

## Need assistance?



**Phone:**

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COI

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Comet Ridge Limited Annual General Meeting

The Comet Ridge Limited Annual General Meeting will be held as a traditional physical meeting on Friday, 25 November 2022 at 11.00am (Brisbane Time) at:

Royal on the Park  
152 Alice Street,  
Brisbane Qld 4000

with the option for Shareholders who cannot or do not wish to attend the Meeting to participate via a live webcast hosted through the Microsoft Teams meeting platform.

### Issue of Meeting Materials

As permitted by the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholders have made a valid election to receive documents in hard copy. The Notice of Meeting and accompanying explanatory statement (Meeting Materials) are available to shareholders electronically and can be viewed and downloaded at:

<https://cometridge.com.au/investors-overview/announcements/>

While the position with respect to COVID-19 at the moment is relatively stable, the Company intends that the Meeting will be held to comply with prevailing Federal and State Government's restrictions in relation to gatherings of persons during the COVID-19 directions in place at the time of the Meeting, which may be different from those in place at the time of this Notice.

The Company will continue to closely monitor guidance from the Federal and State Governments for any impact on the proposed arrangements for the Meeting. If any changes to the arrangements proposed in this Notice are required, the Company will advise Shareholders by way of announcement on the ASX and on the Company's website.

There is a risk that shareholders intending to attend the physical meeting may not be admitted, depending on the number of Shareholders who wish to physically attend.

The Company therefore strongly encourages Shareholders who wish to vote on the business of the meeting to do so by lodging a Proxy Form prior to the date of meeting as per the instructions on the form. Proxy Forms must be received by no later than 11:00 am (Brisbane Time) on Wednesday, 23 November 2022.

### Physically Attending the Meeting

To assist the Company in complying with any social distancing requirements, any Shareholder proposing to attend the Meeting in person are requested to register this intention with the Company by no later than 11.00am (Brisbane Time) on Wednesday, 23 November 2022.

To register to attend the meeting either call the offices of Comet Ridge on +61 7 3221 3661 between 9:00am and 5:00pm or email the Company Secretary @ [info@cometridge.com.au](mailto:info@cometridge.com.au)

### Participating via Live Webcast

As an alternative to physically attending the Meeting Shareholders are encouraged to participate in the meeting via a webcast platform that the Company is arranging at the moment. Details of the webcast and how shareholders can gain access to the same will be provided to those participants who record their wish to attend via this manner.

Shareholders participating in the meeting in this manner will also be able to lodge questions either during the meeting or prior to the meeting by addressing them to the Company Secretary @ [info@cometridge.com.au](mailto:info@cometridge.com.au)

Please note however that NO live online voting will be offered as part of such webcast.

To participate in the Meeting via the webcast please email the Company Secretary to record your intention to do so, at any time from now until 5.00 pm (Brisbane Time) Wednesday, 23 November 2022. The request should identify you as a Shareholder of the Company or what other capacity you propose to participate as. These requests should be emailed to [info@cometridge.com.au](mailto:info@cometridge.com.au)

Participants will be emailed login details of the webcast between 48 - 24 hours before the start of the Meeting.

### Important Notice Regarding Proxy Voting

Shareholders are reminded that your proxy voting instructions (whether physically or electronically) must be received by 11:00am (Brisbane time) on Wednesday, 23 November 2022, being not less than 48 hours before the commencement of the Meeting.

Any proxy voting instructions received after that time will not be valid for the Meeting. To avoid this Shareholders are reminded and strongly encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

For your proxy appointment to be effective it must be received by 11.00am (Brisbane Time) Wednesday, 23 November 2022.



### ATTENDING THE MEETING IN PERSON

The meeting will be held at:  
Royal on the Park, 152 Alice Street, Brisbane Qld 4000

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You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## NOTICE OF 2022 ANNUAL GENERAL MEETING AND EXPLANATORY NOTES

### **Date of Meeting**

Friday 25 November 2022

### **Time of Meeting**

11.00am (Brisbane Time)

### **Place of Meeting**

Royal on the Park  
152 Alice Street,  
Brisbane Qld 4000

### **Holding of Meeting**

A traditional physical Annual General Meeting (AGM) is being held this year for those Shareholders who are able to attend. The AGM will be live streamed via a meeting platform, with the ability for those viewing the meeting to be able to raise questions online.

There will be NO online voting available so if you are unable to physically attend the AGM, please ensure that you lodge your vote via the Proxy Voting options, the details of which are contained in the Explanatory Notes.

# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Comet Ridge Limited A.B.N 47 106 092 577 ("the Company") will be held at Royal on the Park, 152 Alice Street, Brisbane Qld 4000 on Friday 25 November 2022 at 11.00am (Brisbane time) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

## AGENDA

### ITEMS OF BUSINESS

#### Financial Statements and Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2022 together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

Note: *There is no requirement for Shareholders to approve these reports.*

#### Resolution 1 – Non-Binding Resolution to Adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as an **Ordinary Resolution**:

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2022 be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

#### For the purposes of Resolution 1:

##### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this resolution by or on behalf of:

- a member of the Key Management Personnel (**KMP**) of the Company; or
- a Closely Related Party of a KMP,

whether the votes are cast as a shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote if it is cast as a proxy by a KMP, details of whose remuneration are included in the remuneration report for the year ended 30 June 2022, or a Closely Related Party of such a KMP:

- for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with an express authority on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP; and
- the vote is not cast on behalf of a KMP, details of whose remuneration are included in the remuneration report for the year ended 30 June 2022, or a Closely Related Party of a KMP.

Further, the Company will not disregard a vote if it is cast by a KMP, details of whose remuneration are not included in the remuneration report for the year ended 30 June 2022, or a Closely Related Party of such a KMP:

- as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with an express authority on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP.

The Chair intends to vote any undirected proxies in favour of this resolution.

## Resolution 2 – Re-election of Ms Gillian Swaby as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, Gillian Swaby, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director.”*

## Resolution 3 – Re-election of Mr Christopher Pieters as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, Christopher Pieters, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director.”*

## Resolution 4 – Ratification of Prior Issue of Warrants to PURE – Listing Rule 7.4

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 26,515,152 Warrants on the terms and conditions set out in the Explanatory Notes which is attached to and forms part of this Notice of Meeting.”*

### For the purposes of Resolution 4:

#### Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue of the Warrants (namely PURE Asset Management Pty Ltd) or an associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chair intends to vote any undirected proxies in favour of this Resolution.

