

**NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING
OF SHAREHOLDERS OF
COMET INDUSTRIES LTD.**

TAKE NOTICE that the Annual and Special General Meeting of the Shareholders of COMET INDUSTRIES LTD. (hereinafter called the "Company") will be held at 17th Floor, 1030 West Georgia Street, in the City of Vancouver, in the Province of British Columbia, Canada, on Friday, September 17, 2021 at the hour of 10:30 a.m. (local time) for the purpose of:

1. Determining the number of Directors to be elected.
2. Electing Directors for the ensuing year.
3. Receiving and considering the Report to the Shareholders from the Board of Directors.
4. Receiving and considering audited financial statements of the Company and the Auditor's Report thereon.
5. Considering re-approval of the Company's Stock Option Plan.
6. Reappointing Manning Elliott LLP, Chartered Accountants, as the Auditors of the Company for the ensuing year, and to authorize the Directors to fix the remuneration to be paid to the Auditors.
7. Considering approval of Directors' actions and activities during the period since the last shareholders' meeting.
8. Transacting such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting in person are requested to date and sign the accompanying form of Proxy and to return or file it by:

- (a) mail or delivery to Computershare, 8th floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Canada
- (b) Fax to (604) 681-0139; or
- (c) scanned email to: jonsson@securitieslaw.bc.ca
- (d) the internet pursuant to the instructions contained on the Proxy

not later than 11:30 a.m. (Vancouver local time) on Wednesday, September 15, 2021.

DATED at Vancouver, British Columbia, this 18th day of August, 2021.

BY ORDER OF THE BOARD

COMET INDUSTRIES LTD.

INFORMATION CIRCULAR

WITH RESPECT TO SOLICITATION OF PROXIES BY MANAGEMENT OF COMET INDUSTRIES LTD. FOR THE ANNUAL AND SPECIAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 17th FLOOR, 1030 WEST GEORGIA STREET, VANCOUVER, B.C., CANADA ON FRIDAY, SEPTEMBER 17, 2021 AT 10:30 A.M.

PROXIES:

(a) A SHAREHOLDER GIVING A PROXY CAN DELETE THE NAMES OF THE NOMINEES NAMED IN THE ACCOMPANYING FORM AND INSERT, IN THE SPACE PROVIDED, THE NAME OF SOME OTHER NOMINEE. A PROXY NOMINEE NEED NOT BE A MEMBER OF THE COMPANY.

(b) A shareholder forwarding the attached proxy may indicate the manner in which the nominee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. IN SUCH INSTANCE THE NOMINEE, IF ONE PROPOSED BY MANAGEMENT, WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH ITEM LEFT BLANK. A discretionary authority so granted may be exercised with respect to amendments or variations to matters which may properly come before the Meeting, unless the shareholder deletes the discretionary authority from the proxy.

(c) The shares represented by the proxies submitted by the shareholders will be voted in accordance with the directions, if any, given in the proxies.

(d) A shareholder giving a proxy shall have the right to attend, or appoint someone else to attend, as his proxy, at the meeting and the proxy earlier submitted can be revoked in the manner described in the next item below entitled "Revocability of Proxy".

(e) A form of Proxy will not be valid unless it is completed and returned or filed:

- Computershare, 8th floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Canada
- by fax to (604) 681-0139; or
- by scanned email to: jonsson@securitieslaw.bc.ca
- the internet pursuant to the instructions contained on the Proxy

not later than 11:30 a.m. (Vancouver local time) on Wednesday, September 15, 2021.

Shareholders who do not attend the meeting in person may participate in the meeting by telephoning following the instructions below. However shareholders who join the meeting by telephone may not vote their shares unless they separately file a proxy.

To telephone into the meeting Dial: 1 866-305-1460

Enter access code: 3280971#

REVOCABILITY OF PROXY:

A shareholder giving a proxy has the power to revoke it. Revocation can be effected by an instrument in writing signed by the shareholder giving the proxy or the shareholder's duly authorized attorney, either deposited at the Registered Office of the Company at 1710 - 1177 West Hastings Street, Vancouver, B.C., on or before the day of the Meeting, or any adjournment thereof, or by depositing the same with the Chairman of the Meeting on the day of the Meeting, prior to the hour of commencement, or by personal appearance by the shareholder giving the proxy at the Meeting prior to the hour of commencement of the Meeting.

