Comet Ridge

ASX Announcement

12 May 2026

Federal Government Domestic Gas Reservation

Comet Ridge Limited (ASX:COI) wishes to provide an update to our shareholders around last week's Federal Government policy announcement of domestic gas reservation from LNG exporters, which is due to commence 1 July 2027. This has no direct policy impact on Comet Ridge but may influence markets in which we operate.

The stated intent of the Federal Government policy is to provide some downward pressure on natural gas prices in the domestic market, and this is to be achieved by mandating that LNG exporters provide a fixed proportion of their gas production to the domestic market. This is consistent with various forecasts over the last several years by a number of organisations, including the Australian Energy Market Operator (AEMO) and the Australian Competition and Consumer Commission (ACCC), of possible gas shortfalls if more supply is not brought to market before or around the end of this decade.

The details of the scheme have not yet been released and we expect a significant amount of consultation to occur between gas producers and the relevant Federal Government departments between now and the implementation of the policy in approximately 13 months' time. Comet Ridge is of the view that the Federal Government is wanting more supply in the market and will introduce a scheme that will incentivise new production from projects like Mahalo.

Comet Ridge holds a significant proportion of its total natural gas reserves and resources in the Mahalo Block Petroleum Leases (PLs 1082 & 1083) and the Potential Commercial Areas (PCAs 302 to 304) in the heart of the Mahalo Gas Hub. These tenures have no domestic market requirement and subsequently the most logical outcome for the Company to balance its average market gas pricing would be to allocate a significant volume of this gas into the export market via LNG. This could be achieved through simple gas sales into the owners of LNG scheme(s) or on a tolling arrangement (yet to be agreed) where Comet Ridge is exposed directly to international, US dollar, oil linked LNG prices. Given recent events in the Middle East with a loss of LNG capacity, many forecasters predict higher LNG prices well into the future.

Comet Ridge currently has a fully executed domestic Gas Sales Agreement and will, of course, fully honour our contract obligations. We expect to be able to update our shareholders further as we understand more about the new policy.

By Authority of the Board per: Tor McCaul, Managing Director

For more information:

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

Robin Polson
Chief Financial Officer
Phone +61 7 3221 3661
robin.polson@cometridge.com.au