## Resolution 5 – Ratification of Placement Shares – Listing Rule 7.4

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes Shareholders approve and ratify the issue of 51,139,414 Shares in the Company under a Placement on the terms and condition described in the Explanatory Notes which is attached to and forms part of this Notice of Meeting.”*

### For the purposes of Resolution 5:

#### Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue of the Placement shares or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Chair intends to vote any undirected proxies in favour of this resolution.

## Resolution 6 – Grant of Performance Rights to Managing Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of up to 1,320,000 Performance Rights to Mr Tor McCaul (or his nominee) under the Company’s Employee Performance Share Rights Plan and otherwise on the terms and conditions described in the Explanatory Notes attached to this Notice of Meeting is approved.”*

### For the purposes of Resolution 6:

#### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this resolution by or on behalf of:

- Mr McCaul or his nominee;
- an associate of Mr McCaul or his nominee;
- Any director of the Company or any of their respective Associates; or
- any person whose relationship with the Company, or any of the foregoing persons, is such that, in ASX’s opinion, the acquisition should be approved by security holders, who are eligible to participate in the Comet Ridge Employee Performance Share Rights Plan, or, in each case, any of their respective Associate

whether the votes are cast as a shareholder, proxy or in any other capacity.

However, this does not apply to a vote cast in favour of the Resolution by:

- A person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair as proxy for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associated of a person excluded from voting on the Resolution; and
  - The holder votes on the Resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on Resolution 6 if:

- The proxy is either a member of the Key Management Personal or a Closely Related Party of such member; and
- The appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition under the Corporations Act does not apply to a vote cast on the Resolution if:

- the proxy is the Chair; and
- the appointment expressly authorises the Chair to exercise the proxy even though the Resolutions is connected directly or indirectly with the remuneration of a member of the KMP.

The Chair intends to vote any undirected proxies in favour of this Resolution.

### Special Resolution 7 - Approval of 10% Placement Capacity

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval be given for the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue or the agreement to issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes.”*

#### For the Purposes of Resolution 7:

##### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this special resolution by or on behalf of any person who may participate in the issue of Equity Securities the subject of this Resolution 7 or an Associate of that person or those persons and a person who might obtain a benefit, (except a benefit solely in the capacity of a holder of ordinary securities), if the resolution is passed. (Participating Party), and any associate of the Participating Party.

However, the Company will not disregard a vote in favour of this Special Resolution if:

- (1) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (2) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution as the Chair of the Meeting decides; or
- (3) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - A. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - B. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

IMPORTANT NOTE: At the date of this Notice, it is not known who will participate in the proposed issue of Equity Securities the subject of this special resolution and the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing Shareholder votes will be excluded under the voting exclusion in this Notice. You may be liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company disregards.

Explanations of the Resolutions are set out in the accompanying Explanatory Notes. These Explanatory Notes explains the purpose of the meeting and the resolutions to be considered at the meeting.

### OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

For the purposes of this Notice (including each of the Resolutions), the following definitions apply:

**"Annual General Meeting"** means the meeting of shareholders called by the Board under the Notice of Meeting dated 15 October 2022 to be held at Royal on the Park, 152 Alice Street, Brisbane Qld 4000, Friday 25 November 2022 at 11.00am (Brisbane time);

**"Annual Report"** means the annual report of the Company for the year ended 30 June 2022;

**"Associate"** has the meaning given to that term in the Listing Rules.

**"ASX"** means the ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**"Board"** means the Board of Directors of Comet Ridge Limited;

**"Closely Related Party"**, in relation to a member of the KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with the Company (or its controlled entities), and any company the member controls;

**"Company"** or **"Comet Ridge"** means Comet Ridge Limited A.B.N 47 106 092 577;

**"Constitution"** means the Company's Constitution, as amended from time to time;

**"Corporations Act"** means Corporations Act 2001 (Cth);

**"Directors"** mean the Directors of the Company;

**"Equity Securities"** has the meaning given to that term in the Listing Rules;

**"Explanatory Notes"** means the explanatory Notes accompanying this Notice;

**"Key Management Personnel"** or **"KMP"** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company or its controlled entities, whether directly or indirectly. Members of the KMP include directors (both executive and non-executive) and certain senior executives;

**"Listing Rules"** means the Listing Rules of the ASX;

**"Meeting"** means the 2022 Annual General Meeting of Comet Ridge;

**"Notice"** means this Notice of Annual General Meeting;

**"Resolution"** means a resolution contained in this Notice;

**"Shares"** means fully paid ordinary shares in the Company; *and*

**"Shareholder"** means a holder of shares in the Company.

**By order and authority of the Board**

**STEPHEN RODGERS**  
Company Secretary

Dated: 24 October 2022



## **Entitlement to attend and vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00pm (Sydney time) on Wednesday 23 November 2022.

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice;
- by submitting their proxy appointment and voting instructions by facsimile; or
- lodge their proxy online or by post in accordance with the instructions contained in the proxy form accompanying this Notice of Meeting.

## **Voting in person (or by attorney)**

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's Share Register and attendance recorded. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the meeting.

## **Questions**

Those Shareholders who do not physically attend the Annual General Meeting will be able to submit questions to the Company during the Meeting via email at [comet@cometridge.com.au](mailto:comet@cometridge.com.au).

All Shareholders are invited to also submit written questions in advance. Questions will be collated, and we will seek to address as many of the raised questions and topics as possible. If you would like to submit a written question, or if you have general questions in relation to the upcoming Annual General Meeting, please see below.

Questions may be submitted by one of the following methods:

By email: [comet@cometridge.com.au](mailto:comet@cometridge.com.au)

By post: GPO Box 798, Brisbane Qld 4000

The Board strongly encourages lodgement of proxy votes and submission of questions prior to the Annual General Meeting, so the meeting can be held in an efficient and orderly manner.

## **Voting by a Corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless previously given to the Company's Share Registry.

