

17 September 2024

Mahalo Gas Hub Operations Update

Comet Ridge Limited (ASX:COI) is pleased to provide the following update on its operations in the Mahalo Gas Hub area, which the Company plans to transition into meaningful gas supply for the east coast gas market.

1. Mahalo JV Project PL 1082 & 1083 (Comet Ridge 57.14%; Santos QNT Pty Ltd 42.86% and Operator)

Upstream FEED

Comet Ridge is working closely with the Operator, Santos, to commence upstream project FEED (Front End Engineering Design) as a precursor for a final investment decision for the Mahalo JV Project. Milestones achieved in recent months include:

- Completion of the select phase of all upstream components of the project, including gas production (phase 1 drilling plan and gathering infrastructure for gas, water and power);
- The selection of key gas plant, compression and water handling facilities; and
- Identification of gas field power requirements.

This work has involved considering a number of plant throughput options to optimise capital expenditure and maximise project economics. The final step in the select phase is currently being completed and requires the Operator to undertake an independent assurance process on select phase project deliverables, which will be followed by the JV participants considering a decision to proceed with FEED activities. The Operator is developing contracting strategies and FEED scopes of work for critical infrastructure in parallel to the assurance process, to enable tendering to occur as soon as FEED commences.

Whilst Comet Ridge has been concerned about the time taken for the Operator to work through these steps, we have worked constructively within the Joint Venture to expedite the process as much as possible.

Pipeline FEED

In addition to the above upstream activities, the Mahalo JV participants have recently received a draft offer from Jemena to perform a FEED scope of work for the Mahalo Gas Hub Pipeline (MGHP) to connect the Mahalo JV Project infrastructure to nearby domestic and export pipelines. The MGHP FEED will enable the construction and provision of gas transportation services via a DN250 (10 inch diameter) Class 900 pipeline capable of transporting up to 80 TJ/d of gas from the proposed Mahalo JV compression facilities to end user markets. The Jemena FEED offer will be evaluated over the next few weeks by the Mahalo JV participants, alongside the upstream FEED approval process.

A compelling east coast gas play

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Importantly, demand for Queensland gas from both export and domestic markets remains very strong, positioning the Mahalo JV Project as an important new source of supply to the market.

Figure 1 below shows the Mahalo JV Project petroleum leases (in green shading) and proposed pipeline (MGHP) route which are the subject of upcoming approvals to commence FEED activities.

