



30 July 2019

Galilee Basin Drilling Update – Albany 2 Well Spuds

- **Albany 2 sandstone appraisal well spudded on Tuesday 30 July 2019**
- **Well programme to take 31 days to planned total depth of 2752 metres**
- **Vintage Energy earning further 15% interest during the drilling programme (to 30%)**

Comet Ridge Limited (ASX:COI) is pleased to announce that Ensign Rig 932 spudded the Albany 2 well at 0700 hrs on Tuesday 30 July 2019, as part of the Galilee Deeps Joint Venture (GDJV) 2019 drilling programme with Vintage Energy Limited (ASX:VEN).

The planned total depth (TD) of the well is 2752 metres with drilling, coring and logging operations expected to take 31 days. The Albany 2 surface location is 7.5km southeast of the Albany 1 well, which was drilled in 2018 and produced a stabilised gas flow of 0.23 MMscfd (million standard cubic feet per day). Refer to Figure 1 below and also Comet Ridge release to ASX on 28 June 2018.

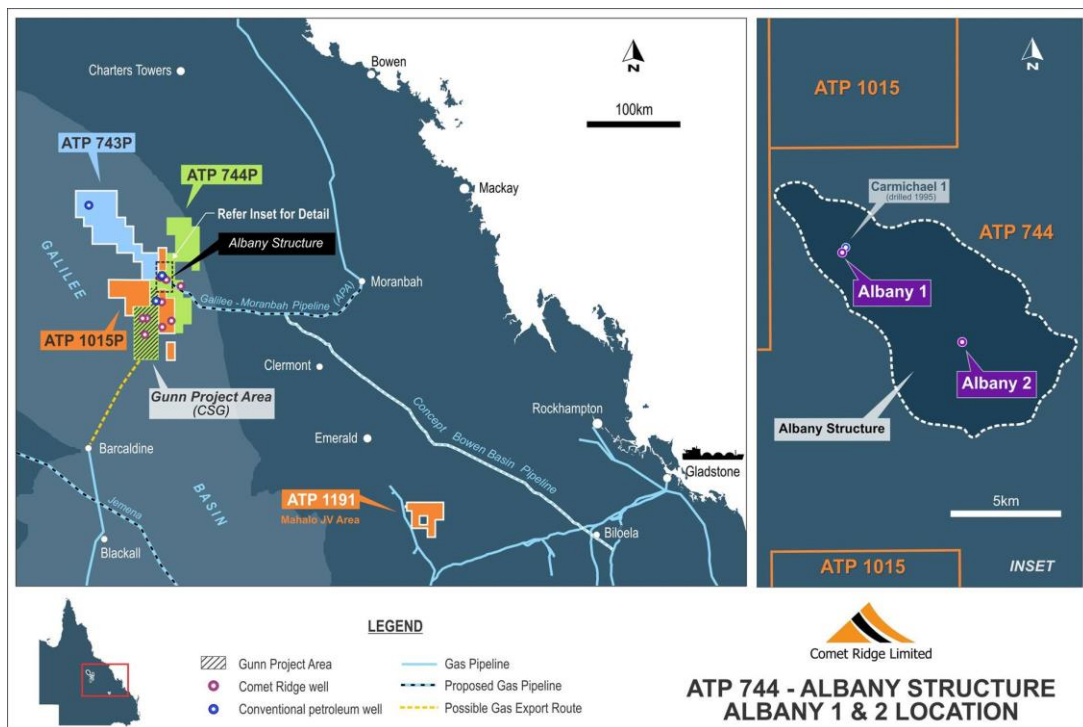


Figure 1 – Position of the Albany 2 well, with the Albany 1 and Carmichael 1 wells

The 2018 gas flow from Albany 1 is significant as it represents the first measured gas flow from the Lake Galilee Sandstone reservoir in the Galilee Basin. The results from Albany 1 are very encouraging and the GDJV will finish drilling the full reservoir section at Albany 1, after the Albany 2 well has been drilled.

The drilling of Albany 2 will be the first of a firm two well programme, designed to evaluate the reservoir flow potential of the Lake Galilee Sandstone as encountered in previous conventional exploration wells in the tenure area. The primary objective of the well is to determine the presence of hydrocarbons in the Lake Galilee Sandstone reservoir section in the southeast culmination of the Albany Structure and test the ability to obtain commercial gas flow rates through hydraulic stimulation. The secondary objective of the well is to acquire data (core, logging, pressure data) required for geomechanical and reservoir modelling in designing an optimised stimulation program for development.

Albany 2 will be conventionally drilled to the top of the Lake Galilee Sandstone and then cored through the reservoir interval. Figure 2 is a recent photograph of Ensign Rig 932.