PERSONS MAKING THIS SOLICITATION:

This solicitation is made on behalf of Management of COMET INDUSTRIES LTD. and the cost of it will be borne by the Company. No Director has given Management notice that he intends to oppose any action intended to be taken by Management at the Meeting.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON:

The Directors may be considered to have an interest in the resolution which the shareholders will be asked to pass reapproving an Option Plan due to the options they may be granted to them in the future. Otherwise, no Director or Officer, past, present or nominated, or any person on behalf of whom this solicitation is made has any interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be indirectly involved in the normal business of the Meeting or general affairs of the Company.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF:

(a) There are 5,038,995 shares of the Company outstanding, all of one class known as common. All are entitled to vote at the Meeting and each share has one non-cumulative vote.

(b) Shareholders entitled to vote at the Meeting will be those of record as of 11:00 a.m. (Vancouver local time) on Wednesday, September 15, 2021. The record date established to determine who is entitled to receive a copy of the Notice of Meeting was August 18, 2021.

(c) To the best of the knowledge of the Company there are no shareholders holding, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Company except:

- (i) the four companies which are controlled directly or indirectly by the (Estate of the Company's deceased ex-President R.J. ("Jack") Wiley, (hereinafter in this Information Circular called the "Wiley Estate") which hold an aggregate total of 1,279,400 shares of the Company - which are approximately 25.4% of the issued shares of the Company, details of which are as follows:

Initial Developers Ltd.	-	750,000 shares
Cadco Enterprises Ltd.	-	494,900 shares
DVO Industries Ltd.	-	15,000 shares
Raymore Investments Ltd.	-	19,500 shares

- (ii) Primex Investments Ltd. – holder of 1,126,000 shares.

(d) Non-Registered Holders

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm - or a nominee of the brokerage firm - through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant. In accordance with the requirements as set out in National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Often Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Company's Registrar and Transfer Agent as provided above.

ELECTION OF DIRECTORS:

The following persons are proposed to be nominated for election as Directors at the Annual Meeting. All are presently Directors except Jess Alfonso. Their terms of office as Directors will expire as of the date of the Meeting, but other offices held by them with the Company will be continued unless they are not re-elected Directors. All of the Directors who are elected will have their term of office expire at the next Annual General Meeting of the Company.

Name and present office held	Five Year History of Principal Occupations	No. of Shares beneficially held directly or indirectly
BURTON WAYNE WILEY ⁽¹⁾ Director Director since January 30, 1999	Retired school principal and experienced public administrator	154,200
RICHARD J. ANGUS Director and Chief Financial Officer Director since December 14, 1984	Executive Officer of a public company involved in oil and gas exploration and production. Consultant to other business ventures	179,000 ⁽²⁾
CARL R. JONSSON ⁽¹⁾ Director and Secretary Director since March 11, 1996	Principal of Vancouver law firm of Tupper Jonsson & Yeadon (the Solicitors for the Company); Director and Officer of various public and private companies	306,375
MICHAEL SCOTT O'REILLY ⁽¹⁾ Director since January 28, 2015	Owner of O'Reilly Management Services since 2008; Manager Business Attraction of Venture Kamloops from April 2010 until June 2014	20,000
ANDREW RENNISON Director since August 10, 2021	Chartered Financial Analyst, Vice-President Primex Investments Ltd.	Nil ⁽³⁾
JESS ALFONSO No present position	MSIA (MBA) Purdue University; President Seamark Development Corp.; Director Upper Valley Aviation Ltd.' And Director Pacific Opportunity Capital Ltd.	116,500

⁽¹⁾ Members of the Company's Audit Committee. It is considered by the Board of Directors that all of the members of the Audit Committee are financially literate. Burton Wiley is independent within the meanings contained in Multilateral Instrument 52-110.

⁽²⁾ While the Wiley Estate directly owns only 93,500 shares and Mr. Angus directly owns only 179,000 shares of the Company, see the details in the above item "Voting Shares" as to the numbers of shares they indirectly control. Mr. Angus is a Director and Officer of Initial Developers Ltd., Cadco Enterprises Ltd., DVO Industries Ltd. and Raymore Investments Ltd., all of which own shares of the Company (detailed on page 2) and effectively control the Company through their ownership of 1,279,400 shares - approximately 25.4% of the issued shares of the Company. Carl Jonsson is the Executor of the Wiley

Estate. As a result Messrs. Jonsson and Angus own or control, directly or indirectly, 1,858,275 shares – being approximately 36.9% of the issued shares of the Company.

