a three month termination period.
- Agreement with Alex Molyneux and David Prentice for the services as Non-Executive Director, with fees of $40,000 per year.
- Prior to resignation, the agreement with Philippa Leggat for the services as Chief Executive Officer (CEO) was for fees of $225,000 per year.

Directors', Key Management Personnel Fees and Benefits

Directors' fees are determined within an aggregate fee pool limit, which is periodically recommended for approval by Shareholders. This amount is separate from any specific tasks the Directors may take on for the Company.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts of the Company) because of a contract made by the Company or a related body corporate with the Director or with a firm of which the Director has a substantial financial interest, other than:

a) a total of $75,000 was paid to Mr Halliday during the period, $15,000 of which were director fees and the remaining $60,000 as Corporate Consulting fees.
b) a total of $39,693 was paid to Mr Molyneux as Director of the Company during the year ended 30 June 2020.
c) a total of $40,000 was paid to Mr Prentice as Director of the Company during the year ended 30 June 2020.
d) a total of $153,382 was paid to Mr O'Kane as a Managing Director of the Company during the year ended 30 June 2020.
e) a total od $173,745 was paid to Ms Philippa Leggat as Chief Executive Officer during the year ended 30 June 2020.

The remuneration amount mentioned above as disclosed in the table below.

Directors' & Key Management Personnel remuneration for the Year ended 30 June 2020

		Short-term			Post-employment		Share-based			
Name		**Cash salary and fees**	**Cash bonus**	**Non-monetary benefits**	**Super-annuati-on**	**Retire-ment benefits**	**Incentive shares or options**	**Total**	**Perform-ance based**	**Remun-eration consisting of incentive shares or options**
		$	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**
M O'Kane	2020	140,913	-	-	12,469	-	-	153,382	-	0.0%
Managing Director	2019	-	-	-	-	-	-	-	-	0.0%
HP Halliday	2020	75,000[3]	-	-	-	-	-	75,000		0.0%
Non-executive	2019	75,000	-	-	-	-	186,300	261,300	-	71.3%
A Molyneux	2020	39,693	-	-	-	-	-	39,693	-	0.0%
Non-executive	2019	15,000	-	-	-	-	504[2]	15,504	-	3.25%
D Prentice	2020	40,000	-	-	-	-	-	40,000	-	0.0%
Non-executive	2019	26,667	-	-	-	-	-	26,667	-	0.0%
RO Jones[5]	2020	-	-	-	-	-	-	-	-	0.0%
Chairman	2019	15,000	-	-	1,425	-	31,050	47,475	-	65.4%
AR Cooper[4]	2020	-	-	-	-	-	-	-	-	0.0%
Managing Director	2019	330,000	-	-	-	-	-	330,000	-	0.0%
E Czechowski[5]	2020	-	-	-	-	-	-	-	-	0.0%
Non-executive	2019	23,333	-	-	-	-	31,050	54,383	-	57.1%
P Leggat[1]	2020	159,495	-	-	14,250	-	-	173,745	-	0.0%
CEO	2019	-	-	-	-	-	-	-	-	0.0%
Total 2020		**455,101**	**-**	**-**	**26,719**	**-**	-	**481,820**	**-**	
Total 2019		**485,000**	**-**	**-**	**1,425**	**-**	248,904	**735,329**		

The Company undertakes to apply for official quotation by ASX of all ordinary Shares allotted pursuant to the convert of any Incentive Options.

[1]Resigned 12 November 2019
[2]During the prior year, the company issued 2,000,000 incentive options to A Molyneux.
[3]During the year, Mr Halliday received a total of $60,000 as Corporate Consultant fees.
[4] Resigned 30 April 2019
[5] Resigned 11 October 2018

Directors' interests

The numbers of ordinary shares in the Company held during the financial year by each director and key management personnel of Comet, including their personally-related entities, are set out below. Shares held by directors and key management personnel are as follows:

Name	Balance at the start of the year	Acquired during the year	Disposed of during the year	Balance at Resignation	Balance at the end of the year
M O'Kane	-	-	-	-	-
H Halliday	9,400,000	-	-	-	9,400,000
D Prentice	683,333	-	-	-	683,333
A Molyneux	-	-	-	-	-

Options held by directors and key management personnel at reporting date are as follows:

Name	Balance at the start of the year	Expired during the year	Granted as compensation during the year	Balance at the end of the year
M O'Kane	-	-	-	-
H Halliday	500,000	(500,000)	-	-
D Prentice	791,667	(791,667)	-	-
A Molyneux	2,000,000	(2,000,000)	-	-
P Leggat	-	-	-	-

Incentive shares held by directors or key management personnel at reporting date are as follows:

Name	Balance at the start of the year	Granted as compensation during the year	Converted to Ordinary Shares during the year	Balance at the end of the year
M O'Kane	-	-	-	-
H Halliday	-	-	-	-
D Prentice	-	-	-	-
A Molyneux	-	-	-	-
P Leggat	-	-	-	-

Incentive Options held by directors and key management personnel at reporting date are as follows:

Name	Balance at the start of the year	Acquired during the year	Exercised during the year	Balance at the end of the year
M O'Kane	-	-	-	-
H Halliday	-	-	-	-
D Prentice	-	-	-	-
A Molyneux	-	-	-	-
P Leggat	-	-	-	-

End of Remuneration Report.

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Board Meetings	
	A	B
M O'Kane	1	1
H Halliday	3	3
D Prentice	3	3
A Molyneux	3	3

A = Number of meetings eligible to attend
B = Number of meetings attended during the time the Director held office during the year.

Committee Memberships

As at the date of this report the Company does not have a Remuneration, Nomination or Audit Committee. This role is assumed by the full Board.

Significant changes in State of Affairs

During the financial year there were no significant changes in the state of affairs of the Group.

Auditor's Independence and Non-Audit Services

The Company's auditor, Stantons International, did not provide any non-audit services during the year.

A copy of the Auditor's independence declaration as required by Section 307c of the Corporations Act 2001 is set out on page 48.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Comet Resources Limited support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained on its web page at www.cometres.com.au.

Signed in accordance with a resolution of directors.

