



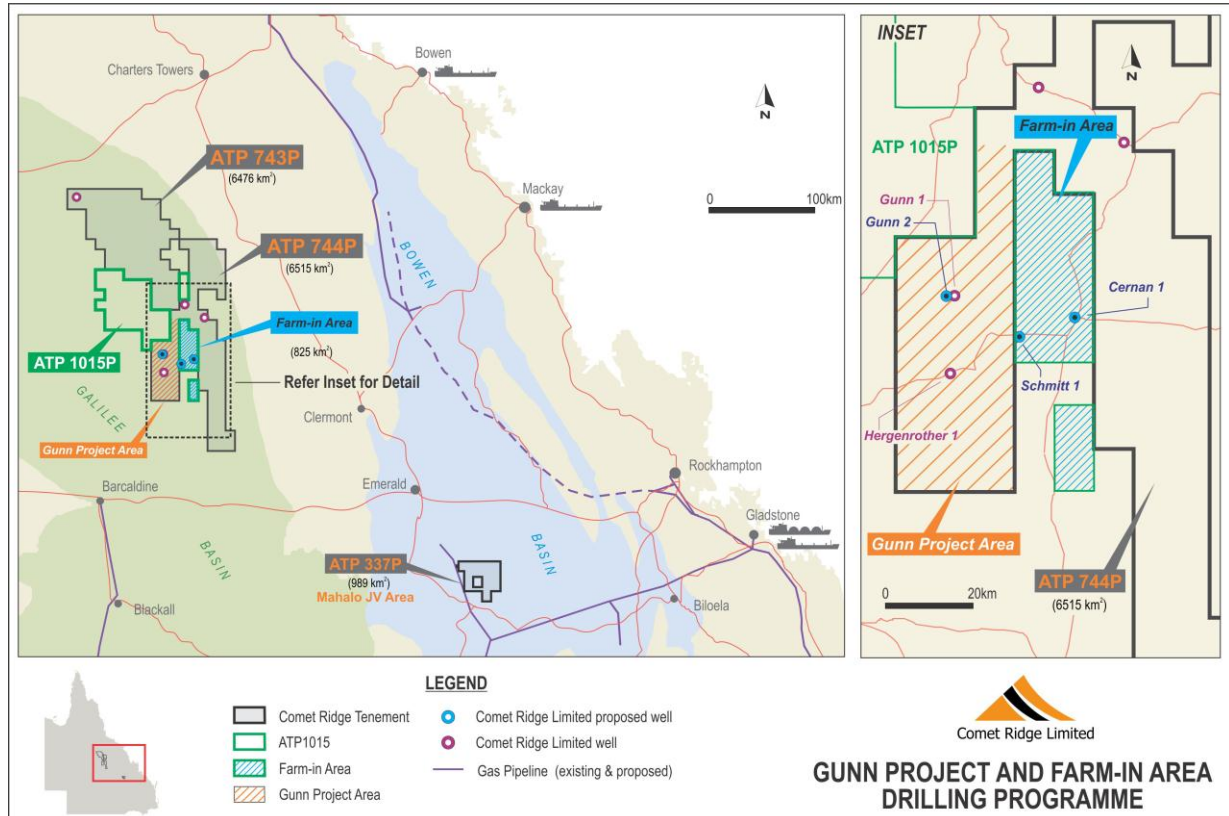
26 November 2012

Cernan 1 Further Extends Gunn Project Area

- **Third and final well successfully drilled in 2012 Galilee Basin Programme**
- **Results show significant coal and easterly extension of Gunn Project Area**
- **Cernan 1 cased and suspended as potential future producer**
- **First phase of Farm-in into ATP 1015P completed, earning 20% equity for Comet Ridge**

Coal seam gas explorer Comet Ridge Limited (ASX:COI) is pleased to announce that the Cernan 1 well has been cased and suspended as a potential future production well, with the rig released on Saturday 24 November 2012. This well was drilled in the ATP 1015P Farm-in Area in central Queensland and completes the Company's Galilee Basin drilling programme for 2012.

Comet Ridge Managing Director, Tor McCaul said he was pleased that coring of the entire Betts Creek Beds section at the Cernan 1 location, had not only showed that the target coals from the Gunn Project Area were present, but had further extended the known limit of the gassy coal sequence. He said that a net coal thickness of 20.6 metres had been intersected in this well and that the preliminary raw gas measurements on site, along with productivity testing, indicated that the Company had yet to define the easterly edge of the Gunn Project Area.



Comet Ridge Limited T: +61 7 3221 3661 E: info@cometridge.com.au 283 Elizabeth St, Brisbane, Qld, 4000 Australia
 ABN 47 106 092 577 F: +61 7 3221 3668 W: www.cometridge.com.au GPO Box 798, Brisbane, Qld, 4001 Australia

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Cernan 1 reached a total depth of 875 metres and is located 13 km east of the recently drilled Schmitt 1 well and 27 km east of Gunn 2.

Queensland Energy Resources Limited (QER) initially held 100 per cent equity in ATP 1015P. Under a farm-in agreement executed between QER and Comet Ridge in July this year, Comet Ridge can earn up to 75 per cent equity in the ATP 1015P Farm-in Area through a three-stage farm-in process. The Schmitt 1 and Cernan 1 wells meet the requirements of Phase 1 of the Farm-in, which will now earn Comet Ridge 20 per cent equity in the Farm-in Area. Comet Ridge is also the Operator of the Farm-in Area which covers an area of 825 km² and is part of ATP 1015P (see map above).



Stephen Rodgers
Company Secretary

Tor McCaul
Managing Director
Comet Ridge Limited
tor.mccaul@cometridge.com.au
+61 7 3221 3661

Media:
Dianne Monopoli
Principal Consultant
Three Plus
dianne@threeplus.com.au
+61 7 3503 5700

COMET RIDGE LIMITED - OVERVIEW

Comet Ridge Limited has significant Coal Seam Gas (CSG) projects in key regions of Queensland, northern New South Wales and New Zealand, as well as oil and gas interests in the United States. Gas resources have been certified, by independent professional certifiers, at four projects. The company is listed on the Australian Securities Exchange (ASX Code: COI) and is based in Brisbane. The Board and Management are experienced in establishing and developing energy projects.

Corporate Strategy

Comet Ridge has gained early entry into well-located exploration areas, allowing shareholders to gain substantial leverage into the upside value potential associated with exploration success.

Comet Ridge conducts CSG exploration and appraisal, with the aim of maturing exploration acreage from Gas Resources into Proven and Probable Gas Reserves. This process initially involves drilling wells in order to certify Prospective and Contingent Resources and then through further appraisal via Pilot Projects, with the intention of progressing into certified Reserves.

Where possible, Comet Ridge takes high equity positions in its large exploration permits, including a 100% interest in both its Galilee Basin and New Zealand assets. Comet Ridge has 35% equity in the ATP 337P Mahalo block in the Bowen Basin, and announced on 21 June 2012 that it has signed an agreement to increase its equity to 22.5%, 50% and 60% respectively in PEL 6, PEL 427 and PEL 428 in the Gunnedah Basin in New South Wales. This transaction is subject to government and joint venture consent to transfer.

Work Programme

Comet Ridge has an active exploration and appraisal work program for CSG projects in Queensland, northern New South Wales and New Zealand. Drilling for the first Pilot Project for ATP 337P Mahalo was undertaken in July 2012, with additional exploration and appraisal work planned for the Galilee Basin and Mahalo in 2012 and 2013.