## Voting by Proxy

- A Shareholder entitled to vote at the Annual General Meeting is permitted to appoint not more than two (2) proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e., where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chair of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chair of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the meeting, the Secretary or any Director that do not contain a direction how to vote, will be used where possible to support each of the resolutions proposed in this Notice.
- To be effective, proxies must be lodged by 11.00am (Brisbane time) on Wednesday 23 November 2022. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:
  1. by returning a completed proxy form in person or by post using the pre-addressed envelope provided with this Notice to:

The Share Registry  
Comet Ridge Limited  
c/- Computershare Investor Services Pty Limited  
GPO Box 242  
MELBOURNE VIC 3001

or
  2. by faxing a completed proxy form to:

Comet Ridge Limited, on  
1800 783 447 (within Australia); or  
+ 61 3 9473 2555 (outside Australia)

or
  3. by visiting:

[www.investorvote.com.au](http://www.investorvote.com.au) and logging in using the control number found on the front of your accompanying proxy form.

Intermediary Online subscribers  
(Institutions/Custodians) may lodge their proxy instruction online by visiting  
[www.intermediaryonline.com](http://www.intermediaryonline.com)

or

4. Online voting is now mobile phone compatible, so you can readily appoint a proxy straight from your smart phone.

To do this, enter [www.investorvote.com.au](http://www.investorvote.com.au) directly into your smart phone and follow the instructions on your personalised proxy form or scanning the QR Code on the front of your proxy form. To scan the QR code you will have needed to download and installed a QR Code Scanner application for your smart phone.

The proxy form must be signed by the Shareholder or the Shareholder's attorney.

Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the Power itself, must be received by the Company at the above address, or by facsimile and by 11.00am (Brisbane time) on Wednesday 23 November 2022. If facsimile transmission is used, the Power of Attorney must be certified.

#### **Undirected Proxies**

Any undirected proxies given to the Chair of the meeting, in respect to Resolutions 1 through to 7, by a shareholder entitled to vote on those resolutions, **will be voted in favour** of those resolutions and the shareholder will be taken to have expressly authorised the Chair to exercise the proxy as he/she thinks fit.

# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## EXPLANATORY NOTES

This Explanatory Notes is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Comet Ridge Limited (“Comet Ridge” or the “Company”) to be held at Royal on the Park, 152 Alice Street, Brisbane Qld 4000 on Friday, 25 November 2022 at 11.00am (Brisbane time). Shareholders should read this document in full

### FINANCIAL STATEMENTS AND REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial statements of the Company for the financial year ended 30 June 2022, together with the Directors’ Declaration and Report in relation to that financial year and the Auditor’s Report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No vote or resolution is required to be moved in respect of this item.

Shareholders are also entitled to put forward written questions to the Company’s auditor, if the question is relevant to the content of the Auditor’s Report, or the conduct of the audit. Questions may be submitted by one of the following methods:

By email: [comet@cometridge.com.au](mailto:comet@cometridge.com.au)

By post: GPO Box 798, Brisbane Qld 4000

Questions for the Auditor must be received by no later than 5:00pm Monday, 21 November 2022. Copies of the questions received, and any written answers that have been prepared, will be available at the Annual General Meeting.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company’s 2022 Annual Report. The Remuneration Report is contained in the Annual Report and is also available on the Company’s website:

<http://www.cometridge.com.au/reports/>

The Board believes that the Company’s remuneration policy and framework as detailed in the Remuneration Report are appropriate given the size of the Company and its current strategic objectives.

Shareholders should note that this Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on the resolution at the Annual General Meeting are against adoption of the report, then:

- if comments are made on the report at the Annual General Meeting, the Company’s Remuneration Report for the financial year ending 30 June 2023 will be required to include an explanation of the Board’s proposed action in response or, if no action is proposed, the Board’s reasons for this; and
- if, at the Company’s 2023 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a general meeting (**Spill Meeting**) be called to consider the election of Directors of the Company (**Spill Resolution**). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

## **RESOLUTION 2 – RE-ELECTION OF MS GILLIAN SWABY AS A DIRECTOR**

The Company's Constitution provides that at every Annual General Meeting one-third of the Directors, or if their number is not a multiple of three, then such number as is appropriate shall retire from office to ensure that no Director holds office for more than three (3) years.

Ms Gillian Swaby was last elected to the Board at the Company's 2019 AGM. Ms Swaby has chosen to retire from office in accordance with the requirement of the Company's Constitution and submits herself for re-election.

Gillian Swaby has been involved in financial and corporate administration for listed companies for over 30 years, as both Director and Company Secretary covering a broad range of industry sectors. Ms Swaby has extensive experience in corporate governance, corporate and financial management and board practice. Gillian is a past Chair of the Western Australian Council of Chartered Secretaries of Australia, a former Director on their National Board, and a lecturer for the Securities Institute of Australia. Ms Swaby is the principal of a corporate consulting company and was a member of the Paladin Energy Ltd Board for a period of 10 years. In August 2015, she stepped down from her role at Paladin as Company Secretary and EGM-Corporate Services. She also serves on the board of ASX listed Deep Yellow Limited and Panoramic Resources Ltd. Gillian is also a member of the West Australian Division Council of the Australian Institute of Company Directors.

Gillian is a Fellow of the following institutes – the Australian Institute of Company Directors, the Institute of Chartered Secretaries and the Governance Institute of Australia and is a member of the Australian Institute of Mining and Metallurgy. She holds a Bachelor of Business majoring in accounting.

### ***Recommendation***

The Directors (with Ms Swaby abstaining) recommend that Shareholders vote **FOR** this Resolution.

## **RESOLUTION 3 – RE-ELECTION OF MR CHRISTOPHER PIETERS AS A DIRECTOR**

The Company's Constitution provides that at every Annual General Meeting one-third of the Directors, or if their number is not a multiple of three, then such number as is appropriate shall retire from office to ensure that no Director holds office for more than three (3) years.

Mr Christopher Pieters was last elected to the Board at the Company's 2019 AGM. Mr Pieters has chosen to retire from office in accordance with the requirement of the Company's Constitution and submits himself for re-election.

Christopher Pieters is Managing Director and co-founder of Walcot Capital, a private venture capital business specialising in energy investment and the former Managing Director of Tlou Energy Limited a private unlisted public company with Coal Bed Methane exploration interests in Southern Africa.

Previously he was Chief Commercial Officer of Sunshine Gas Limited prior to its merger with the Queensland Gas Company in 2008. Chris also held other technical and business development roles at Sunshine Gas.

