

  
Comet Ridge Limited**3 September 2019**

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## Galilee Basin Drilling Update – Albany 2 Well

- **Albany 2 well at 2605 metres and drilling ahead in reservoir section**
- **62 metres of core taken, predominately sandstone, with gas shows**
- **High coring rate and filter cake over part of core, indicating permeability**
- **First core now at Brisbane lab, currently being prepared for analysis**

Comet Ridge Limited (ASX:COI) is pleased to provide an update on the drilling operations at the Albany 2 well in the Galilee Basin. The well is being drilled as part of the Galilee Deeps Joint Venture (GDJV) 2019 drilling programme with Vintage Energy Limited (ASX:VEN).

Since the last Comet Ridge drilling update to the ASX on 27 August 2019, Comet Ridge has taken further core (Cores #2 & #3) from the Lake Galilee Sandstone (LGS) and is now drilling ahead towards the base of the formation. At 0600 hours this morning, Ensign Rig 932 was at 2605 metres in the LGS section. To date, a large part of the formation has been penetrated and most of the section drilled has been sandstone, which is extremely encouraging.

Comet Ridge Managing Director, Tor McCaul said he was excited to see such a significant section of sandstone reservoir in this well, such a long distance from Albany 1, confirming the lateral extent of these sandstones. There have been good gas shows through the section, and it was particularly pleasing to see one 10 metre section of sandstone in the core that drilled very quickly, at 17 metres/hr, indicating that it should be high quality reservoir. This particular section of core also showed good mud filter cake (when brought to surface) over part of that length, also an indication of permeable reservoir sandstone. Mr McCaul said it was great to have obtained such a large section of reservoir core to be analysed, which will enable better stimulation design, later this year.

Mr McCaul said he looked forward to the well soon reaching total depth so that downhole electric line logs can be run to provide further important reservoir data, including reservoir pressure measurements. He noted that the combination of the core analysis and the log analysis will be critical to enable the GDJV to select which sections of the reservoir are of the highest quality for stimulation and ultimately development and production purposes.

All cores have left the wellsite for Brisbane and will be prepared for a variety of laboratory analyses which will run over the coming weeks, leading to stimulation in 4Q this year. Figure 1 shows a recent photograph of the rig over the Albany 2 well.



Figure 1 – Ensign Rig 932 on site at Albany 2

### **Vintage Energy Completes Stage of GBDJV Farm-in**

Comet Ridge is pleased to advise that the GDJV has reached the pre-determined Stage 2 funding point of \$10 million (gross). As a result, Vintage have earned a further 15% equity interest in the GDJV, bringing their total interest to 30%. Vintage was contributing to Stage 2 costs on a 50:50 basis, with the funding contribution for the joint venture to now be incurred in line with the GDJV interests (70:30).

As a consequence of Vintage earning its 30% interest in the GDJV, this has had the effect of reducing the net amount of Contingent Resources attributable to Comet Ridge, while overall the total Contingent Resources for the Deeps Interest has not changed. The table below details the adjusted allocation of the Contingent Resources to the participants of the GDJV. Note that the Contingent Resources attributable to the GDJV relates only to the Albany structure at this point and no other leads and prospects have been formally assessed independently for resources.

Tenement	Participating Interests	Contingent Resource (PJ)		
		1C	2C	3C
ATP 744 Deeps Interest	Comet Ridge (70%)	39	107	292
ATP 744 Deeps Interest	Vintage Energy (30%)	17	46	125
	<b>Total</b>	56	153	417

Table 1: Contingent Resource, Recoverable Gas, by tenement

#### Notes to Table:

1. Reference Comet Ridge Market announcement of 5 August 2015 quoting independently certified Contingent Resources. Comet Ridge advises that it is not aware of any information other than that which is disclosed in this announcement that materially affects the information included in the table and that all of the material assumptions and technical parameters underpinning the contingent resources in the table continue to apply.
2. Estimates are in accordance with the Petroleum Resources Management System (SPE, 2007) and Guidelines for Application of the PRMS (SPE, 2011) and have been reached using the probabilistic method.
3. No Reserves were estimated.
4. Sales gas recovery and shrinkage have been applied to the Contingent Resource estimation. The losses include those from field use, as well as fuel and flare gas.
5. Contingent Resource numbers have been rounded to the nearest whole number.

## Expected Activities

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

For further information please contact:

Tor McCaul  
Managing Director  
[tor.mccaul@cometridge.com.au](mailto:tor.mccaul@cometridge.com.au)  
+61 7 3221 3661

Peter Harding-Smith  
Chief Financial Officer  
[peter.harding-smith@cometridge.com.au](mailto: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% 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.