H Halliday
Chairman

Dated at Perth this 29th September 2020

COMET RESOURCES LTD
and its Controlled Entities
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2020

	Note	CONSOLIDATED 2020 $	CONSOLIDATED 2019 $
Administration expenses		(841,515)	(754,244)
Exploration expenses		(1,138,466)	(1,337,501)
Share based payments	20(b)	(114,500)	(250,896)
Operating result		**(2,094,481)**	**(2,342,641)**
Loss before interest and taxes and depreciation		**(2,094,481)**	**(2,342,641)**
Depreciation	3(b)	-	-
Loss before interest and taxes		**(2,094,481)**	**(2,342,641)**
Net other income	3(a)	584,999	438,130
Loss before taxes		**(1,509,482)**	**(1,904,511)**
Net loss for the year	12	**(1,509,482)**	**(1,904,511)**
Other comprehensive income			
Items that may be reclassified to profit or loss		**-**	**-**
Items that will not be reclassified subsequently to profit or loss		**-**	**-**
Total comprehensive loss for the year		**(1,509,482)**	**(1,904,511)**
Net loss attributable to the members of the parent entity		**(1,509,482)**	**(1,904,511)**
Total comprehensive loss attributable to the members of the parent entity		**(1,509,482)**	**(1,904,511)**
Basic loss per share	13	(0.50)	(0.86) cents
Diluted loss per share		(0.50)	(0.86) cents

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements set out on pages 19 to 42.

COMET RESOURCES LTD
and its Controlled Entities
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the year ended 30 June 2020

	NOTE	*CONSOLIDATED* 2020 $	2019 $
ASSETS			
Current assets			
Cash and cash equivalents	6	673,692	1,291,468
Trade and other receivables	7	28,197	-
Prepayments		114,500	-
Total current assets		*816,389*	*1,291,468*
Non-current assets			
Other financial assets	8	2,000	2,000
Capitalised Exploration and Evaluation Expenditure	4	300,000	-
Total non-current assets		302,000	2,000
TOTAL ASSETS		1,118,389	1,293,468
LIABILITIES			
Current liabilities			
Trade and other payables	9	114,573	82,298
Provisions		9,796	12,494
Total current liabilities		124,369	94,792
TOTAL LIABILITIES		124,369	94,792
NET ASSETS		**994,020**	**1,198,676**
EQUITY			
Issued capital	10	12,202,828	9,896,132
Shares to be issued	10	85,000	1,105,000
Reserves	11	926,092	907,962
Accumulated losses	12	(12,219,900)	(10,710,418)
TOTAL EQUITY		**994,020**	**1,198,676**

The consolidated statement of financial position should be read in conjunction with the notes to the financial statements set out on pages 19 to 42.

COMET RESOURCES LTD
and its Controlled Entities
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2020

	NOTE	*CONSOLIDATED* 2020 $	2019 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,944,971)	(2,018,564)
Grants and Rebates received		568,607	436,144
Interest received		892	1,986
Net cash flows (used in) operating activities	14(b)	(1,375,472)	(1,580,434)
Net Cash flows from investing activities			
Exploration and Evaluation Expenditure		(100,000)	-
Net cash flows (used in) investing activities		(100,000)	-
Cash flows from financing activities			
Issue of shares and options net of issue costs		772,696	947,126
Shares to be issued		85,000	1,105,000
Net cash flows from financing activities		857,696	2,052,126
Net (decrease)/increase in cash and cash equivalents		(617,776)	471,692
Cash and cash equivalents at the beginning of the year		1,291,468	819,776
Cash and cash equivalents at the end of the year	14(a)	**673,692**	**1,291,468**

The consolidated statement of cash flows should be read in conjunction with the notes to the financial statements set out on pages 19 to 42.

COMET RESOURCES LTD
and its Controlled Entities
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2020

	Issued Capital $	Shares to be issued $	Accumulated losses $	Other Reserves $	Total $
CONSOLIDATED					
As at 30 June 2018	**8,894,316**	**-**	**(8,805,907)**	**655,756**	**744,165**
Net loss for the year	-	-	(1,904,511)	-	(1,904,511)
Total comprehensive loss for the year	-	-	(1,904,511)	-	(1,904,511)
Options issued	-	-	-	252,206	252,206
Shares issued (net of costs)	1,001,816	-	-	-	1,001,816
Shares to be issued	-	1,105,000	-	-	1,105,000
As at 30 June 2019	**9,896,132**	**1,105,000**	**(10,710,418)**	**907,962**	**1,198,676**
Net loss for the year	-	-	(1,509,482)	-	(1,509,482)
Total comprehensive loss for the year	-	-	(1,509,482)	-	(1,509,482)
Options issued	-	-	-	18,130	18,130
Shares issued (net of costs)	2,306,696	(1,105,000)	-	-	1,201,696
Shares to be issued	-	85,000	-	-	85,000
As at 30 June 2020	**12,202,828**	**85,000**	**(12,219,900)**	**926,092**	**994,020**

The consolidated statement of changes in equity are to be read in conjunction with the notes to the financial statements set out on pages 19 to 42.

1. CORPORATE INFORMATION

The financial report of Comet Resources Limited ("Comet") for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors on 29th September 2020.

Comet Resources Limited is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of Comet and its subsidiaries ("the Group") are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies, which have been adopted in the preparation of this financial report, are:

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with Australian Accounting Standards, Australian Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial statements of Comet Resources Limited comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

It has been prepared on the basis of accrual accounting and historical costs, modified where applicable, by the measurement at fair value of selected financial assets.

The financial report is presented in Australian dollars.

Going Concern Basis

The consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2020, the Group incurred a loss after tax of $1,509,482 (2019: $1,904,511), and a net cash outflow from operations of $1,375,472 (2019: $1,580,434). At 30 June 2020, the Group had a working capital of $692,020 (2019: working capital of $1,196,676) and non-current liabilities of nil (2019: nil). As at 30 June 2020, the Group had a cash balance of $673,692. The Group's ability to continue as a going concern and pay its debts as and when they fall due, given the Group's intended operational plans, assumes active management of the current level of discretionary expenditure in line with the funds available to the Group.

The directors have reviewed the business outlook and cash flow forecasts and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing additional funds through the debt and/or equity issues as and when the need to raise working capital arises.

Should the Group be unable to continue as a going concern, it may be required to monetise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the consolidated financial statements.