Chris holds both Bachelor of Science (Geology) and Bachelor of Business degrees from The University of Queensland and a First Class Honours degree in Petroleum Geology and Geophysics from the Australian School of Petroleum in Adelaide and is a member of the Petroleum Exploration Society of Australia.

### ***Recommendation***

The Directors (with Mr Pieters abstaining) recommend that Shareholders vote **FOR** this Resolution.

## **RESOLUTION 4 - RATIFICATION OF PRIOR ISSUE OF WARRANTS TO PURE – LISTING RULE 7.4**

As announced on 3 August 2021 the Company secured a \$10 million loan facility to provide funding for the Company's Mahalo Gas Hub assets.

The funding was secured from PURE Asset Management Pty Ltd ("PURE"). The loan facility is to be provided in two tranches of \$6.5 million ("Tranche 1 loan") and \$3.5 million ("Tranche 2 loan") respectively (together the "Loan Facility").

The Tranche 1 loan in the amount of \$6.5 million was drawn on 17 September 2021. The Company announced on 31 March 2022 that it had to draw the Tranche 2 loan bringing the total balance of the of the Loan Facility to \$10 million.

As detailed in the announcement made on 31 March 2022, the drawdown of the Tranche 2 loan will provide Comet Ridge with funding to progress the Company's Mahalo Gas Hub development strategy.

For further details of the Loan Facility please refer to the Company's ASX Announcements dated 3 August 2021 and 31 March 2022.

In consideration for providing the Loan Facility and making the Tranche 2 loan available, the Company granted to PURE 26,515,152 warrant shares ("**Tranche 2 Warrants**") exercisable at \$0.132 per Warrant with a term of 48 months from the date of the draw down of the Tranche 1 loan.

The Tranche 1 loan was drawn down on 17 September 2021 meaning that the Warrants issued for Tranche 1 and Tranche 2 will expire 17 September 2025 if not exercised before that date.

The Tranche 2 Warrants were issued utilising the Company's existing Listing Rule 7.1 capacity.

### **Listing Rule 7.1**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period, to 15% of the fully paid ordinary shares on issue at the start of that period.

The issue of the Tranche 2 Warrants does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval, under Listing Rule 7.1 for the 12 month period following the date of issue of the Tranche 2 Warrants.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

Accordingly, the Company is seeking shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 2 Warrants.

### **Technical information required by ASX Listing Rule 14.1A**

If Resolution 4 is passed, the prior issue of the Tranche 2 Warrants may be treated as having been made with approval under ASX Listing Rule 7.1. The Company will therefore be able to issue additional equity securities, without the issue of the Tranche 2 Warrants counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

If Resolution 4 is not passed, the Tranche 2 Warrants will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without shareholder approval, over the 12-month period following the date of issue.

### **Technical information required by ASX Listing Rule 7.5**

For the purpose of ASX Listing Rule 7.5, shareholders are advised of the following particulars of the allotment and issue:

- (a) the Warrants were issued to PURE Asset Management Pty Ltd ("Warrant Holder") which is not a related party of the Company, or a member of the Company's Key Management Personnel;

- (b) 26,515,152 Tranche 2 Warrants were issued. Each Warrant entitles the Warrant Holder, on exercise, to one fully paid ordinary share in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Tranche 2 Warrants were issued on 31 March 2022;
- (d) the Tranche 2 Warrants were issued at nil issue price, in consideration for making available the Loan Facility and the proceeds of the Tranche 2 loan. The Company has not and will not receive any other consideration for the issue of the Tranche 2 Warrants (other than in respect to the funds received on the exercise of the Tranche 2 Warrants);
- (e) the exercise price of the Tranche 2 Warrants if exercised is \$0.132;
- (f) the purpose of the issue of the Tranche 2 Warrants was to satisfy the Company's obligations under the Loan Facility; and
- (g) the Tranche 2 Warrants were issued to PURE Asset Management Pty Ltd. A summary of the material terms of the Loan Facility and the Warrants is set out below:

|                        |  |
|------------------------|--|
| <b>Structure</b>       | Two Tranche Term Loan, with detached warrants.   |
| <b>Facility Size</b>   | Total: \$10,000,000: <ul style="list-style-type: none"> <li>• Tranche 1: \$6,500,000.</li> <li>• Tranche 2: \$3,500,000.</li> </ul>  |
| <b>Interest rate</b>   | Prior to FID: 12%.<br>Post FID: 10%.   |
| <b>Term</b>            | 48 months from utilisation of Tranche 1 loan.  |
| <b>Fees</b>            | Arrangement fee of 3% per tranche, payable on utilisation of each tranche.   |
| <b>Repayment</b>       | Non-amortising bullet repayment.<br>Voluntary prepayment(s) subject to cascading fees.   |
| <b>Warrants</b>        | Tranche 1: 39,393,939 warrant shares. <ul style="list-style-type: none"> <li>• Exercise price is 16.5 cps.</li> <li>• Term: 48 months from the utilisation of Tranche 1 loan.</li> </ul><br>Tranche 2: 26,515,152, warrant shares. <ul style="list-style-type: none"> <li>• Exercise price is \$0.132 cps.</li> <li>• Term 48 months from the utilisation of Tranche 1 loan.</li> </ul><br>Exercise price of warrants may adjust lower insofar as there are future issue(s) of equity securities (at an issue price less than the warrant price) exceeding 15% of the number of shares on issue in Comet Ridge (on a diluted basis) immediately prior to the new issue(s), in any 12-month period. |
| <b>Security</b>        | Tranche 1: First ranking general security over all present and after-acquired property of the Company and subsidiaries, excluding the Mahalo Gas Project.<br>Tranche 2: As per Tranche 1 and second-ranking security over the Mahalo Gas Project.  |
| <b>Use of proceeds</b> | General corporate purposes of the Company or any other purpose(s) approved by the Lender in writing.   |

#### **Recommendation**

The Directors unanimously recommend that Shareholders vote **FOR** this Resolution.

The Chair intends to vote all available proxies in favour of this Resolution.

## **RESOLUTION 5 – RATIFICATION OF PLACEMENT SHARES – LISTING RULE 7.4**

Resolution 5 is seeking to ratify the prior issue of 51,139,414 Shares (**Placement Shares**) that were issued to institutions, sophisticated and professional investors under a placement that was announced 8 September 2022.