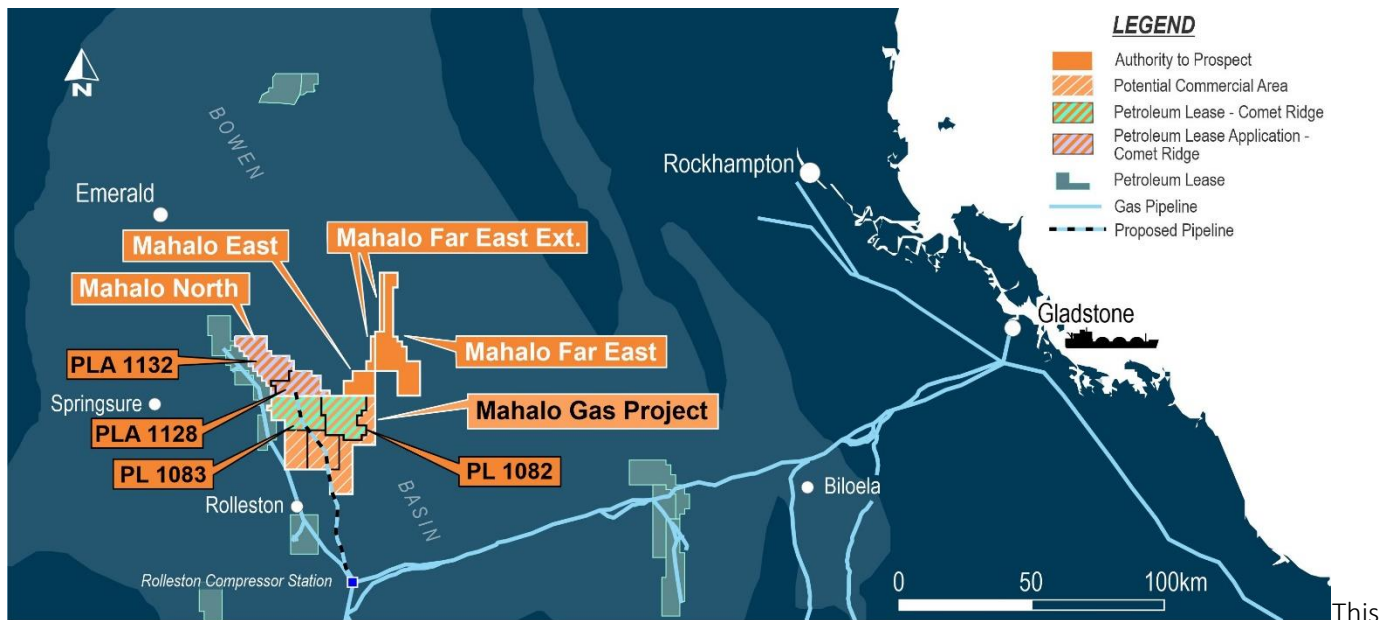


Figure 1 – Mahalo Gas Hub map with green area highlighting the Mahalo JV upstream project and proposed pipeline (MGHP).

2. Mahalo East ATP 2061 (Comet Ridge 100% holder and Operator)

In May 2024 Comet Ridge was awarded a \$5 million grant from the Queensland Government to undertake a pilot production test in Mahalo East (ATP 2061).

The scope of the pilot includes drilling a vertical production well and then an intersecting lateral (horizontal) well. The new pilot will be installed similarly to Comet Ridge's successful Mahalo North pilot, with a trial of enhanced steering technology to improve lateral well length and design. This technology can then be applied more widely across the Mahalo Gas Hub and the Bowen Basin.

In the past three months, Comet Ridge has finalised the planning steps necessary to undertake drilling operations, including executing a Compensation and Conduct Agreement with the landowner, ordering all long lead equipment items and cultural heritage and environmental clearances. The Company is now finalising earthworks activities for rig pads and other infrastructure needs. Drilling and ancillary contractors have been selected and contracts executed. Comet Ridge plans to commence drilling in October, subject to weather and the rig concluding its current work for another Operator.

3. Mahalo North PLA 1128 & 1132 (Comet Ridge 100% holder and Operator)

Comet Ridge, as 100% holder and Operator of the Mahalo North Project, has progressed FEED activities to develop a new gas field to supply 10 TJ/d of gas to CleanCo Queensland Limited. CleanCo is a low-emission energy generator, retailer and developer, offering renewable energy from the sun and wind, firmed with low emission generation to deliver competitive clean energy products.



FEED Activities

Comet Ridge has undertaken numerous FEED activities, along with its principal contractors, for the planned gas field development including:

- Subsurface development plan;
- Production well design;
- Gathering system layout and design;
- Water handling and treatment facilities; and
- Gas compression facilities.

These studies are at least 80% complete. Finalisation will follow after environmental approvals and the award of the Petroleum Lease. The initial gas development area will be within PLA 1128, shown in *Figure 2* below. This will be followed by an expanded gas development with the inclusion of PLA 1132 further to the northwest.

Environmental approvals

The Mahalo North development (PLA 1128) is subject to both Queensland and Federal Environmental approvals:

- State approval requires an Environmental Authority (EA) to be awarded by the Queensland Department of Environment, Science and Innovation (DESI); and
- Federal approval is required under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC).