⁽³⁾ Mr. Rennison is a minority shareholder in Primex Investments Ltd. and, as its Vice-President, effectively controls the voting of the 1,126,000 shares of the Company owned by Primex Investments Ltd.

COMPENSATION OF NAMED EXECUTIVE OFFICERS

Compensation of Named Executive Officers (“NEO’s”)

The following table, presented in accordance with the requirements of Canadian National Instrument 51-102, sets forth all annual and long term compensation for services in all capacities to the Company and its subsidiaries for the three fiscal years ended January 31, 2021 in respect of the Company’s named executive officers. The only Named Executive Officers of the Company are Richard J. Angus and Michael O’Reilly and the Company’s deceased President and Chief Executive Officer R.J. Wiley.

Summary Compensation Table

Name and principal positions during period ending January 31, 2021	Financial Year Ending	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Option/SARs Granted ⁽²⁾	Restricted Shares or Restricted Share Units (\$)	Long term Incentive plan Payouts (\$)	
Michael O’Reilly President and CEO since January 23, 2020	2021	Nil	Nil	29,174	20,000	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rudolph J. Wiley, former President and CEO ⁽¹⁾	2021	Nil	Nil	66,000	78,500	Nil	Nil	Nil
	2020	Nil	Nil	79,195	Nil	Nil	Nil	Nil
	2019	Nil	Nil	80,439	Nil	Nil	Nil	Nil
Richard J. Angus Secretary and CFO	2021	45,000	Nil	2,88	60,000	Nil	Nil	Nil
	2020	65,170	Nil	3,854	Nil	Nil	Nil	Nil
	2019	63,855	Nil	3,855	Nil	Nil	Nil	Nil

(1) No management fees or other remuneration was paid directly by the Company to Mr. R.J. Wiley. The amounts shown were paid to Garden Bay Management Ltd., a private company which is controlled by Mr. Wiley’s wife. It provided Mr. Wiley’s services to the Company.

(2) .Previously granted Options were exercised by the NEO’s in the numbers shown above for \$1.50 per share..

Outstanding share-based awards and option-based awards

There were no share-based or option-based awards outstanding at the end of the most recently completed financial year.

Compensation Discussion and Analysis

The Company pays – and rewards – its NEO’s in the amounts specifically detailed in the Tables above. The following comments with respect to the remuneration of the NEO’s are provided pursuant to the requirements of Canadian Securities National Instrument 51-102:

- (a) In providing the compensation, and structuring it with the various elements, the Company’s objective is to reward the NEO’s generously enough that they are sufficiently happy with their remuneration that they are keen to stay in the service of the Company and motivated to provide the highest quality services possible.
- (b) The compensation packages of the NEO’s contain various elements, as follows:
- (i) Rudolph J. Wiley, deceased, the Company’s Director, President and Chief Executive Officer, received compensation which had two elements. Firstly, he received indirect remuneration through the Company’s payment annually of the amounts detailed above, certain amounts, for his part-time management services to the Company, paid to Garden Bay Management Ltd. – a company wholly owned by his wife. Secondly, Mr. Wiley was granted and exercised share purchase options from time to time.
- (ii) Richard J. Angus receives salary annually for his part-time services to the Company as a Director and Chief Financial Officer – and for his maintenance of the Company’s financial records as he also acts, effectively, as the Company’s in-house accountant. Mr. Angus has also been granted share purchase options from time to time.
- (c) The Company does not provide any pension, retirement plan or other direct or indirect remuneration for its Directors or officers that constitutes an expense to the Company.
- (d) Since the beginning of the last completed financial year there has been no indebtedness to the Company by any director, senior officer, or proposed nominee for election as a director or associate of any such person.
- (e) Compensation was paid or granted to the Directors who are not NEO’s as detailed below.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Carl Jonsson ⁽¹⁾	-	-	(2)	-	-	(1)	(1)
Burton Wiley	-	-	(2)	-	-	-	-

- (1) Mr. Jonsson’s services to the Company are all rendered through Tupper Jonsson & Yeadon, the Vancouver, BC law firm - of which Mr. Jonsson is a principal – and which acts as the Company’s lawyers. Mr. Jonsson indirectly shares in and benefits from fees paid to Tupper Jonsson & Yeadon. Tupper Jonsson & Yeadon charges for the services it rendered in the fiscal year ended January 31, 2021 were \$11,907 (2020 - \$37,015).
- (2) In April, 2020 Carl Jonsson exercised options as to 60,000 shares and Burton Wiley exercised options as to 39,200 shares – all for \$1.50 per share.

