

Our Ref: Stephen Rodgers
Your Ref:

21 September 2012

Companies Announcement Officer
Australian Securities and Exchange Limited
Exchange Centre
Level 4,
20 Bridge Street
Sydney NSW 2000

By Electronic Lodgement

Dear Sir / Madam.

RE: GRANT OF PERFORMANCE RIGHTS

The company advises that 3,710,000 Employee and Consultant Performance Rights have been granted pursuant to the Comet Ridge Limited Employee and Consultant Performance Rights Plans.

The vesting criteria for the Performance Rights vary while the Performance Period is from 31 July 2012 until 30 June 2016.

Please find **attached** the Appendix 3 B reflecting the issue of the same.

Yours Faithfully
Comet Ridge Limited



STEPHEN RODGERS
Company Secretary

Appendix 3B

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

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

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Comet Ridge Limited

ABN

47 106 092 577

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Unlisted Performance Rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,710,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>Performance Rights are granted to employees pursuant to the Performance Rights Plan adopted following approval by shareholders at the Annual General Meeting held 11 November 2010. Performance Rights are granted to Consultants under the Performance Rights Plan approved by the Board 28 September 2011.</p> <p>Each Performance Right carries a right to one ordinary share in Comet Ridge Limited.</p> <p>The Performance Period is from 31 July 2012 until 30 June 2016.</p> |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	The ordinary shares to be allotted on the exercise of Performance Rights will rank equally with all existing ordinary shares from the date of allotment.	
5	Issue price or consideration		
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Performance Rights are granted in accordance with the Performance Rights Plans to provide an incentive for participants to remain engaged with Comet Ridge Limited in the long term as employees or consultants, as well as aligning the objectives of employees and consultants with that of shareholders by benchmarking the grant of certain performance rights with the Comet Ridge Limited share price.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates		
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		402,148,746	Ordinary fully paid Shares

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	Unlisted options	
	500,000	Options exercisable at 50 cents expiry 30/11/2013
	500,000	Options exercisable at 65 cents expiry 31/01/2014
	500,000	Options exercisable at 50 cents expiry 28/02/2014
	1,000,000	Options exercisable at 65 cents expiry 31/03/2014
	Performance Rights	
	1,450,000	Performance Rights (vesting 1 July 2013)
	500,000	Performance Rights (vesting 31 Dec 2012)
	500,000	Performance Rights (vesting 31 Dec 2013)
	3,050,000	Performance Rights (Expiry 30 June 2016)
	580,000	Performance Rights (vesting 1 July 2014)
	500,000	Performance Rights (vesting 1 July 2015)

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)
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Performance Rights do not carry a right to a dividend.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	

+ See chapter 19 for defined terms.

26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

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

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

+ See chapter 19 for defined terms.

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

- 38 Number of securities for which ⁺quotation is sought
- 39 Class of ⁺securities for which quotation is sought
- 40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
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⁺ See chapter 19 for defined terms.

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

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

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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

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



Sign here: _____ Date: 21 September 2012
(~~Director~~/Company secretary)

Print name: Stephen Rodgers

+ See chapter 19 for defined terms.