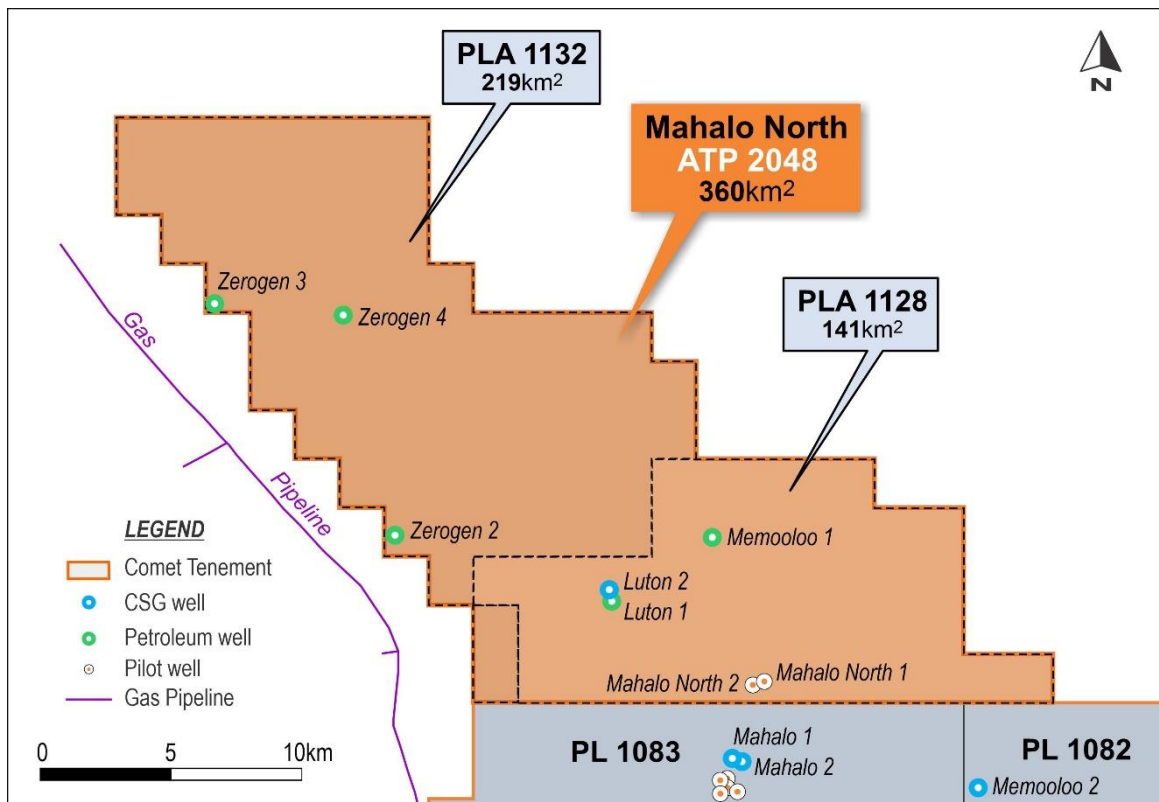


Figure 2 – Comet Ridge has been awarded an EA for the planned development activities within PLA 1128.



The Queensland Government Environmental Authority (EA) was awarded to Comet Ridge in August 2024 by DESI. This was an important step on the pathway towards the grant of Petroleum Lease 1128 by the Queensland Department of Resources. The scope of this EA approval includes new production wells, compression and water treatment facilities, gas gathering systems and access tracks.

In relation to the Federal *Environment Protection and Biodiversity Conservation Act 1999* (EPBC), a referral was submitted by Comet Ridge in October 2023 to the Federal Department of Climate Change, Energy, the Environment and Water (DCCEEW) for the abovementioned initial development activities within PLA 1128. A non-controlled action application by Comet Ridge was expected to be concluded in FY2024, however a decision was made by DCCEEW that the referral would proceed as a controlled action. Comet Ridge is preparing its response in relation to a very detailed information request received from DCCEEW. The response scope includes further ecological field work (now completed) and drilling new groundwater monitoring bores (completed in August). Monthly water monitoring information will be provided as part of the EPBC approval process. Specialist hydrogeological field work was recently completed in evaluating Groundwater Dependent Ecosystems with a report on this work to be submitted by Comet Ridge in October which supports our original submission.

By Authority of Board per: Tor McCaul, Managing Director

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About Comet Ridge

Comet Ridge Limited (ASX: COI) is a publicly listed Australian energy company focused on the development of natural gas resources for the strained east coast Australian market. The company has tenement interests and a suite of prospective projects in Queensland. Our flagship Mahalo Gas Hub project consists of low cost, sales spec natural gas blocks, close to Gladstone, containing low CO₂ Gas Reserves. Our exploration assets offer further upside amid increasing domestic and international demand for natural gas as a source for cleaner energy and as a key manufacturing feedstock that makes thousands of products, used daily.

Comet Ridge plans to transition its Mahalo Gas Hub assets into meaningful gas supply into the east coast gas market, commencing with Mahalo North and the larger Mahalo Gas Project, in joint venture with Santos QNT Pty Ltd (as the Development Operator). These projects will be further supplemented by planned development of gas resources from Comet Ridge's other 100% held permits, Mahalo East, Mahalo Far East and the newly awarded Mahalo Far East Extension. More information regarding Comet Ridge is available at www.cometridge.com.au.