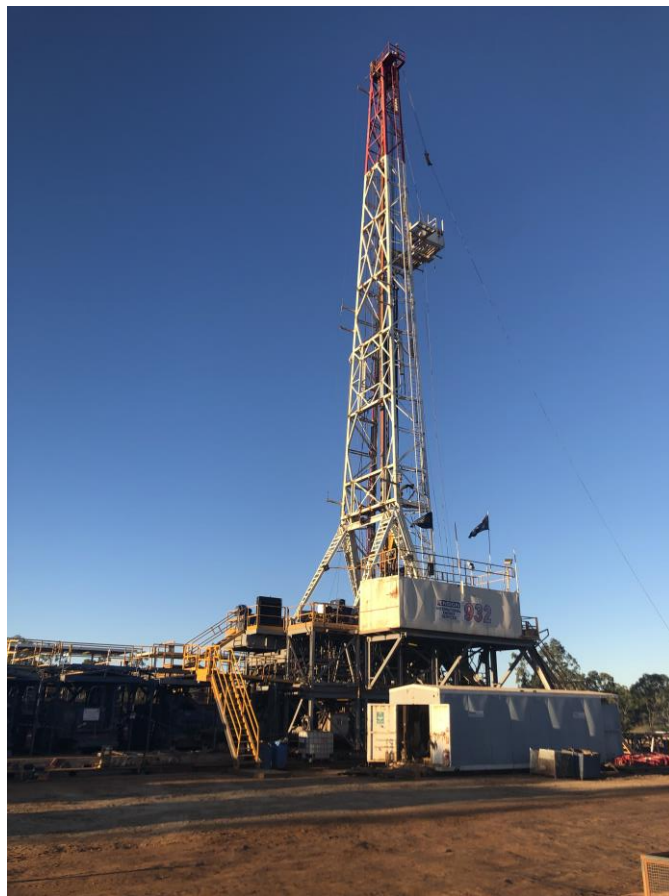


Figure 2 – Ensign Rig 932 on site at Albany 2

Comet Ridge Managing Director, Tor McCaul, said whilst the unusually heavy wet season earlier this year had been great for local landholders, it had caused a much later start to the Comet-Vintage drilling programme than initially had been planned.

He noted that the drilling programme this year was designed around a mud-based drilling system, rather than the nitrogen-based system that was used last year. He said that whilst this would mean instant gas flow rate information was not available, the mud-based system allowed much better evaluation of the reservoir section through coring and logging, which would provide critical information about the reservoir when considering any development. This drilling programme (in the third quarter) would be followed by a stimulation programme (in the fourth quarter) which was intended to provide gas flow information from both wells.

Mr McCaul said he was pleased to see Ensign's Rig 932 operating over the Albany 2 well. This was the same rig that had drilled the Carmichael 1 well in 1995 on this structure. Mr McCaul finished by commenting that Albany 2 is an unusually large 7.5 km step-out from the Albany 1 well, demonstrating the size of the Albany structure as currently mapped.

Commercialisation

On 30 May 2019, Comet Ridge announced the extension of the MOU with APA for the Galilee to Moranbah Pipeline (GMP). Under the extension, APA will undertake a detailed work programme, including conducting on the ground surveys, engaging with local stakeholders, undertaking initial environmental studies and applying for a Pipeline Survey Licence.

The GMP would give the Comet Ridge and Vintage GDJV access to market as well as Comet Ridge's 100% CSG resource from the shallows. The GMP would connect with the North Queensland Gas Pipeline (NQQP) which takes gas from Moranbah to Townsville. Along the NQQP there are a number of existing industrial customers including Incitec Pivot, Ratch and Origin, as well as a number of potential new commercial customers.

Vintage Energy Farm In

Under this program, Vintage Energy Ltd will be acquiring its next 15% interest in the Galilee Deeps JV. Phase 2 of the farm in involved the Koburra 336 km 2D Seismic programme, commenced in late 2018 and finished in early 2019, and the drilling of Albany 2 and deepening of Albany 1. Vintage was required to contribute 50% of the first \$10m spent to earn its next 15% interest, bringing their total interest to 30%.

Expected Activities

August	Drill and core Albany 2
September	Move rig to Albany 1, set up and sidetrack Albany 1 through the full reservoir section Commence analysis of core from Albany 2
4Q 2019	Stimulation of Albany 1 and 2 followed by Production Testing

Stephen Rodgers
Company Secretary

Comet Ridge Limited
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For further information please contact:

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

Peter Harding-Smith
Chief Financial Officer
peter.harding-smith@cometridge.com.au
+61 7 3221 3661

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 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.