



Comet Ridge Limited

12 November 2019

Mahalo North – New Block Update

- **“ATP 2048” allocated for new Mahalo North block**
- **Environmental Authority work underway to grant tenure, expected in 3 – 4 months**
- **Continuation of CSG Fairway from Mahalo Gas Project, same coal reservoir**
- **Multiple gas export routes identified**

Comet Ridge Limited (ASX:COI) is pleased to provide an update on the new block tender, PLR2019-1-2 (Mahalo North), where Comet Ridge was recently appointed by the Queensland government as the preferred tenderer. The Mahalo North block has now been allocated the Authority to Prospect (ATP) number 2048. Work has commenced to obtain the Environmental Authority (EA) and the ATP is expected to be formally granted within 3 to 4 months.

Comet Ridge has a deep understanding of the Mahalo area. In 2017 and 2018, Comet Ridge was the agent for the exploration operator and was responsible for the successful Mira pilot lateral well drilling, which confirmed Mahalo as a development asset. There have been approximately 25 CSG wells drilled in the Mahalo Gas Project (ATP 1191), with most of this activity concentrated in the north where depths are similar to the Mahalo North area (ATP 2048). Figure 1 shows the regional location of Comet Ridge’s two Mahalo blocks, west of Gladstone.

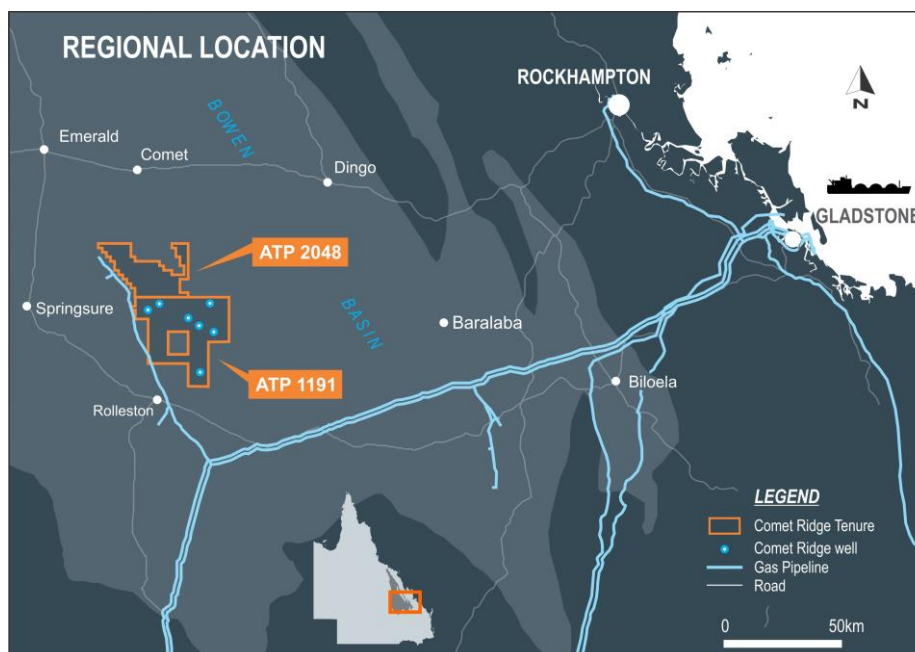


Figure 1 – Regional location of ATP 2048, Mahalo North and ATP 1191, Mahalo Gas Project

The initial development fairway identified in the Mahalo Gas Project area can be traced up into the new Mahalo North block through the same coal reservoir; see Figure 2. While there have been limited CSG wells drilled in Mahalo North to date, the extensive dataset of coal exploration boreholes and 2D seismic, provide a very high confidence that the gas accumulation in the very prospective shallow coals, extends into the new area. Development of the Mahalo Gas Project is initially targeted around the productive shallow coals in the north, which are currently mapped to extend well into the new Mahalo North block and were confirmed by the Luton 2 well (drilled by a previous Operator) and also the high number of coal exploration boreholes.