The Corporation does not have a long-term incentive plan, a pension plan or other form of defined benefit plan – other than its Stock Option Plan. The Company has no outstanding share-based awards and option-based awards.

Directors' Compliance Disclosure

In compliance with applicable disclosure requirements:

The following named Company Directors have within the past 10 years, a director and/or officer of a company the shares of which were listed on the TSX Venture Exchange and its predecessor that was the subject of a Cease Trade Order issued by Provincial Securities Regulators having jurisdiction over it.

(a) Richard Angus

- Director and Secretary of Initial Developers Limited. Cease Trade Order issued against it for failure to file and distribute financial statements as of May 29, 2001 - which has not been rescinded.
- Director, Secretary and Operations Manager of GNP Oil & Gas Ltd. Cease Trade Order issued against it for failure to file and distribute financial statements as of July 23, 2001 - which has not been rescinded.

(b) Burton Wiley

- Director and Secretary of Initial Developers Limited. Cease Trade Order issued against it for failure to file and distribute financial statements as of May 29, 2001 - which has not been rescinded.

Termination of Employment, Change of Responsibilities and Employment Contracts

There are no service contracts between the Company and any of the Directors of the Company. The Company has signed Indemnification Agreements with each of its Directors agreeing to indemnify them for any costs or expenses that they may be subjected to as a result of their acting as a Director or Officer of the Company, including all legal costs incurred in defending themselves from accusations of liability – unless the claims are made as a result of the defalcations of, or as a result of any illegal acts. The Agreements anticipate that the Company may buy insurance to protect itself against liability to its Directors or Officers pursuant to the Agreement. As a result of this provision the Company purchased Directors' and Officers' Liability insurance – but has not maintained that insurance for the current year.

APPOINTMENT OF AUDITORS:

The Company will move to reappoint Manning Elliott LLP, Chartered Accountants, of Vancouver, British Columbia, as the Auditors of the Company, at a remuneration to be negotiated between the Auditors and the Directors.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING:

In addition to the appointment of Directors and Auditors and approval of Financial Statements, the Meeting will be asked to consider the following items:

- (a) Approval of the Annual Report to the Shareholders from the Board of Directors as supplemented at the Meeting by verbal comments by management officials present at the Meeting.
- (b) Re-approval of the Stock Option Plan, adopted by the Board of Directors of the Company effective July 12, 2004. The Plan has been structured to comply with the rules of the TSX Venture Exchange ("Exchange"). The principal features and terms of the Plan are:

- (1) The aggregate number of shares which may be subject to option at any one time may not exceed 10% of the issued shares of the Company as of that date – including options granted prior to the adoption of the Plan;
- (2) When options are exercised their exercise prices may not be less than the minimum then specified by the rules of the Exchange;

- (3) Options may not be granted to any one Optionee which would exceed 5% of the issued shares of the Company in any 12-month period;
- (4) No more than 2% of the issued shares of the Company may be optioned at any one time to consultants or investor relations agents to the Company;
- (5) Options may not be granted for a term exceeding 5 years – which will be, if the Optionee dies, reduced to a term of one year following the date of death – and if the Optionee ceases to be qualified to receive options from the Company options held by such optionee will expire 30 days after the date of such cessation;
- (6) Options granted under the Plan may not be assigned by the Optionees;
- (7) The Plan is a “rolling” plan. This means that if options that are outstanding under the Plan are exercised additional options can be granted – so long as the total, with the new options, does not cover in excess of 10% of the issued shares of the Company outstanding on that date.

The Plan was submitted to the last General Meeting of the Company – held August 21, 2019. The motion to approve it was defeated. As a result, the Company has not been able to issue any options since that date.

Copies of the Plan will be available at the General Meeting of the Shareholders. Copies of the Plan can be secured, in advance of the Meeting, by registered or beneficial shareholders of the Company upon request made to the Company at:

Comet Industries Ltd.
 Fax: (604) 681-0139
 Email: Jonsson@securitieslaw.bc.ca

As the Company, as of the date of this Information Circular, has 5,038,995 issued shares, options can be granted, as to 503,894 shares of the Company if the Plan is approved at the forthcoming Annual General Meeting. The Company presently has no options outstanding.