The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

(b) Changes in Accounting Policies

This note describes the nature and effect of the adoption of the new accounting policy for Exploration and Evaluation Expenditure and the nature and effect of the adoption of AASB 16: Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 July 2019, where they are different to those applied in prior periods.

I. New accounting policy for Exploration and Evaluation Expenditure

Exploration and evaluation costs are written off in the year they are incurred. Costs of acquisition are capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When an area of interest is abandoned, or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated acquisition costs written off to the extent that they will not be recoverable in the future. Where projects have advanced to the stage that directors have made a decision to mine, they are classified as development properties. When further development expenditure is incurred in respect of a development property, such expenditure is carried forward as part of the cost of that development property only when substantial future economic benefits are established. Otherwise such expenditure is classified as part of the cost of production or written off where production has not commenced.

Following management assessment, the voluntary application of the new accounting policy which records the capitalisation of exploration project acquisition costs, provides reliable and more relevant information to the user in respect to the core exploration projects of the Group. These core exploration projects are expected to provide future economic benefits for more than one operating cycle. The application of a new accounting policy contemplates recent transactions and circumstances that are different from those that transpired in the past which includes the origination of the Springdale Graphite Project. As such, the Springdale Graphite Project was acquired by Comet through a tenement application and granting process which was initiated by Comet at a nominal and immaterial cost. As a result, the change in accounting policy, although applied retrospectively as required by the standard, does not have any impact on the prior periods and therefore does not require a restatement of the financial statements.

II. Leases

The Group as lessee

At inception of a contract the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows;

- fixed lease payments less any lease incentives;
- variable lease payments that depend on index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

The right-of-use asses comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

III. Initial Application AASB 16: Leases

The Group has assessed that there are no leases that require the recognition of a right-of-use asset or lease liability in the consolidated statement of financial position at the reporting date. Lease agreements currently entered into by the Group are less than 12 months. The Board have assessed that at this point, the leases will not be renewed and applied the exemption of short-term leases of AASB 16 para 5.

(c) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(d) Revenue Recognition

Interest Income

Interest income is recognised using the effective interest method.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants reallocated to expense items are recognised as incurred over the period necessary to match the Grant to the costs it is compensating. Grants relating to expense items are recognised as income over the periods necessary to match the grants to the costs it is compensating.

Where the grant relates to an asset, the fair value is credited to a deferred income amount and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

(e) Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short terms deposits with a maturity of six months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdraft.

(f) Intangible Assets

Acquired both separately and from a business combination

Intangible assets acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

The useful lives of these intangible assets are assessed to be either finite or indefinite.

Where amortisation is charged on assets with finite lives, this expense is taken to the statement of comprehensive income through the 'research and development expenses' line item.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the period in which the expenditure is incurred.

Intangible assets are tested for impairment where an indicator of impairment exists and in the case of indefinite lives intangibles annually, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Research and development costs
Research costs are expensed as incurred.

Development expenditure incurred on an individual project in the future may be carried forward when its future recoverability can reasonably be regarded as assured.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Any expenditure carried forward is amortised over the period of expected future sales from the related project.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is de-recognised.

(g) Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(h) Financial Instruments

Recognition, initial measurement and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transaction costs, except for those carried at 'fair value through profit or loss', in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below. Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Classification and measurement
Financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:
- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:
- the contractual cash flow characteristics of the financial assets; and
- the Group's business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet with the following conditions (and are not designated as FVPL);
- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income (Equity instruments)
The Group measures debt instruments at fair value through OCI if both of the following conditions are met:
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

(h) Financial Instruments (cont)

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(i) Other Taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

(j) Foreign Currency Transactions

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at reporting date are translated at the rates of exchange ruling on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the statement of profit or loss and other comprehensive income in the financial year in which the exchange rates change.

(k) Borrowing Costs

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges. Borrowing costs are expensed as incurred.

(l) Income Tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax to be recovered.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

(m) Trade and Other Receivables

The collectability of debts is assessed at reporting date and specific provision is made for any doubtful accounts. Trade debtors to be settled within 60 days are carried at amounts due.

(n) Plant and Equipment

Acquisition

Items of plant and equipment are initially stated at cost less accumulated depreciation and impairment losses.

Depreciation and Amortisation

Items of plant and equipment are depreciated/amortised using the straight-line method over their estimated useful lives.

The depreciation rates used for plant and equipment range between 13% and 50%.

Assets are depreciated or amortised from the date of acquisition.

(o) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 30 days.

(p) Employee Entitlements

Wages, Salaries and Annual Leave

The provisions for employee entitlements to wages, salaries and annual leave represent present obligations resulting from employees' services provided up to the reporting date, calculated at undiscounted amounts based on expected wage and salary rates including related on-costs.

Superannuation Plan

The Company contributes to defined contribution superannuation plans. Contributions are charged against income as they are made.

(q) Share-based Payment Transactions

The Group provides benefits to employees or consultants (including directors) of the Group in the form of share-based payment transactions, whereby employees or consultants render services in exchange for shares or rights over shares ('equity-settled transactions').

The directors may provide these benefits at their discretion by a resolution or there is currently a plan in place to provide these benefits, the Employee Share Option Plan (ESOP), which provides benefits to directors, executives and employees.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model or Black-Scholes model.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(r) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new share or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Segment Reporting

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of profit or loss and other comprehensive income and statement of financial position.

(t) Earnings Per Share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

a. costs of servicing equity (other than dividends) and preference share dividends;
b. the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have not been recognized as expenses; and
c. other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares,

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(v) Significant Accounting Estimates

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Exploration and evaluation acquisition costs

Costs of acquisition are capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date which they are granted. The fair value is determined by the Company using a binomial model or Black-Scholes model.

Deferred taxation

Deferred income tax assets are recognised for carry forward unused tax losses to the extent that it is probable that taxable profits will be available against which the tax losses can be utilised. At 30 June 2020 no deferred tax asset has been recognised in relation to the unused tax losses as it is not considered probable that taxable profits will be available.

(w) New amended standards adopted by the Group

The Group has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period. The Group had to change its accounting policies as a result of adopting the following Standard:

- AASB 16: *Leases*

The impact of the adoption of this Standard and the respective accounting policies is disclosed in Note 1 (b) above.

