



24 April 2018

Galilee Basin Drilling Update – Albany 1 Appraisal Well to Spud in mid-May

- Major services contracts, including drilling rig with Easternwell, all in place
- Drilling lease built
- Well expected to spud in mid-May after rig is released from current site

Comet Ridge Limited (ASX:COI) is pleased to advise that preparations for the drilling of the Albany 1 deep sandstone appraisal well in the Galilee Basin have been completed with all major services contracts in place.

Comet Ridge Managing Director Tor McCaul said the executed major service contracts included the drilling rig contract with Easternwell for their Rig 101.

“Drilling of the Albany 1 well will commence as soon as possible after this rig has been released from current drilling operations for another Operator and we expect it to arrive on site around the middle of May,” Mr McCaul said.

Albany 1 will be the second well drilled within closure on this very large sandstone structure, evaluated initially by the Carmichael 1 well. That well was drilled in 1995 and flowed gas at low rates, from three intervals in the thick (circa 140m) Galilee Sandstone sequence.

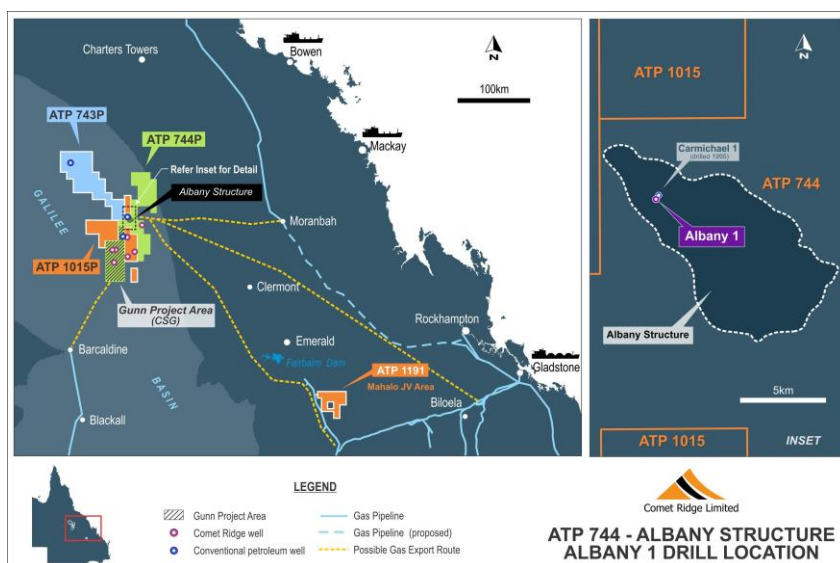


Figure 1 – Galilee Basin location and Albany structure (inset)

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Mr McCaul said that Albany 1 is an appraisal well, rather than an exploration well, because the structure had already produced gas during testing in 1995. The structure is mapped as being approximately 15km along the main axis and up to 8km across at its widest point (see Figure 1).

An independent resource certification has indicated 417PJ⁺ of recoverable gas at the 3C contingent resource level, 153 PJ⁺ at the 2C level and 56 PJ⁺ at the 1C level.

Under the work program, Vintage Energy Ltd ("Vintage") is farming into the sandstone section of the block (the "Deeps") by funding the majority of the cost of drilling the first well to earn a 15% interest in the Deeps. Vintage can also fund half of the second phase program which contains further drilling and seismic acquisition in order to acquire a further 15% interest.

Mr McCaul said it was pleasing to see many months of work by the combined Comet-Vintage team come to fruition in advancing Albany 1 to the important point where it was close to spud.

Figure 2 below shows the drilling lease area, where construction has now been completed. Only the cellar and conductor installation are required before the rig arrives, and this will be completed by 2 May.



Figure 2 – Albany 1 drilling lease following construction

The Company will provide further updates to the drilling plan as the spud date approaches.



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*Competent Person Statement and ASX Listing Rules Chapter 5 - Reporting on Oil and Gas Activities

The Contingent Resource for the Albany Structure ATP 744 are taken from an independent report by Dr Bruce McConachie of SRK Consulting (Australasia) Pty Ltd, an independent petroleum reserve and resource evaluation company originally released to the Market in the Company's announcement of 6 August 2015.

The Contingent Resources information has been issued with the prior written consent of Dr McConachie in the form and context in which they appear in this market announcement. Comet Ridge confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 6 August 2015 and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

COMET RIDGE LIMITED – OVERVIEW

Comet Ridge Limited has a 40% interest in the Mahalo Coal Seam Gas (CSG) project located in ATP 1191 in Queensland's Bowen Basin. The Company is currently acting as agent for the Exploration Operator to manage work in the block. The Company also holds a 70% effective interest (consequent on the successful Farm-in of Vintage Energy Limited) 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.



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