

Graphite Metallurgical Test Work Progress Update

Highlights:

- Production of the bulk sample of Springdale graphite concentrate was completed on time in Q2, 2021
- Concentrate has now arrived at specialist facility in Germany and test work has commenced to assess amenability to produce battery anode material suitable for use in EVs
- Sample concentrate material has also been provided to a third-party producer of anode material for their test work
- Final results from this test work are expected within the current quarter
- Natural Flake Graphite included in EU Critical raw materials list

Comet Resources Ltd (Comet or the Company) (ASX:CRL) is pleased provide an update on ongoing test work on natural flake graphite from its Springdale Graphite Project (Springdale) located in Western Australia. Both excellent grade and recoveries were achieved on initial tests, leading to commencement of work earlier this year to produce a concentrate bulk sample for further testing. The production of the concentrate material was completed in June in a lab in Perth, Western Australia, and was subsequently air-freighted to a specialist testing provider in Germany. That material has now arrived, been dried, and prepared for testing, with testing works now commenced. In addition to the tests being performed by the specialist lab for Comet, a sample of the concentrate material has also been provided to a third-party producer of natural flake graphite products for battery anodes for their own evaluation.

The specialist lab in Germany will assess, among other properties, the performance of the graphite during purification, micronisation and spheronisation. These are the key steps for the processing of natural graphite products for electric vehicle (EV) battery anode markets. Comet's German lab partners will simulate these to test Springdale's product suitability to meet industry standards in these areas. Graphite suitable for battery anode production also achieves premium pricing in graphite markets, making it a highly sought after product.

The inclusion of natural flake graphite on the European Union (EU) list of critical raw materials highlights the importance of these products as part of the push to reduce global carbon emissions. Comet's Springdale Project in WA, a stable tier one mining jurisdiction, is strategically well placed to provide such products.

Comet Managing Director, Matthew O'Kane, commented, ***"We now have material for testing in Germany, both for ourselves and a third-party producer of anode material. The results of these test work programs will determine the suitability of Comet's natural flake graphite from the high grade zone at Springdale for use in the manufacture of battery anodes for electric vehicles. With the continued push towards an electrified transport network, demand for these graphite products is expected to continue to grow."***

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

Three different processes are to be tested:

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

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

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

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

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Forward-Looking Statement

This announcement includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Comet Resources Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should" and similar expressions are forward-looking statements. Comet Resources Limited believes that its forward-looking statements are reasonable; however, forward looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

About Comet Resources



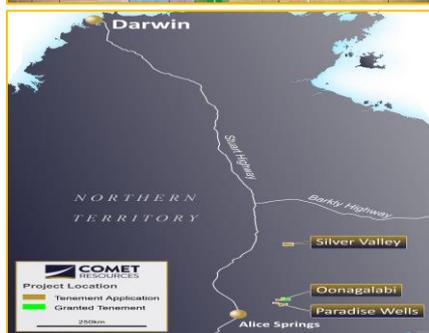
Santa Teresa Gold Project (Mexico)

The Santa Teresa Gold Project is comprised of two mineral claims totalling 202 hectares located in the gold rich El Alamo district, approximately 100 km southeast of Ensenada, Baja California, Mexico; and 250 km southeast of San Diego, California, USA. The Project is prospective for high grade gold. In addition to the two claims of the Project, two additional claims totalling a further 378 hectares in the surrounding El Alamo district are being acquired from EARL.



Barraba Copper Project (NSW)

The 2,375ha exploration license that covers the project area, EL8492, is located near the town of Barraba, approximately 550km north of Sydney. It sits along the Peel Fault line and encompasses the historic Gulf Creek and Murchison copper mines. The region is known to host volcanogenic massive sulphide (VMS) style mineralisation containing copper, zinc, lead and precious metals. Historical workings at Gulf Creek produced high-grade copper and zinc for a short period around the turn of the 19th century, and this area will form a key part of the initial exploration focus.



Northern Territory Projects (NT)

The portfolio of Northern Territory exploration licenses and exploration license applications covers an area of approximately 840km². Although historical exploration results were indicative of near surface gold and copper mineralisation, very limited modern exploration has occurred. Comet plans to utilise modern exploration techniques to rapidly advance the scale of known mineralisation, especially where known geophysical and geochemical anomalies exist that have not been comprehensively drill tested.



Springdale Graphite Project (WA)

The 100% owned Springdale graphite project is located approximately 30 kilometres east of Hopetoun in South Western Australia. The project is situated on free hold land with good access to infrastructure, being within 150 kilometres of the port at Esperance via sealed roads. The tenements lie within the deformed southern margin of the Yilgarn Craton and constitute part of the Albany-Fraser Orogen. Comet owns 100% of the three tenement's (E74/562 and E74/612) that make up the Springdale project, with a total land holding of approximately 198 square kilometres.