(c) The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting; the shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

Additional Information

Additional information concerning the Company is available on SEDAR at www.sedar.com

Compliance with Corporate Governance Rules and Recommendations

The Board of Directors of the Company has responsibility for the stewardship of the Company. It satisfies the only corporate governance rule binding on the Company – namely the appointment and maintenance of an Audit Committee. The Canadian securities commissions have published recommendations and guidelines with respect to corporate governance. However, these are only recommendations - and because the Company has only a small Board of Directors and no business activities the recommended corporate governance rules have not been adopted. Pursuant to National Policy 58-101 – Disclosure of Corporate Governance Practices - the Company is required to disclose its corporate governance practices, which are as follows:

1. Board of Directors

The Board of Directors of the Company facilitates its exercising of supervision over the Company’s management through occasional meetings of the Board, usually with members of the Company’s management being in attendance.

Only Burton Wiley is an “independent” director in that he is independent and free from any interest, and any business or other relationship, which could reasonably be perceived to materially interfere with his ability to act in the best interests of the Company, other than interests and relationships arising from their shareholdings. Burton Wiley is the brother of the Company’s deceased former Director and Officer, Rudolph John Wiley.

None of the Directors of the Company are presently directors of any other publicly trading reporting companies.

2. Orientation and Continuing Education

The Company has no programs for the orientation or education of new directors.

3. Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

4. Nomination of Directors

The Company does not have a process for recruiting new members of the Board.

5. Board Committees

Other than the Audit Committee, the Company does not have any Board committees.

6. Assessments

The Board will annually review its own performance and effectiveness as well as review annually the Audit Committee Charter and recommend revisions to the Board as necessary. Neither the Company nor the Board has adopted formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions.

The Company feels its corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company’s method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators (“NI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following.

The Company’s Audit Committee is governed by an Audit Committee Charter, the text of which is attached as Schedule A to this Information Circular.

The Company’s Audit Committee is comprised of three directors, Burton Wiley, Carl Jonsson and Michael O’Reilly. They are all, as defined in NI 52-110, “financially literate”. As the Company’s Secretary and Solicitor Mr. Jonsson is not considered “independent”.

Since the commencement of the Company’s most recently completed financial year, the Company’s Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

The Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The engagement of non-audit services is considered by the Company’s Board of Directors on a case-by-case basis.

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories. The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
January 31, 2021	\$28,000		\$9,200	
January 31, 2020	\$28,000		\$2,725	

COMET INDUSTRIES LTD.

Charter of the Audit Committee of the Board of Directors

I. Purpose

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Comet Industries Ltd. (“Comet”) is to provide an open avenue of communication between Comet’s management (“Management”), the independent auditors (“Auditors”) and the Board and to assist the Board in its oversight of the:

- integrity, adequacy and timeliness of Comet’s financial reporting and disclosure practices;
- processes for identifying the principal financial risks of Comet and the control systems in place to monitor them;
- compliance with legal and regulatory requirements related to financial reporting; and
- independence and performance of Comet’s Auditors.

The Committee shall also perform any other activities consistent with this Charter, Comet’s Articles and governing laws, as the Committee or Board deems necessary or appropriate.

The Committee’s role is one of oversight. It is not the responsibility of the Committee to determine that Comet’s financial statements are complete and accurate and in accordance with generally accepted accounting principles or to plan or conduct audits. The financial statements are the responsibility of Management. The Auditors are responsible for performing an audit and expressing an opinion on the fair presentation of Comet’s financial statements in accordance with generally accepted accounting principles.