	CONSOLIDATED	
	2020	**2019**
	$	**$**
3. REVENUES AND EXPENSES		
(a) Revenue		
Interest – other parties	892	1,986
R&D Tax Rebate	479,064	342,031
Government Grant Funds (Cash flow boost and JobKeeper payment)	105,043	94,113
	584,999	438,130
(b) Expenses		
Depreciation		
- plant & equipment	-	-
Lease payments, included in statement of profit or loss and other comprehensive income		
Operating leases	-	21,600
(c) Directors/consultants benefits expense, included in statement of profit or loss and other comprehensive income		
Consulting & Directors' fees	455,101	485,000
Superannuation costs	26,719	1,425
Share-based payment expense	-	248,904
	481,820	735,329

4. CAPITALISED EXPLORATION AND EVALUATION

Carrying value

	Consolidated	
	2020	**2019**
	$	**$**
Capitalised Exploration and evaluation costs	300,000	-

Reconciliation

		Consolidated	
		2020	**2019**
	Notes	**$**	**$**
Opening balance		-	-
Acquisitions - Barraba Copper Project	i	300,000	-
Closing balance		300,000	-

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

(i) $50,000 paid on execution of the Agreement, $50,000 paid on execution of the variation deed and 20,000,000 Fully Paid Ordinary Shares issued by the Company on 16 April 2020 at a deemed issue price of $0.01 per fully paid ordinary Share. $50,000 to be paid 6 months following the date of the variation deed, being 16 April 2020.

5. TAXATION

	CONSOLIDATED	
	2020	**2019**
	$	**$**
Statement of Comprehensive Income		
A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the year ended 30 June 2020 is as follows:		
Accounting loss before income tax	(1,509,482)	(1,904,511)
	(1,509,482)	(1,904,511)
Prima facie tax benefit on loss from ordinary activities at 27.5% (2019: 27.5%)	(415,108)	(523,741)
Tax effect of amounts which are not deductible in calculating taxable income		
Non-deductible expenses	-	686
Non assessable income	(150,580)	(94,058)
Adjustments recognised in the current year in relation to the current tax of previous years	302,670	(31,564)
Share base payments	-	68,472
Effect of temporary differences that would be recognised directly in equity	(69,136)	(16,413)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	440,323	596,618
Temporary differences not recognised	(108,169)	-
Income tax expense	-	-
Unrecognised temporary differences		
Deferred Tax Assets at 25% (2019: 27.5%)		
Capital raising costs	-	-
Provision for expenses & accruals	(8,030)	(8,661)
Carry forward revenue tax losses	(4,102,927)	(4,221,847)
Carry forward capital tax losses	(360,718)	(349,336)
	(4,471,675)	(4,579,844)
Deferred Tax Liabilities at 25% (2019: 27.5%)		
Unearned Revenue	-	-
	-	-

The Group has revenue losses arising in Australia of $16,411,709 (2019: $15,352,171) and capital losses of $1,442,872 (2019: 1,270,313) that are available indefinitely for offset against future profits of the companies in which the loss arose.

6. CASH AND CASH EQUIVALENTS

	CONSOLIDATED 2020 $	2019 $
Cash	653,692	1,291,468
Short term deposits, maturing within 90 days and paying interest at a weighted average interest rate of 2.0% (2019: Nil%)	20,000	-
	673,692	1,291,468

7. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED 2020 $	2019 $
Current		
Government Grant Receivable	15,500	-
Other Receivables	12,697	
	28,197	-

As of 30 June 2020, trade and other receivables do not contain impaired assets and are not past due. It is expected that these amounts will be received when due. The Group does not have any collateral in relation to these receivables.

Details regarding the effective interest rate and credit risk of current receivables are disclosed in Note 18.

8. OTHER FINANCIAL ASSETS

	CONSOLIDATED 2020 $	2019 $
Non-current		
Security bonds	2,000	2,000

9. TRADE AND OTHER PAYABLES

Current		
Trade creditors	59,865	45,107
GST Payable	4,878	7,391
Accruals	49,830	29,800
	114,573	82,298

At the reporting date none of the payables were past due. The normal credit terms from suppliers is 30 days.

10. ISSUED CAPITAL

	2020 No.	2019 No.	2020 $	2019 $
Issued and paid-up capital	382,500,000	240,000,000	12,202,828	9,896,132
Movements in ordinary share capital				
Balance at the beginning of the financial year	240,000,000	195,750,000	9,896,132	8,894,316
Shares issued during the year net of capital raising costs	112,500,000	44,250,000	1,877,696	1,001,816
Shares issued during the year to Lead Manager	10,000,000	-	229,000	-
Shares issued during the year for tenement acquisition	20,000,000	-	200,000	-
Balance at the end of the financial year	382,500,000	240,000,000	12,202,828	9,896,132

During the year ended 30 June 2019, 36,833,333 shares with a value of $1,105,000 were classified as shares to be issued as at 30 June 2019 and were issued on 1 July 2019. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at a shareholders meeting.

10. ISSUED CAPITAL (cont)

In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation. As at 30 June 2020, the company had collected $85,000 which is in excess of its placement capacity under ASX listing rule 7.1 and 7.1A to which shareholder approval was received for these securities on 21 September 2020.

Options

As at 30 June 2020, the Company had the following Options on issue.

Options Numbers	Option Terms	Vesting conditions
5,000,000	Unquoted Advisor options exercisable at $0.15 exp 31 December 2020	Not applicable
10,000,000	Unquoted Advisor options exercisable at $0.10 exp 31 December 2020	Not applicable
41,250,000	Unquoted options exercisable at $0.06 exp 30 June 2021	Not applicable

The Options are transferable subject to any restriction or escrow agreements imposed by ASX or under applicable Australian securities laws. Shares allotted pursuant to the convert of the Options will rank equally with the then issued ordinary Shares of the Company.

Movement in Options during the year

The following reconciles the options outstanding at the beginning and end of the year:

	2020		2019	
	Number of options No.	Weighted average exercise price $	Number of options No.	Weighted average exercise price $
Balance at beginning of the year	84,000,000	0.097	53,900,000	0.077
Granted during the year	41,250,000	0.060	40,600,000	0.1
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	(10,500,000)	0.001
Expired during the year	(69,000,000)	0.080	-	-
Balance at end of year	**56,250,000**	**0.080**	**84,000,000**	**0.097**
Exercisable at end of year	**56,250,000**	**0.080**	**84,000,000**	**0.097**

The Company undertakes to apply for official quotation by ASX of all ordinary Shares allotted pursuant to the exercise of any Options.

Incentive Shares

There are no Incentive shares on issue.

11. RESERVES

	CONSOLIDATED 2020 $	2019 $
Option premium reserve	298,307	298,307
Share-based payments reserve	627,785	609,655
	926,092	907,962

	CONSOLIDATED 2020 $	2019 $
Movement in reserves		
Balance at beginning of year	907,962	655,756
Options issued for consideration	-	1,310
Share based payments during the year (Note 20(a))	18,130	250,896
Balance at end of year	926,092	907,962

Nature and Purpose of Reserves

Option Premium Reserve
The Option premium reserve reflects the amounts received on issue of options other than remuneration options.

Share-Based Payments Reserve
The reserve reflects the value of equity benefits provided to executives/consultants as part of their remuneration.

12. ACCUMULATED LOSSES

	CONSOLIDATED 2020 $	2019 $
Accumulated losses at beginning of year	(10,710,418)	(8,805,907)
Net loss attributable to members of the parent entity	(1,509,482)	(1,904,511)
Accumulated losses at the end of the year	(12,219,900)	(10,710,418)

13. EARNINGS PER SHARE

	CONSOLIDATED 2020 $	2019 $
(a) Basic earnings (loss) per share (cents per share)	(0.50)	(0.86)
(b) Reconciliation of earnings used in calculating earnings per share		
Loss attributable to ordinary entity	(1,509,482)	(1,904,511)
Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS	304,756,831	220,333,562

14. STATEMENT OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	CONSOLIDATED	
	2020 **$**	**2019** **$**
Cash	653,692	1,291,468
Short term deposits maturing within 90 days and paying interest at a weighted average interest rate of 2.0% (2019: Nil%)	20,000	-
	673,692	1,291,468

(b) Reconciliation of operating loss after income tax to net cash used in operating activities

	2020	2019
Operating loss after income tax	(1,509,482)	(1,904,511)
Add non-cash items:		
Share based payments	132,630	250,896
Land access paid in shares	-	56,000
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(28,197)	17,443
Increase/(Decrease) in trade and other payables	32,275	(1,992)
(Decrease)/Increase in current provisions	(2,698)	1,730
Net cash flow (used in) operating activities	(1,375,472)	(1,580,434)

There were no non-cash financing activities. Non-cash investing activities: 20,000,000 shares of Barraba project acquisition (Value $200,000).

15. DIRECTOR AND KEY MANAGEMENT PERSONNEL DISCLOSURES

Details of Key Management Personnel

The following persons were directors of Comet Resources Limited during the financial year:

Mr M O'Kane – Managing Director
Mr HP Halliday – Non-Executive Chairman
Mr D Prentice – Non-Executive Director
Mr A Molyneux – Non-Executive Director
Ms P Leggat – Chief Executive Officer

Compensation by Category: Key Management Personnel, Directors and Executives

	CONSOLIDATED	
	2020 **$**	**2019** **$**
Short-term	455,101	485,000
Post-employment	26,719	1,425
Share based payments	-	248,904
	481,820	735,329

15. DIRECTOR AND KEY MANAGEMENT PERSONNEL DISCLOSURES (cont)

Other transactions with directors and key management personnel

(i) A total of $39,693 was paid to Mr Molyneux as Director of the Company during the year ended 30 June 2020.

(ii) A total of $75,000 was paid to Mr Halliday during the period, $15,000 of which were director fees and the remaining $60,000 as Corporate Consulting fees.

(iii) A total of $40,000 was paid to Mr Prentice as Director of the Company during the year ended 30 June 2020.

(iv) A total of $153,382 was paid to Mr O'Kane as the Managing Director of the Company during the year ended 30 June 2020.

(v) A total of $173,745 was paid to Ms P Leggat as the Chief Executive Officer of the Company during the year ended 30 June 2020.

The above fees have been included in directors' and key management personnel remuneration disclosed in the remuneration report and the table above.

The terms and conditions of the transactions with directors and director-related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arms length basis.

No amounts were receivable from directors and their director-related entities at reporting date arising from these transactions.

Amounts payable to directors and their director-related entities at reporting date arising from these transactions were as follows:

	CONSOLIDATED	
	2020 **$**	**2019** **$**
Current payables		
Trade creditors (net of GST)	13,041	3,333

16. AUDITOR'S REMUNERATION

	CONSOLIDATED	
	2020 **$**	**2019** **$**
Audit services:		
Auditors of the Company – Stantons International	36,368	28,173

17. COMMITMENTS

Exploration expenditure commitments

The obligations to perform minimum exploration work on leases are not provided for in the accounts and are payable as follows:		
Not longer than one year	155,325	141,000

The Group may vary the exploration expenditure over the period by reducing its tenement holdings and/or applying for exemptions. Future expenditure will be based on the prospectivity of the tenements and/or the cash resources of the Group. The Group will settle the third tranche cash consideration of $50,000 for the Barraba project acquisition 6 months following the execution date of the variation deed.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to support the Group's operations.

The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations and in addition listed shares.

It is, and has been throughout the period under review, the Group's policy that trading in financial instruments may be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash and short-term deposits.

There is a limited amount of credit risk relating to the cash and cash equivalents that the Group holds in deposits. The Group received interest on its cash and cash equivalents, based on daily balances and at balance date, was exposed to a variable interest rate of 0.6% per annum. The Group's operating accounts do not attract interest.

The Group's cash reserves are only placed with major Australian banks. The Group is not materially exposed to changes in market interest rates.

The Group does not presently have customers and consequently does not have credit exposure to outstanding receivables. The Group may in the future be exposed to interest rate risk should it borrow funds for acquisition and development.

Sensitivity Analysis

The following tables summarise the sensitivity of the Group's financial assets to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax loss and equity would have been affected as shown. The analysis has been performed on the same basis for 2020 and 2019.

Consolidated Entity 30 June 2020	**Carrying Amount $**	**Interest Rate Risk -1% Net Loss $**	**Equity $**	**Interest Rate Risk +1% Net Gain $**	**Equity $**
Financial assets					
Cash & cash equivalents	673,692	(6,737)	(6,737)	6,737	6,737

Consolidated Entity 30 June 2019	**Carrying Amount $**	**Interest Rate Risk -1% Net Loss $**	**Equity $**	**Interest Rate Risk +1% Net Gain $**	**Equity $**
Financial assets					
Cash & cash equivalents	1,291,468	(12,915)	(12,915)	12,915	12,915

None of the Group's financial liabilities is interest bearing. The remaining cash and cash equivalents at the reporting date are non-interest bearing.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk

The Group operates solely within Australia at this time and is subject to limited foreign currency risk.

Credit risk

The Group trades only with recognised, creditworthy third parties.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

There are no significant concentrations of credit risk within the Group.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short-term deposits, grant funding and equity raising if required.

19. FINANCIAL INSTRUMENTS

The Group held the following financial instruments:

CONSOLIDATED	Note	Floating Interest	Fixed interest maturing in: 1 year or less	Fixed interest maturing in: 1-5 years	Non Interest bearing	Total	Weighted average interest rate
		$	$	$	$	$	
2020							
Financial assets							
Cash and cash equivalents	6	673,692	-	-	-	673,692	0.11%
Trade and other receivables	7	-	-	-	28,197	28,197	0%
Bonds	8	-	-	-	2,000	2,000	0%
		673,692	-	-	30,197	703,889	
Financial liabilities							
Trade and other payables	9	-	-	-	114,573	114,573	0%
		-	-	-	114,573	114,573	
Net financial assets		673,692	-	-	(84,376)	589,316	

19. FINANCIAL INSTRUMENTS (cont)

CONSOLIDATED	Note	Floating Interest	Fixed interest maturing in:		Non Interest bearing	Total	Weighted average interest rate
			1 year or less	1-5 years			
		$	$	$	$	$	
2019							
Financial assets							
Cash and cash equivalents	6	1,291,468	-	-	-	1,291,468	0.2%
Trade and other receivables	7	-	-	-	-	-	0%
Listed securities		-	-	-	-	-	0%
Bonds	8	-	-	-	2,000	2,000	0%
		1,291,468	-	-	2,000	1,293,468	
Financial liabilities							
Trade and other payables	9	-	-	-	82,298	82,298	0%
		-	-	-	82,298	82,298	
Net financial assets		1,291,468	-	-	(80,298)	1,211,170	

Net fair values of financial assets and liabilities

The net fair values of financial assets and financial liabilities at reporting date approximates their carrying amount.

	CONSOLIDATED	
	2020	**2019**
FINANCIAL ASSETS	**$**	**$**
Level 1		
Cash and cash equivalents	673,692	1,291,468
Trade and other receivables	28,197	-
Bonds	2,000	2,000
Trade and other payables	(114,573)	(82,298)
	589,316	1,211,170

20. SHARE BASED PAYMENTS

(a) Recognised share based payment transactions

Share based payment transactions recognised either as operational expenses in the statement of profit or loss and other comprehensive income or as capitalised project acquisition costs or capital raising costs in equity during the year were as follows:

	2020 $	2019 $
Employee and Consultant share based payments (note 20 (b))	114,500	250,896
Share based payments to suppliers (note 20(c))	18,130	-
Share based payments for tenement acquisition (note 20(d))	200,000	-
	332,630	250,896

(b) Employee, Consultant and Director share based payments

During the financial year ended 30 June 2020, the Company issued 10,000,000 fully paid ordinary Comet Resources Limited shares to Empire Capital Partners Pty Ltd as a corporate advisor to the Company. The fair value recognised for the fully paid ordinary shares issued is $229,000 for the services provided between January 2020 and December 2020. In the financial year ended 30 June 2020, $114,500 has been recognized as an expense with $114,500 classified as prepayment.

(c) Share based payments to supplier

During the financial year ended 30 June 2020, the Company issued unlisted options to Lead Manager's for capital raising related services rendered during the year. The fair value of the options was determined at the grant date using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option.

The table below summarises Options granted. The entire fair value was recognized as share based payment expense in relation to capital raising cost during the current year.

Grant Date	Expiry date	Exercise price per option	Balance at start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Exercisable at end of the year
			Number	Number	Number	Number	Number	Number
09/11/2019	30/06/21	$0.06	-	4,000,000	-	-	4,000,000	4,000,000

The share based payment expense in relation to capital raising cost recognised during the period was $18,130. The model inputs, not included in the table above, for Options granted during the year ended 30 June 2020 included:

a) Options were granted for nil cash consideration;
b) expected lives of the Incentive Options is 1.64 years from grant date;
c) share price at grant date was $0.026;
d) expected volatility of 80%;
e) expected dividend yield of nil; and
f) a risk-free interest rate of 1.69%

(d) Share based payments for tenement acquisition

During the financial year ended 30 June 2020, the Company issued 20,000,000 fully paid ordinary Comet Resources Limited shares for the acquisition of the Barraba Project. The fair value recognised for the fully paid ordinary shares issued is $200,000 in the financial year ended 30 June 2020 and is capitalised under exploration and evaluation expenditure (refer to Note 4).

21. PARENT ENTITY DISCLOSURES

(a) Financial Position

	2020 $	2019 $
ASSETS		
Current assets		
Cash and cash equivalents	673,692	1,291,468
Trade and other receivables	28,197	-
Prepayment	114,500	-
Total current assets	816,389	1,291,468
Non-current assets		
Other financial assets (i)	2,000	2,000
Capitalised Exploration and Evaluation Expenditure	300,000	-
Total non-current assets	302,000	2,000
TOTAL ASSETS	1,118,389	1,293,468
LIABILITIES		
Current liabilities		
Trade and other payables	114,573	82,298
Provisions	9,796	12,494
Total current liabilities	124,369	94,792
TOTAL LIABILITIES	124,369	94,792
NET ASSETS	**994,020**	**1,198,676**
EQUITY		
Issued capital	12,202,828	9,896,132
Shares to be issued	85,000	1,105,000
Reserves	926,092	907,962
Accumulated losses	(12,219,900)	(10,710,418)
TOTAL EQUITY	**994,020**	**1,198,676**

(b) Financial Performance

	2020 $	2019 $
Loss for the year	(1,509,482)	(1,904,511)
TOTAL COMPREHENSIVE LOSS	**(1,509,482)**	**(1,904,511)**

(i) Other Financial Assets

	2020 $	2019 $
Security bonds	2,000	2,000
	2,000	2,000

Commitments and Contingencies

The parent company has not provided any guarantees and does not have any other commitments or contingent assets or liabilities that are not disclosed elsewhere in the financial report except for those disclosed in Note 17 and 25.