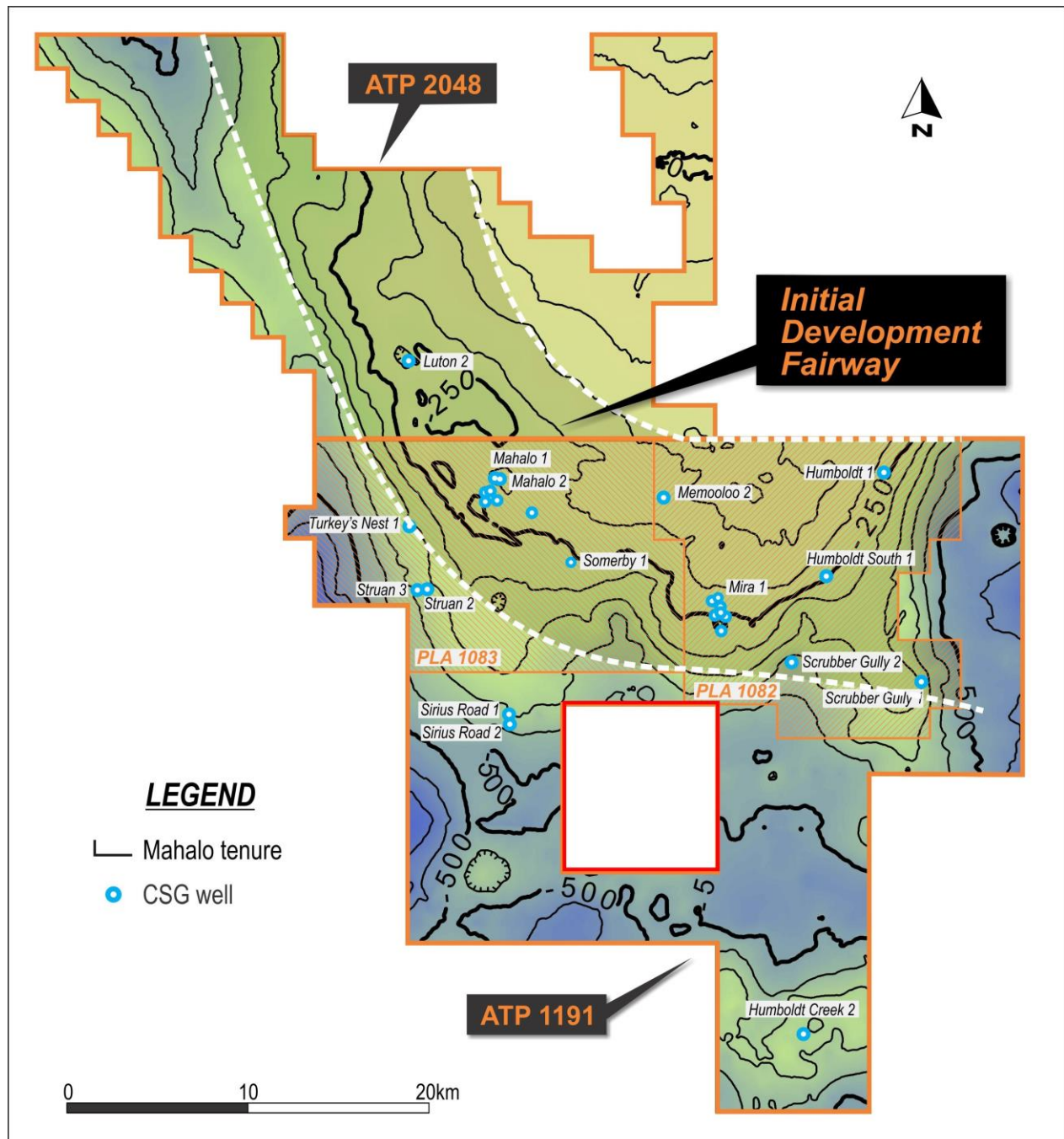


Figure 2 – Comet Ridge initial assessment of the initial development fairway running up from the Mahalo Gas Project into ATP 2048, Mahalo North.

Comet Ridge has divided the CSG fairway at Mahalo North into two zones. The zone around and south of Luton 2, and contiguous with the Mahalo Gas Project, will be targeted for immediate evaluation and is expected to be brought into production in the same timeframe, or possibly before, the Mahalo Gas Project.

Work on the ground and drilling of CSG wells is expected to commence in 2Q 2020, once the EA has been approved and ATP has been formally awarded. The northern zone requires additional delineation by appraisal drilling and seismic data acquisition and will be evaluated while the southern zone is brought into production.

There are currently multiple export options that are being considered to bring the Mahalo North gas to market, quickly and efficiently. One of the possible export routes is via the Mahalo Gas Project where Comet Ridge is the biggest equity holder. The current plant for the Mahalo Gas Project is an 80 TJ/d modular design which Comet Ridge expects to come on-line at 60 TJ/d, leaving capacity to bring Mahalo North gas in for processing. Being modular in design means the plant could be further expanded at a later stage to allow for further success in the Mahalo Gas Project and/or Mahalo North.

Comet Ridge will continue to update the market as it progresses the Mahalo North CSG project.

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COMET RIDGE LIMITED – OVERVIEW

Comet Ridge Limited has been awarded preferred tenderer status for ATP 2048, Mahalo North. Once granted Comet Ridge will hold a 100% interest in the permit. As well Comet Ridge holds a 40% interest in the Mahalo Coal Seam Gas (CSG) project located in ATP 1191, both in Queensland's Bowen Basin. The Company also holds a 70% interest in the Albany conventional gas project and 100% in the Gunn CSG project in the Galilee Basin (ATP 743, ATP 744 and ATP 1015). The Company also has CSG equity of 29.55%, 59.09% and 68.42% respectively in PEL 6, PEL 427 and PEL 428 in the Gunnedah Basin in New South Wales. Gas resources have been certified by independent professional certifiers at several projects, and gas reserves were certified in 2014 and expanded in 2015 and 2018 for the Mahalo project. 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. Comet Ridge's early entry into well-located exploration areas, has allowed shareholders to gain substantial leverage into the considerable upside value potential associated with exploration success.