ASX Listing Rule 7.1 provides that a listed company may not, subject to specific exceptions, issue equity securities in any 12-month period, which exceeds 15% of the number of issued securities of the company held at the beginning of the 12-month period, except with the prior approval of shareholders of the company in a general meeting.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided the issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

The issue of the Placement Shares did not breach ASX Listing Rule 7.1 and the Company seeks subsequent shareholder approval for this issue for the purpose of ASX Listing Rule 7.4 and all other purposes.

### **Technical information required by ASX Listing Rule 14.1A**

If Resolution 5 is passed, the prior issue of the Placement Shares may be treated as having been made with approval under ASX Listing Rule 7.1. The Company will therefore be able to issue additional equity securities, without the Placement counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

If Resolution 5 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without shareholder approval over the 12-month period following the date of issue.

### **Technical information required by ASX Listing Rule 7.5**

For the purpose of ASX Listing Rule 7.5, Shareholders are advised of the following particulars of the allotment and issue:

- (a) the Placement Shares were issued to institutions, sophisticated and professional investors via a process conducted by Taylor Collison Limited, Bell Potter Limited and Petra Capital Pty Ltd. None of the recipients of the Placement Shares are related parties of the Company (**Placement Recipients**);
- (b) 51,139,414 Shares were issued, and all the Placement Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Placement Shares were issued on 15 September 2022;
- (d) the issue price was \$0.175 per Placement Share;
- (e) the purpose of the Placement was to raise funds to be applied to the new core and pilot well drilling at Comet Ridge's 100% owned and operated Mahalo Blocks, provide for the Santos loan repayment, Mahalo North initial reserves certification and FEED as well as general working capital;
- (f) the Placement Shares were not issued under an agreement but as a term of the Placement offer subscribed for by Placement Recipients; and
- (g) a voting exclusion clause is set out under Resolution 5 of the Notice.

### **Recommendation**

The Directors unanimously recommend that Shareholders vote **FOR** of this Resolution.

The Chair intends to vote all available proxies in favour of this Resolution.

## **RESOLUTION 6 – GRANT OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR**

Resolution 6 seeks Shareholder approval for the issue of up to 1,380,000 Performance Rights to the Company's Managing Director, Tor McCaul (or his nominee), under the Company's Employee Performance Share Rights Plan (**Plan**).



## Background

The Plan has been established to provide eligible employees, which includes the Managing Director, with an opportunity to share in the growth in the value of the Company's Shares and to encourage them to improve the Company's performance and its returns to Shareholders as well as an alternate way of remunerating those employees, through the acquisition of securities in the Company that are subject to certain performance criteria.

In the Company's circumstances, the Board considers that the issue of Performance Rights provides a cost-effective means of incentivising the Managing Director as opposed to alternative forms of incentives (e.g., cash bonuses or increased cash remuneration), which appropriately aligns the interests of Participants in the Plan with those of stakeholders as well as conserving the cash reserves of the Company.

The Board considers that the Managing Director's remuneration package, including participation in the proposed grant of Performance Rights under the Plan, is reasonable and appropriate having regard to the Company's circumstances, business performance, remuneration objectives, and the Managing Director's duties and responsibilities.

The Performance Rights that will be issued to the Managing Director will be unlisted and quotation for the same will not be sought.

### ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a Company must not permit a director or an associated of a director to acquire equity securities under an employee incentive scheme without the approval of Shareholders.

As Mr McCaul is the Managing Director of the Company, he falls within Listing Rule 10.14 by virtue of being a director of the Company. Accordingly, Resolution 6 seeks Shareholder approval for the issue of Performance Rights to him under Listing Rule 10.14 (and for all other purposes).

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Performance Rights to the Managing Director in accordance with the Plan.

If Resolution 6 is not passed, the Company will not issue the Performance Rights to the Managing Director in accordance with the Plan, and the Board will consider the impact of this outcome on the remuneration arrangements for the Managing Director and review available options to provide this type of performance-based remuneration.

If approval is given to issue the relevant Performance Rights to the Managing Director under Listing Rule 10.14, approval will not be required under Listing Rule 7.1 and 7.1A and that the number of Performance Rights issued to the Managing Director will not be counted towards the Company's placement capacity.

### Summary of Material Terms of Performance Rights

The rules of the Plan allow for the Board to require the satisfaction of one or more "Performance Conditions" in order for the Performance Rights issued under the Plan to vest and, therefore, become exercisable by a Participant.

The Performance Rights proposed to be issued to Mr McCaul, pursuant to the Resolution will be divided into four separate tranches, with each tranche being subject to satisfaction of specific Performance Metrics and vesting requirements.

All of the Performance Rights to be issued to Mr McCaul will have an expiry date of no later than 31 December 2025. In the event that the Performance Metrics attaching to the Performance Rights are not satisfied by their due dates and the Board has not exercised its discretion to waive these conditions, the Performance Rights will lapse and no longer will be capable of vesting or conversion into an Ordinary Share.

A breakdown of the Performance Metrics, the number of Performance Rights allocated to each and the specific requirement for the vesting of those Performance Rights are set out in the table below:

| Performance Metric <sup>4</sup> | No. of Performance Rights | Specific Requirements for share award <sup>5</sup>   |
|---------------------------------|---------------------------|--|
| Relative TSR <sup>1</sup>       | 528,000                   | To be calculated relative to peer <sup>3</sup> performance based relative VWAP for August 2022 compared to August 2023.<br>For > 76 percentile, then 100% vests. |

|   |                  |  |
|---|------------------|--|
|   |                  | For > 51 to 75 percentile, then 50 to 99% vests.<br>For < 51 percentile, then none vests.  |
| Absolute TSR <sup>1</sup>                     | 528,000          | To be calculated by comparison of COI VWAP for August 2022 compared to August 2023.<br>For results >25%, then 100% vests.<br>For results 20% to 24.99% then 75% vests.<br>For results 15% to 19.99%, then 50% vests.<br>For results 10% to 14.99%, then 25% vests.<br>For <10%, then none vests.                       |
| Health Safety and Environment                 | 132,000          | LTIFR <sup>2</sup> required to be in top quartile of peer performance <sup>3</sup> for full award.<br>Third quartile then 50% vest.<br>Second quartile then 25% vests.<br>Bottom quartile then none vests.<br>No environmental incidents or spills of any form (Binary outcome). H&S and Environment weighted equally. |
| ASX & ASIC Compliance and Governance matters. | 132,000          | Overall performance along with compliance and adherence to be assessed by the Board.   |
| <b>Total</b>                                  | <b>1,380,000</b> |  |

**Notes to Table:**

1. Total Shareholder Return.
2. Lost Time Injury Frequency Rate.
3. Peer group to be determined by the Comet Ridge board amongst other natural gas exploration/appraisal or production companies of similar size operating in Queensland.
4. For any performance rights that meet the specific performance requirements at 1 Sep 2023, then 50% will vest 1 Sep 2023 and 50% will vest 1 Sep 2024.
5. Performance period measured from 1 Sep 2022 to 31 Aug 2023 unless otherwise stated (VWAPs averaged over a month).

On the condition that Shareholder approval is obtained, the 1,380,000 Performance Rights will be issued as soon as practicable following the Meeting and, in any event, will be issued no later than one month after the Meeting.

The Performance Rights are being issued as part of the remuneration for Mr McCaul and as an incentive for future performance. As such, they will be issued at no cost to Mr McCaul.

While the exercise of Performance Rights will be subject to the Performance Rights having vested on the satisfaction of the Performance Metrics of conditions (subject to the Board's discretion to waive those Performance Conditions in certain circumstances), Mr McCaul will not be required to pay any exercise price to receive Shares on the exercise of Performance Rights. As such, no loans have been or will be provided as part of the Performance Rights Plan.

The Performance Rights will only be exercisable if Mr McCaul maintains his employment with the Company at the time that they vest unless this condition is waived as part of the Board's discretion.

The terms of the Performance Rights to be issued to the Managing Director will include the provision that if the Company is subject to a change of control event before the vesting date, the Performance Metrics or conditions will be treated as having been waived and the Performance Rights still on issue at the time will vest.

**Additional Information required by the Listing Rules**

**Details of Managing Director's Remuneration**

Mr McCaul's current total remuneration is \$478,598 which is an annual fixed remuneration amount (inclusive of the compulsory superannuation contribution). Further details of the Managing Directors remuneration as at 30 June 2022 can be found at pages 23 – 28 of the Company's Annual report.

### **Previous Issues of Performance Rights to Managing Director**

A total of 13,230,000 Performance Rights have previously been granted to the Managing Director under the Plan of which:

- (a) 5,090,000 have been exercised and converted to ordinary shares;
- (b) 6,390,000 have lapsed without vesting; and
- (c) 1,750,000 remain on issue

The last approval for the issue of Performance Rights to the Managing Director was obtained at the 2021 AGM and these are included in the total recorded above.

The existing Performance Rights that remain on issue are divided in three tranches and have the following expiry dates:

|                    |           |
|--------------------|-----------|
| 31 December 2022 – | 750,000   |
| 31 July 2023 –     | 1,000,000 |

The Performance Rights that have previously been issued to the Managing Director have been issued to him at no cost.

### **Employee Performance Share Rights Plan**

The material terms of the Plan are summarised in Annexure “A”.

### **Additional Information**

Details of the 1,380,000 Performance Rights, if issued to the Managing Director under the Plan, will be published in the Company’s Annual report for 2023, which will include a statement that the approval for the issue was obtained under Listing Rule 10.14.

The Managing Director is the only director or person covered by Listing Rule 10.14 to whom it is proposed that Performance Rights be granted under the Plan at this time.

Any additional persons covered by Listing Rule 10.14 who may become entitled to participate in the Plan following the AGM will not participate in the Plan until Shareholder approval for their participation is obtained under Listing Rule 10.14.

### **Valuation of Performance Rights**

The Performance Rights to be issued to the Managing Director if Resolution 6 is passed are not currently (and will not in the future be) quoted on the ASX and as such have no readily available market value.

The Performance Rights provide the holder with a right to receive one Share upon the exercise of that Performance Right (subject to the relevant Vesting Conditions being met). Accordingly, the Performance Rights may have a present value at the date of their grant and may acquire future value dependent upon the extent to which the Share price increases during the term of the Performance Rights and/or changes in the probability of the relevant Vesting Conditions being met.

As a general proposition, Performance Rights are akin to options to acquire shares (having a zero or low exercise price) and have value. Various factors impact upon the value of Performance Right’s including things such as:

- (a) the period outstanding before the expiry date of the Performance Rights;
- (b) the exercise price of the Performance Rights (if any) relative to the underlying price or value of the Shares into which they may be converted;
- (c) the proportion of the issued capital as expanded upon the exercise of the Performance Rights (i.e. whether or not the Shares that might be acquired upon exercise of the Performance Rights represent a controlling or other significant interest);
- (d) the value of the Shares into which the Performance Rights may be converted; and
- (e) whether or not the Performance Rights are listed or able to be transferred (i.e. readily capable of being liquidated); and

(f) the probability of the relevant Vesting Condition being satisfied.

The Company has attributed a value of \$112,635.60 to the Performance Rights to be granted pursuant to Resolution 6 and to be issued to Mr Tor McCaul. Details of how these amounts have been reached are below.

The Tranches of Performance Rights listed in the table above, except those which will be determined by reference to a Absolute TSR or Relative TSR (collectively, the “Non-Market Performance Rights”) are subject to non-market vesting conditions only and as such these have been valued by adjusting the intrinsic value (being the Company’s share price as at 6 October 2022) of the underlying Shares which the Performance Rights might be converted to, and adjusting this value by a probability of success factor.

The Performance Rights, with vesting conditions linked to either Absolute TSR or Relative TSR are considered market based vesting conditions. Under AASB 2, a value impact of a market condition should be included in the fair value determination at the grant date. Accordingly, Monte Carlo simulation was used to incorporate a probability-based value impact of the market based condition.