22. RELATED PARTY DISCLOSURES

The consolidated financial statements include the financial statements of Comet and the subsidiaries listed in the following table.

	2020	2019
	%	%
Comet Resources Limited – controlled entities		
Ravensthorpe Management Pty Ltd*^	100	100
Environmental Oil Solutions Pty Ltd*^	100	100

* incorporated in Australia
^ dormant

Comet Resources Limited is the ultimate parent entity.

Transactions with key management personnel are disclosed in Note 15.

23. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are provided to the Board (Chief Operating Decision Maker) for making strategic decisions. The Company operates predominately in one geographical segment, being Australia, and in mineral exploration.

24. EVENTS SUBSEQUENT TO REPORTING DATE

On 25 August 2020, Comet announced that it had executed a Share Purchase and Joint Venture Agreement (SPA) with the shareholders of El Alamo Resources Limited (EARL) for the 100% acquisition (Acquisition) of the Santa Teresa Gold Project (Project). Documentation of the binding gold streaming and royalty financing (Financing) with Raptor Capital International Limited (Raptor) to fund activities at the Project for up to US$20 million (initial minimum of US$6 million) has advanced as announced on 16 September 2020.

On 7 September 2020, Comet announced that it had received commitments for a placement of 100,000,000 new fully paid ordinary shares in Comet (Placement Shares) to eligible sophisticated and institutional investors at $0.02 per New Share (the Placement). The Placement will raise $2 million (before costs) and is priced at a 9.52% discount to the last closing price of Comet shares on 2 September 2020. Concurrently, Comet offered existing eligible shareholders the opportunity to participate in a non-underwritten share purchase plan (SPP) to raise up to $500,000. Under the SPP, eligible Comet shareholders, being shareholders with a registered address in Australia or New Zealand on Comet's register as at 5.00pm (AWST) on Wednesday, 9 September 2020, will have the opportunity to apply for up to $30,000 of New Shares at an offer price of $0.02 per New Share. The SPP price equates to approximately a 10.13% discount to the 5-day volume weighted average market price of the Company's Shares as traded on the ASX immediately prior to the announcement of the SPP.

On 22 September 2020, the Company issued 8,500,000 shares as the second tranche of shares in accordance with the share placement to institutional and sophisticated investors completed in April 2020 (Placement) at an issue price of $0.02 per share. The issue was approved at the General Meeting (GM) held on 21 September 2020. Comet also issued 3,000,000 shares were issued pursuant to shareholder approval received at the GM held on 21 September 2020 and 65,000,000 Options, which are exercisable at $0.02 on or before 30 June 2021, were issued as free attaching options as part of the Placement. The options were issued following shareholder approval at a GM held on 21 September 2020.

On 23 September 2020, the Company announced that it had completed the first tranche of its placement of 100,000,000 fully paid ordinary shares (Shares)(Placement) at a price of $0.02 per share to raise $2,000,000 before costs. The Company on 23 September 2020 issued 98,500,000 Shares under the Placement to raise $1,970,000 pursuant to its placement capacity under ASX Listing Rules 7.1 (59,100,000 Shares) and 7.1A (39,400,000 Shares). The remaining 1,500,000 Shares in excess of the Company's current 7.1 and 7.1A capacity will be issued either at the completion of the SPP, should the amount of shares issued under the SPP provide the increased 7.1 and 7.1A capacity to do so, or upon receiving shareholder approval at the Company's forthcoming Annual General Meeting.

24. EVENTS SUBSEQUENT TO REPORTING DATE (cont)

There have not been any other significant changes in the state of affairs during the year ended 30 June 2020 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company.

25. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Post settlement obligations for the Barraba Copper Project acquisition as announced to the market in the Company's press release on 23 January 2020 and varied in the ASX release on 16 April 2020 are as follows:

- The Vendors are free-carried until a decision to mine has been reached at which point they contribute pro rata in a JV or dilute to a 2% NSR Royalty;
- Comet has the option to purchase the remaining 20% interest in the first 36 months for $2.5 million; and
- A minimum exploration expenditure of $600,000 with a minimum of 1,250m of RC or Diamond Drilling to be completed within a period of 18 months from the settlement date. If the minimum exploration expenditure and minimum drilling requirement are not satisfied within 18 months from the settlement date, the interest in the assets will revert to zero. If the option is exercised and the payment made before 18 months from the settlement date, Comet will not be obliged to satisfy the above minimum exploration expenditure and minimum drilling requirement.

The Group does not have any contingent liabilities or assets at balance date or date of this report.

The Directors of Comet Resources Limited declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(b) the attached financial statements are in compliance with International Financial Reporting Standards, as outlined in Note 2(a);

(c) in the Directors' opinion, the attached financial statements and notes thereto set out in pages 19 to 42 are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(d) the Directors have been given the declarations required by s.295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