II. Authority

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may require the Auditors as well as any officer of Comet, or Comet’s outside counsel, to attend a meeting of the Committee or to meet with any Members, or consultants to the Committee. The Committee shall have unrestricted access to Comet’s books and records

and has the authority to retain, at Comet's expense, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties. Subject to Board approval, the Committee has the authority to set and pay the compensation of the advisors employed by the Committee. The Chairperson of the Committee ("Chairperson"), or other Member so designated by the Committee may represent the Committee to the extent permitted by applicable legal and listing requirements.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

III. Composition and Meetings

1. The Committee and its members ("Members") shall meet all applicable legal, regulatory and listing requirements;
2. Members and the Chairperson shall be appointed by the Board and may be removed by the Board in its discretion. The Committee will be appointed annually at the first Board meeting following the annual general meeting; and in the absence of such appointment, and pending such appointment, the Committee shall continue to be comprised of its existing members;
3. The Committee shall be comprised of three or more directors, one of whom shall serve as the Chairperson;
4. If required by any applicable laws or regulations, or pursuant to the rules of any stock exchange upon which the shares of Comet are listed or proposed to be listed for trading (hereinafter generally called the "Stock Exchange"), each member shall be an independent, non-executive director, free from any relationship that, in the opinion of the Board, could reasonably be expected to interfere with the exercise of his or her independence from Management or the Auditors;
5. All Members shall be, or promptly after appointment, shall become financially literate as determined by the Board. Preferably at least one Member shall have accounting or related financial management expertise as determined by the Board; provided that the Members shall also be required to have such financial literacy as may be required by the Stock Exchange;
6. The Committee shall meet, at the discretion of the Chairperson or a majority of the Members, as circumstances dictate or as may be required by applicable legal or listing requirements, and a majority of the Members shall constitute a quorum;
7. If and whenever a vacancy shall exist, the remaining Members may exercise all of its powers and responsibilities so long as a quorum remains in office;
8. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the Members, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose; in the case of a tie the Chairperson shall have a second or tie-breaking vote;
9. The Committee shall maintain minutes of meetings and periodically report to the Board on significant results of the Committee's activities;
10. The Committee may invite such other persons to its meetings as it deems appropriate; and
11. The Auditors will have direct access to the Committee on their own initiative.

IV. Responsibilities

- A. *With Respect to the Interim and Annual Financial Statements, the MD&A, and the AIF*

1. The Committee shall review Comet's interim unaudited financial statements and its annual audited financial statements and report thereon to the Board prior to their being filed with the appropriate regulatory authorities or distributed to Comet's shareholders. With respect to the financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of Management with Management and the Auditors as and when the Committee deems it appropriate to do so;
2. The Committee shall review Management's Discussion and Analysis relating to annual and interim financial statements and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws prior to them being filed with the appropriate regulatory authorities or published;
3. The Committee shall review Management's earnings releases relating to annual and interim financial statements prior to their being filed with the appropriate regulatory authorities;
4. The Committee shall review the post-audit or management letter containing the recommendations of the Auditors and Management's response and subsequent follow-up to any identified weaknesses;
5. The Committee shall review the evaluation of internal controls by the Auditors, together with Management's response; and
6. The Committee shall meet no less frequently than annually separately with the Auditors and Comet's Chief Financial Officer to review Comet's accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deems appropriate.

B. *With Respect to the Auditors*

1. The Auditors are ultimately accountable to the shareholders of Comet. The Board has the authority to nominate the Auditors to be proposed for shareholder approval in any proxy statement. The Board will set the compensation for the Auditors;
2. The Committee shall review the performance of the Auditors;
3. The Committee shall annually recommend to the Board the appointment or reappointment of the Auditors, or, as appropriate, the discharge or replacement of the Auditors when circumstances warrant.
4. The Committee shall be responsible for ensuring that the Auditors submit to the Committee (on a periodic basis) a formal written statement delineating all relationships between the Auditors and Comet. The Committee is responsible for discussing with the Auditors any disclosed relationships or services that may impact the objectivity and independence of the Auditors and for recommending that the Board take appropriate action in response to the Auditor's report to satisfy itself of the Auditor's independence;
5. Comet considers the core services provided by the Auditors to include the annual audit, tax planning and tax compliance. The Committee shall review any proposed engagements for non-audit services beyond the core services proposed to be provided by the Auditors or any of their affiliates and consider the impact on the independence of the Auditors; and
6. The Committee shall review the Auditor's audit plan, including scope, procedures and timing of the audit.

C. *Other Committee Responsibilities*

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate, including:

1. Establishing and reviewing Comet's procedures for the receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters;
2. Establishing and reviewing Comet's procedures for confidential, anonymous submissions by employees regarding questionable accounting, auditing and financial reporting and disclosure matters;

3. Conducting or authorizing investigations into any matters that the Committee believes is within the scope of its responsibilities;
4. Making enquires of management and the Auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk.