



COMET RIDGE LIMITED

A B N 47 106 092 577

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Wednesday 11 November 2009

Time of Meeting

10.30am

Place of Meeting

Stamford Plaza Brisbane
Ballroom 1
Corner Edward & Margaret Streets
Brisbane Qld 4000

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

COMET RIDGE LIMITED

A.B.N 47 106 092 577

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Comet Ridge Limited A B N 47 106 092 577 ("the Company") will be held in Ballroom 1 in the Stamford Plaza Brisbane, Corner Edward and Margaret Streets, Brisbane, on Wednesday 11 November 2009 at 10.30am Brisbane Time for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

ITEMS OF BUSINESS

Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2009 together with the Directors Report and the Auditor's Report as set out in the Annual Report.

1. Resolution 1 – Non Binding Resolution to Adopt Remuneration Report

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

"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2009 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

2. Resolution 2 – Re-election of Mr Jeffrey Schneider as a Director

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

"That, Mr Jeffrey Schneider, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

3. Resolution 3 - Re-election of Mr James McKay as a Director

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

"That, Mr James McKay, who retires in accordance with clause 13.5 of the Constitution and, being eligible for re-election, be re-elected as a Director."

4. Resolution 4 - Re-election of Mr Christopher Pieters as a Director

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

"That, Mr Christopher Pieters, who retires in accordance with clause 13.5 of the Constitution and, being eligible for re-election, be re-elected as a Director."

5. Resolution 5 – Re-election of Mr Anthony Gilby as a Director

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

"That, Mr Anthony Gilby, who retires in accordance with clause 13.5 of the Constitution and, being eligible for re-election, be re-elected as a Director."

6. Resolution 6 - Ratification of Prior Share Issue

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

"That in accordance with ASX Listing Rule 7.4, Shareholders ratify the issue of a total of 22,000,000 fully paid ordinary shares in the Company at the issue price and to the persons detailed in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting."

For the purposes of Resolution 6:

The Shares issued are fully paid Ordinary Shares which rank pari passu with existing Shares.

The Company will disregard any votes cast on this Resolution 6 by any person who participated in the placement or any associate of that person. However, the Company need not disregard a vote if:-

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) It is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction of the Proxy Form to vote as the proxy decides.

RESOLUTION 7 – DIRECTORS’ FEES

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

“That the total pool of fees payable to Directors be increased from \$200,000.00 to \$500,000.00.”

The Company in accordance with Listing Rule 10.17 will disregard any votes cast on Resolution 7 by a Director of the Company, and an associate of the Director. However, the Company need not disregard a vote if:-

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; *or*
- (b) It is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction of the Proxy Form to vote as the proxy decides.

By order of the Board



Jeffrey Schneider
Chairman

Dated: 6 October 2009

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

For the purposes of Resolution 1 – 6, the following definitions apply:-

“Annual Report” means the annual report of the Company for the year ended 30 June 2009;

“ASX” means the ASX Limited A B N 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

“Company” means Comet Ridge Limited A B N 47 106 092 577;

“Constitution” means the Company’s constitution, as amended from time to time;

“Corporations Act” means *Corporations Act 2001* (Cth);

“Explanatory Memorandum” means the explanatory memorandum accompanying this Notice;

“Directors” means the Directors of the Company;

“Listing Rules” means the Listing Rules of the ASX;

“Notice” means this Notice of Annual General Meeting;
and

“Resolution” means a resolution contained in this Notice.

How to vote

Shareholders can vote by either:-

- attending the meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; *or*
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting or by submitting their proxy appointment and voting instructions by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendances recorded. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the meeting.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company's Share Registry.

Voting by Proxy

- A Shareholder entitled to attend and vote is permitted to appoint not more than two (2) proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.

- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice.
- To be effective proxies must be lodged by 10.30am (Brisbane time) on Monday 9 November 2009. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:-

1. by returning a completed proxy form in person or by post using the pre-addressed envelope provided with this Notice to:

Comet Ridge Limited

C/- Computershare Investor Services
Pty Limited

GPO Box 242

MELBOURNE VIC 3001

AUSTRALIA

or

2. by faxing a completed proxy form to:

1800 783 447 (within Australia)

+61 3 9473 2555 (outside Australia)

The proxy form must be signed by the shareholder or the shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the Power itself, must be received by the Company at the above address, or by facsimile and by 10.30am (Brisbane time) on Monday 9 November 2009. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00pm (Sydney time) on Monday 9 November 2009.

COMET RIDGE LIMITED

A B N 47 106 092 577

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Comet Ridge Limited (“**Comet Ridge**” or the “**Company**”).

FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2009 together with the Directors’ declaration and report in relation to that financial year and the auditor’s report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; *and*
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act the Company is required to present to its shareholders the Remuneration Report as disclosed in the Company’s 2009 Annual Report. The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is contained in the Annual Report and is also available on the Company’s website: www.cometridge.com.au

RESOLUTION 2 – RE-ELECTION OF MR JEFFREY SCHNEIDER

Mr Jeffrey Schneider was re-elected as a Director of Comet Ridge Limited on 29 November 2006 at the Company’s Annual General Meeting.

As announced Mr Schneider intends to step down as the Company’s Chairman after the Annual General Meeting, subject to the re-election of Mr James McKay as a Director.

Pursuant to Clause 13.2 of the Company’s Constitution, Mr Schneider, being a Director retires by way of rotation and being eligible offers himself for re-election as a Director.

The Directors (with Mr Jeffrey Schneider abstaining) recommend that you vote in favour of the resolution.

RESOLUTION 3 – RE-ELECTION OF MR JAMES MCKAY

Mr James McKay was appointed to the Board on 16 April 2009, subsequent to the merger with Chartwell Energy Limited. In accordance with Clause 13.5 of the Constitution, Mr McKay must stand for election at the first General Meeting following his appointment.

Mr James McKay has a strong commercial background, with finance, business management and legal expertise. He holds both Bachelor of Commerce and Bachelor of Law degrees from the University of Queensland and has been involved in the establishment and development of a number of businesses.

Mr McKay was previously Chairman of Sunshine Gas Limited Company, before its takeover by Queensland Gas Company Limited in 2008.

Mr McKay is a shareholder and a Director of a privately owned funeral services group with interests in two (2) cemeteries and a crematorium. He is a past President of the Australian Cemeteries and Crematorium Association, having served on its Board for over 7 years.

Mr McKay was also a founding Director of Chartwell Energy Limited which merged with the Company early in 2009.

Mr McKay brings to the Board of Comet Ridge over 20 years of management and commercial experience and valued insights in the commercial and operational aspects of upstream petroleum operations.

Subject to Mr McKay's re-election as a Director he will assume the role as the Chairman of the Company having been elected by the Board to that position to take effect following the Annual General Meeting.

The Directors (with Mr James McKay abstaining) recommend that you vote in favour of the resolution.

RESOLUTION 4 – RE-ELECTION OF MR CHRISTOPHER PIETERS

Mr Christopher Pieters was appointed to the Board on 16 April 2009, subsequent to the merger with Chartwell Energy Limited. In accordance with Clause 13.5 of the Constitution, Mr Pieters must stand for election at the first General Meeting following his appointment.

Mr Christopher Pieters is the Managing Director and Co-founder of Walcot Capital, a private venture capital business specialising in energy investment. Prior to that he was Chief Commercial Officer of Sunshine Gas Limited, where he was a key member of the team that built the Company before its takeover by Queensland Gas Company Limited in 2008.

Mr Pieters also held other technical and business development roles whilst at Sunshine Gas Limited.

Mr Pieters holds both Bachelor of Science (Geology) and Bachelor of Business degrees from the University of Queensland, and an honours degree in Petroleum Geology and Geophysics from the Australian School of Petroleum in Adelaide.

Mr Pieters is a member of the Petroleum Exploration Society of Australia.

The Directors (with Mr Christopher Pieters abstaining) recommend that you vote in favour of the resolution.

RESOLUTION 5 – RE-ELECTION OF MR ANTHONY GILBY

Mr Anthony Gilby was appointed to the Board on 6 October 2009, as was announced during the merger with Chartwell Energy Limited. In accordance with Clause 13.5 of the constitution, Mr Gilby must stand for re-election at the First General Meeting following his appointment.

Anthony Gilby was awarded a Bachelor of Science (first class honours) degree in Geology from the University of Adelaide in 1984, and he also won the University medal in Geology. He began his career as a Geologist for Delhi Petroleum in the Cooper Basin. He subsequently held positions with Delhi Petroleum and

with Esso (after the Dehli acquisition). His roles included exploration geology, geophysics, petro physics and working in the Exxon Production Research Centre in Houston.

On his return to Australia, he continued to work with Esso prior to relocating to Brisbane where he worked for MIM Petroleum and the Louisiana Land and Exploration Company (LL&E). In 1996, he left LL&E to take on a variety of consulting roles as well as the acquisition of prospective Queensland acreage in a private capacity. This work culminated with the founding of Sunshine Gas Limited where he remained Managing Director until its sale for approximately \$1 billion dollars in late 2008.

He was a Founding Director of Chartwell Energy Limited until its recent merger with Comet Ridge Limited and is a Founding Director of Walcot Capital Pty Ltd.

Mr Gilby is a member of the Petroleum Exploration Society of Australia and the American Association of Petroleum Geologists.

The Directors (with Mr Anthony Gilby abstaining) recommend that you vote in favour of the resolution.

RESOLUTION 6 – RATIFICATION OF PRIOR SHARE ISSUE

In a placement that was completed on the 18 May 2009 the Company raised a total of \$7,480,000.00 through the issue of 22,000,000 ordinary shares. Listing Rule 7.4 provides that an issue of shares made without specific approval under Listing Rule 7.1 is treated as having been made with the approval for the purposes of Listing Rule 7.1 if the original issue did not breach Listing Rule 7.1 and is subsequently approved by ordinary Shareholders.

In accordance with Listing Rule 7.4 the Directors advise:

- (a) Resolution 6 has been included so that shareholders may approve and ratify pursuant to Listing Rule 7.4 the issue of a total of 22,000,000 shares to those parties detailed below;
- (b) The shares were issued to clients of Wilson HTM who were Sophisticated and Professional Investors;
- (c) The proceeds raised through the issue of the shares will be used primarily to fund the exploration and appraisal of the Company's key coal seam gas (CSG) projects being the Galilee Basin and Mahalo Projects in Queensland and the Greymouth Project in New Zealand;

- (d) The shares issued rank pari passu with, and on the same terms, as the existing shares on issue; and
- (e) The shares were issued at \$0.34.

Accordingly, as the issue of Shares did not breach Listing Rule 7.1, the Company wishes to refresh its capacity to issue without specific approval by seeking approval under Listing Rule 7.4 for the issue of those shares. The effect of obtaining Shareholder approval will be that the shares issued will be treated as having been made in accordance with Listing Rule 7.1 and, as a result, the Company's ability to issue the number of shares permitted under Listing Rule 7.1, without Shareholder approval will not be effected.

The Directors consider it prudent that the Company retain that ability and recommend that Shareholders vote in favour of the proposed resolution.

RESOLUTION 7 – DIRECTORS' FEES

Shareholder approval is being sought to increase the total pool of funds available from which to pay Director's fees. The quantum is currently set at \$200,000.00 per annum, having been established in 2006. However, given the recent Board expansion and projected growth of the Company, it is considered that this level needs to be increased. This is necessary to attract and retain Directors of a calibre required to

effectively guide and monitor the business of the Company.

The quantum of Director's fees has been considered and \$500,000.00 has been decided as an appropriate maximum level in this regard. The Directors believe that it is necessary to increase the fee limit to this amount to enable the Board to attract and retain further Non-executive Directors, if required by the Company thus increasing the number of Non-executive Directors in accordance with corporate governance recommendations of the ASX. And to compensate those Directors for the additional responsibilities, as a result of the increased focus on corporate governance (and the increased time commitment expected from Directors).

The increased amount does not represent what might be paid to an individual Director, rather the increased fee pool will be apportioned between the Non-executive Directors by reference to market rates and in line with general industry best practice for Non-executive Director remuneration.

There is no current proposal to increase the level of non-executive remuneration.

The Directors do not consider it appropriate to make a recommendation as they have an interest in this resolution. The Chairman intends to vote undirected proxies in favour of this resolution.

000001 000 COI
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 552 270
(outside Australia) +61 3 9415 4000

Proxy Form

For your vote to be effective it must be received by 10.30am (Brisbane time) Monday 9 November 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- ☒ Review your securityholding
- ☒ Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Comet Ridge Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Comet Ridge Limited to be held in Ballroom 1, Stamford Plaza Brisbane, Corner Edward and Margaret Streets, Brisbane Queensland on Wednesday 11 November 2009 at 10.30am (Brisbane time) and at any adjournment of that meeting.

Important for Item 7: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 7 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 7 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of item 7 of business.

☐ I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adopt Remuneration Report	☐	☐	☐
2 Re-election of Mr Jeffrey Schneider as a Director	☐	☐	☐
3 Re-election of Mr James McKay as a Director	☐	☐	☐
4 Re-election of Mr Christopher Pieters as a Director	☐	☐	☐
5 Re-election of Mr Anthony Gilby as a Director	☐	☐	☐
6 Ratification of Prior Share Issue	☐	☐	☐
7 Directors' Fees	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____