H Halliday
Chairman

Dated at Perth this 29th day of September 2020

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
COMET RESOURCES LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Comet Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following matters to be a key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
Capitalised Exploration and Evaluation Expenditure & Change in Accounting Policy *Refer to Note 2 (b) - Changes in Accounting Policies and Note 4 - Capitalised Exploration and Evaluation* The Group adopted a new accounting policy whereby project acquisition costs are capitalised whilst the exploration and evaluation costs are expensed in the year they are incurred. Under the previous accounting policy, the entirety of the exploration and evaluation expenditure was expensed as incurred. As at 30 June 2020, the Exploration and Evaluation Assets totalled $300,00 (refer to Note 4 of the financial report). The carrying value of exploration and evaluation assets and the change in accounting policy is a key audit matter due to: • The significance of the expenditure capitalised representing 30% of net assets; • The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure; and • Significant audit effort spent on ensuring compliance of relevant accounting standards.	Our audit procedures included, inter alia, the following: i. Assessing the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation; ii. Evaluating the Group's documents for consistency with the intentions for acquiring new tenements in areas of interest and corroborated in discussions with management. The documents we evaluated included: • Minutes of the board and management; • Announcements made by the Group to the Australian Securities Exchange; and • Signed agreement with third parties. iii. Considering the requirements of accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources*, AASB 101 *Presentation of Financial Statement* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and reviewed the financial statements to ensure appropriate disclosures are made in relation to the change in accounting policy.
Going Concern The financial statements have been prepared on a going concern basis as discussed in note 2(a). Historically, the Group has generated losses, and has depended on raising capital to fund exploration and administrative operations. At 30 June 2020, the Group had cash and cash equivalents of $673,692 and incurred a loss after income tax of $1,509,482. The Group had net operating outflows totalling $1,357,472. We included the going concern assumption as a key audit matter as the Group's going concern assumption is reliant on existing cash reserves and future capital raising to cover operations including exploration and operating expenditure.	In assessing the appropriateness of the going concern assumption used in preparing the financial statements, our audit procedures included, inter alia, the following: i. Assessing the cash flow requirements of the Company and the Group based on budgets and forecasts; ii. Understanding what forecast expenditure is committed and what could be considered discretionary; iii. Considering the liquidity of existing assets on the balance sheet; iv. Obtaining information from the Company on capital raised after 30 June 2020 but prior to the signing of this report; and v. Reviewing the financial report to ensure adequate disclosure in the notes regarding the going concern basis of preparation.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 13 of the directors' report for the year ended 30 June 2020. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Comet Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
29 September 2020

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

29 September 2020

Board of Directors
Comet Resources Limited
Suite 9, 330 Churchill Avenue
SUBIACO WA 6008

Dear Sirs

RE: COMET RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Comet Resources Limited.

As Audit Director for the audit of the financial statements of Comet Resources Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED

Martin Michalik

Martin Michalik
Director

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report.

The information is made as at 25th September 2020.

Rank	Name	Units	% of Units
1	**GROUP # 49769**	**16,778,561**	**3.41**
.	ALBERTA RESOURCES PTY LTD <BRITISH COLUMBIA S/F A/C>	16,778,561	3.41
2	MR ROBERT OSWALD JONES <THE ROJEX A/C>	14,809,953	3.01
3	KIANDRA NOMINEES PTY LTD <JK DOWNES FAMILY A/C>	10,000,000	2.03
4	VALIANT EQUITY MANAGEMENT PTY LTD <THE BYASS FAMILY A/C>	10,000,000	2.03
5	STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	10,000,000	2.03
6	MS CHUNYAN NIU	8,375,000	1.7
7	EMPIRE CAPITAL PARTNERS PTY LTD	8,317,746	1.69
8	**GROUP # 45016**	**7,603,882**	**1.54**
.	CITICORP NOMINEES PTY LIMITED	7,603,882	1.54
9	MS MICHAELA PIKE	7,300,000	1.48
10	HAMISH HALLIDAY	7,000,000	1.42
11	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	6,796,201	1.38
12	MRS JUDITH SUZANNE PIGGIN + MR DAMIEN JAYE PIGGIN + MR GLENN ADAM PIGGIN <PIGGIN FAMILY S/F A/C>	6,500,000	1.32
13	ELTON HOLDINGS PTY LTD	6,500,000	1.32
14	MR JONATHAN MARK WILD	6,000,000	1.22
15	**GROUP # 23211**	**6,000,000**	**1.22**
.	PILLAGE INVESTMENTS PTY LTD <THE PILLAGE SUPER FUND A/C>	6,000,000	1.22
16	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	5,250,000	1.07
17	**GROUP # 32235**	**5,179,311**	**1.05**
.	ALBERTA RESOURCES PTY LTD <BRITISH COLUMBIA S/F A/C>	5,179,311	1.05
18	EXPONENT CAPITAL PTY LTD	5,086,537	1.03
19	DIG MEDIA INC	5,000,000	1.02
20	MR PAUL SIMON DONGRAY <THE DONGRAY FAMILY NO 2 A/C>	4,750,000	0.96

Totals: Top 20 holders of CRL ORDINARY FULLY PAID	**157,247,191**	**31.93**
Total Remaining Holders Balance	**335,252,809**	**68.07**
Total Holders Balance	**492,500,000**	**100**

Number of shareholders

492,500,000 fully paid ordinary shares are held by 1,291 shareholders.

UNLISTED OPTIONS

Grant Date	Date of Expiry	Exercise Price	Number under Option
9 Aug 2017	31 Dec 2020	$0.15	5,000,000
9 Aug 2017	31 Dec 2020	$0.10	10,000,000
30 Nov 2018	30 Jun 2021	$0.06	18,750,000
19 Nov 2019	30 Jun 2021	$0.06	18,500,000
9 Nov 2019	30 Jun 2021	$0.06	4,000,000
21 Sep 2020	30 Jun 2021	$0.02	65,000,000
			121,250,000

Distribution of shareholders

SPREADS OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 - 1,000	33	14,166	0.00%
1,001 - 5,000	89	313,733	0.06%
5,001 - 10,000	142	1,233,980	0.25%
10,001 - 100,000	563	24,693,075	5.01%
100,001 - 999,999,999,999	464	466,245,046	94.67%
TOTAL	**1,291**	**492,500,000**	**100%**

Holders of non-marketable parcels

There are 264 shareholders that hold less than a marketable parcel.

Voting rights

On a show of hands each member is entitled to one vote and on a poll one vote for every fully paid share held.

Substantial shareholders

There are no substantial shareholders:

Stock Exchange listing

The Company's fully paid shares (CRL) are quoted by the Australian Securities Exchange Limited.

Restricted securities

The Company has no securities on issue that are classified as "Restricted Securities".

On-market buy-back

Currently there is no on-market buy-back of the Company's securities.

CORPORATE GOVERNANCE STATEMENT

In accordance with ASX Listing Rule 4.10.3 the Company's Corporate Governance Statement can be found on the Company's website at: https://www.cometres.com.au/corporate-governance

Tenement Schedule

Project	Location	Tenement	Interest
Springdale	WA	E74/562	100%
		E74/612	100%
Bell's find	NSW	M74/1055	25%
Barraba	NSW	EL8492	80%
Santa Teresa [1]	Mexico	223182 210705 230380 237573	50% 50% 50% 50%

1. Post 30 June 2020, the 50% interest in the Santa Teresa tenements are in process of being transferred to the Company as part of completion of the conditions subsequent to the announcement of 25 August 2020.