Details of the assumptions utilised in determining the valuation of the Performance Rights appear in the tables below.

| Input                  | Value           | Explanation   |
|------------------------|-----------------|---|
| Valuation Date         | 25/11/2022      | The grant date of the Performance Rights will be on or around 25 November 2022.   |
| Time to Maturity       | 3.1 Years       | The time to maturity is calculated as the period of time from the grant date to the maximum expiry date for each tranche (i.e. 31 December 2025).   |
| Share Price            | \$0.165         | As per the Performance Rights terms, the grant date of the Performance Rights will be on or around 25 November 2022. As the underlying share price of the Performance Right is contingent on trading data in the future, the closing share price as at 6/11/2022 has been used as a proxy for the underlying share price. |
| Exercise Price         | Nil             | As per the Performance Rights terms.  |
| Share Price Volatility | 75%             | The historic volatility of Comet Ridge over a 3 year period prior to 6 October 2022 has been used to estimate the future volatility of Comet Ridge’s share price.   |
| Risk Free Rate         | 3.34%           | The 3 year Australian Government bond rate at the Valuation Date has been used as a proxy for the risk-free rate over the term of the Performance Right. Australian Government bond yield data has been sourced from the Reserve Bank of Australia.   |
| Dividend Yield         | 0%              | Assumed to be nil.  |
| Vesting date           | Per explanation | 50% of Performance Rights will vest on 1 September 2023 immediately after meeting the performance requirements, and the balance will vest on or around 1 September 2024.  |
| Exercise date          | Per explanation | It is assumed exercise occurs immediately upon vesting for the purposes of the valuation calculations, where performance measures are met.  |

Shareholders should be aware that if Resolution 6 is approved, the valuation of the Performance Rights will be performed as the date of shareholder approval. Changes in inputs into the valuation of the Performance Rights, including the market price of the Shares may result in the valuation of the Performance Rights for accounting purposes being different to the indicative valuations disclosed in this Explanatory Memorandum.

## **Corporations Act**

In addition to the restrictions contained in the ASX Listing Rules, unless an exception applies, the Corporations Act restricts the Company from giving certain “benefits” to persons (who hold managerial or executive offices as defined in the Corporations Act) on ceasing their employment with the Company (**Termination Benefit**), in the absence of Shareholder approval.

The term “benefit” is defined broadly in the Corporations Act and includes benefits arising from the Board exercising its discretion under the rules of the Plan.

The Plan contains provisions setting out the treatment of unvested Performance Rights, including the Board’s discretion to waive any Performance Conditions and / or Forfeiture Conditions attaching to those Performance Rights in the event that a Participant ceases to be employed by the Company or a subsidiary of it as a result of, among other things, redundancy, resignation, death, termination of employment for cause or permanent incapacity.

The exercise of these discretions by the Board will constitute a Termination Benefit for the purposes of the Corporations Act and therefor requires Shareholder approval.

Accordingly, Resolution 6 also seeks Shareholder approval to enable the Board to provide Termination Benefits to Mr McCaul in the event that the Board exercises these discretions.

## **Recommendation**

The Directors (other than Tor McCaul who is not entitled to vote) recommend that Shareholders vote **FOR** this Resolution.

The Chair intends to vote all available proxies in favour of this Resolution.

## **SPECIAL RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**).

The 10% Placement Facility is in addition to the Company’s 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. At the date of the Notice of Meeting the Company is an eligible entity. Note however that if, on the date of the Meeting, the market capitalisation of the Company exceeds \$300 million or the Company has been included in the S&P/ASX 300 Index, then this Resolution will no longer be effective and will be withdrawn.

The Company is now seeking shareholder approval by way of a Special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, which is detailed below.

The effect of Special Resolution 7 will be to allow the Directors to issue the Equity Securities in any existing quoted class, under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company’s 15% placement capacity under ASX Listing Rule 7.1.

## **Description of ASX Listing Rule 7.1A**

### *a) Shareholder approval*

This resolution is a Special Resolution and therefore requires approval of 75% of the votes cast by Shareholder’s present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) are cast in favour of the resolution at an Annual General Meeting.

## *b) Equity Securities*

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue only one type of Equity Securities quoted on ASX being ordinary shares.

### *Formula for calculating 10% Placement Facility*

ASX Listing Rule 7.1A.2 provides those eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** = has the same meaning as in rule 7.1;

**D** = is 10%.

**E** = is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4; and

“relevant period” has the same meaning as in rule 7.1.

“A” is the number of fully paid ordinary securities on issue at the commencement of the relevant period:

- i. plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2 (other than exception 9, 16 or 17);
- ii. plus the number of fully paid ordinary securities issued in the 12 months on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - a) the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or
  - b) the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;
- iii. plus the number of fully paid ordinary securities issued in the 12 months under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
  - a) the agreement was entered into before the commencement of the 12 months; or
  - b) the agreement or issue was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;
- iv. plus the number of partly paid shares that became fully paid in the 12 months;
- v. plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;

*Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 17 where the issue is subsequently approved under ASX Listing Rule 7.1.*
- vi. less the number of fully paid shares cancelled in the 12 months.

### **ASX Listing Rules 7.1 and 7.1A**

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice, the Company has on issue 1,010,373,085 ordinary shares and at the date of this Notice has the following remaining capacity to issue:

- 1) 49,191,405 Equity Securities under ASX Listing Rule 7.1; and
- 2) 799,704 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, which is detailed above.

#### **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price of Equity Securities in that same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

#### **10% Placement Period**

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- 1) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- 2) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking); or
- 3) the time and date of the approval by the holders of the Company's ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

("10% Placement Period").

#### **Use of funds**

The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

#### **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue, pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- 1) the methods of raising funds that are available to the Company, including but not limited to, placement, rights issue or other issue in which existing security holders can participate;
- 2) the effect of the issue of the Equity Securities on the control of the Company;
- 3) the financial situation and solvency of the Company; and
- 4) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new resource assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new resource assets or investments.

## **Previous approval under ASX Listing Rule 7.1A**

The Company last obtained approval under Listing Rule 7.1A at its 2021 Annual General Meeting (AGM).

In the period between the date of the 2021 AGM and the date of this Notice of Meeting the Company has issued a total of 150,338,640 ordinary fully paid Shares.

On 15 September 2022 the Company issued 137,142,858 fully paid ordinary shares to the participants of a Placement announced 8 September 2022 to raise approximately \$24 million. The shares were issued at \$0.175 per share. The Placement price represented a 28.5% discount to the closing price of the securities at 6 September 2022.

Approximately \$8.6 million of the funds raised under the Placement is intended to be applied to core and pilot well drilling at the Company's 100% owned and operated northern Mahalo blocks. The Company has also applied \$8.2 million for loan repayment to Santos QNT relating to the acquisition of APLNG's 30% stake in the Mahalo Gas Project.

Funds from the Placement will also be applied to Mahalo North initial reserves certification and pre-production engineering, with approximately \$5.0 million applied to working capital. The Placement proceeds have been added to existing cash held by Comet Ridge.

The proceeds of the monies raised under Listing Rule 7.1A were intermingled at the time with the proceeds of the monies raised under Listing Rule 7.1, and the existing cash balance that the Company had at the time. It is not possible as this juncture to state with accuracy the exact amount of the funds raised under Listing Rule 7.1A that have been spent. Shareholders are referred to the September Appendix 5B which will be released before 31 October 2022 for details of the cash balance and expenditure which the Company incurred which includes the proceeds of the funds raised in the September 2022 Placement.

The funds raised from which were to be applied to new core and pilot well drilling at the Company's 100% owned and operated northern Mahalo blocks, provide for loan repayment, Mahalo North initial reserves certification and working capital.

These shares were issued within the Company's capacity to do so under Listing Rule 7.1 and Listing Rule 7.1A. Of the total number of shares issued under the Placement 51,139,414 were issued under the Company's Listing Rule 7.1 capacity, with the remaining 86,003,444 shares issued under the Company's Listing Rule 7.1A capacity. Further details of the Placement are contained in the Company's announcement which is available at:

[https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02565780-2A1397391?access\\_token=83ff96335c2d45a094df02a206a39ff4](https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02565780-2A1397391?access_token=83ff96335c2d45a094df02a206a39ff4)

The shares issued under the Placement which included the shares issued under Listing Rule 7.1A were allotted to the sophisticated investors and institutional investors that participated in the Placement.

The Shares that were issued under Listing Rule 7.1A during the period from the date of the 2021 AGM to the date of this Notice of Meeting, being 86,003,444 shares as detailed above, represented an increase in the total issued share capital of the Company at the commencement of the 12 months preceding the date of this Meeting of approximately 10%.

## **Voting exclusion**

A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

## **Dilution Risk**

If Resolution 7 is passed by Shareholders as a Special Resolution and the Company issues Equity Securities under the 10% Placement Facility, there is a risk of economic and voting dilution to existing ordinary security holders, including the risk that:

- 1) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and



- 2) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities may be issued as part of consideration for the acquisition of a new asset, either of which may have an effect on the amount of funds raised by the issue of the Equity Securities.

| <b>ASX Listing Rule 7.3A.2 – Dilution Table**</b>  |                            |  |  |   |
|--|----------------------------|--|--|---|
| <b>Variable "A" in ASX Listing Rule 7.1A.2</b>   |                            | <b>\$0.0825 Issue Price (50% decrease in Deemed Price)</b> | <b>\$0.165 Issue Price (Deemed Price)*</b> | <b>\$0.33 Issue Price (100% increase in Deemed Price)</b> |
| 1,010,373,085 Shares being the current number of Shares on issue at the date of this Notice            | <b>10% Voting Dilution</b> | 101,037,308 Shares   | 101,037,308 Shares                         | 101,037,308 Shares  |
|  | <b>Funds Raised</b>        | \$8,335,577  | \$16,671,155                               | \$33,342,311  |
| 1,515,559,627 Shares being a 50% increase in the number of Shares on issue at the date of this Notice  | <b>10% Voting Dilution</b> | 151,555,962 Shares   | 151,555,962 Shares                         | 151,555,962 Shares  |
|  | <b>Funds Raised</b>        | \$12,503,366   | \$25,006,733                               | \$50,013,467  |
| 2,020,746,170 Shares being a 100% increase in the number of Shares on issue at the date of this Notice | <b>10% Voting Dilution</b> | 202,074,617 Shares   | 202,074,617 Shares                         | 202,074,617 Shares  |
|  | <b>Funds Raised</b>        | \$16,671,155   | \$33,342,311                               | \$66,684,623  |

\*The Deemed Price was the closing price of the Company's Shares on the ASX on 30 September 2022, being \$0.165.

\*\*All Voting Dilution and Funds Raised numbers in the table have been rounded down to nearest whole number.

The above table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the Deemed Price.

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No unlisted options or Performance Rights are exercised into Shares before the date of the issue of the Equity Securities under ASX Listing Rule 7.1A. The Company has no options on issue, 5,678,749 unlisted Performance Rights and 65,909,091 unlisted Warrants on issue as at the date of this Notice.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A and does not consider issues under the 15% placement capacity under ASX Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of ordinary shares in the Company. The table does not demonstrate the effect of listed or unlisted options or Performance Rights being issued under ASX Listing Rule 7.1A.
- The issue price for ordinary shares in the Company is deemed for the purposes of the table to be \$0.165 (**Deemed Price**), being the closing price of these shares on ASX on 30 September 2022. This price is indicative only and does not consider the 25% discount to market that these shares may be issued at.

viii) 'A' is the current number of fully paid ordinary shares on issue and assumes full placement capacity available.

The Company will only issue and allot the Equity Securities pursuant to the 10% Placement Capacity within 12 months of the date of this Annual General Meeting. Further, the approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

#### **Recommendation**

The Directors consider that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should such an issue be required. Accordingly, each of the Directors recommends that Shareholders vote **FOR** Special Resolution 7.

The Chair of the Meeting intends to vote all available proxies in favour of this Special Resolution.

# **“ Annexure A”**

## **Notice of Meeting for the Comet Ridge Limited 2022 Annual General Meeting**

### **Summary of Terms of Plan**

A summary of the terms of the Comet Ridge Employee Performance Share Rights Plan are outlined below. A copy of the full terms and conditions of the Plan can be obtained by contacting the Company Secretary.

### **Rationale for the Plan**

The Board continues to believe that the Plan is necessary in order to ensure that the Company maintains its ability to attract and retain key staff and to reward employees for their performance and loyalty to the Company. In addition, grants made to eligible employees under the Plan provide a powerful tool to underpin the Company's employment strategy. The Plan also:

enables the Company to recruit and retain the talented people needed to achieve the Company's business objectives;  
links the reward of key staff with the achievements of strategic goals and the long term performance of the Company;  
aligns the financial interest of employees with those of Shareholders; and  
provide incentives to employees to strive to achieve performance markers that in turn creates Shareholder value.

### **Outline of the Plan**

Below is a brief overview of the Plan and how it has and will continue to operate.

### **Overview**

The Plan allows the Company to issue Performance Rights to eligible employees. A Performance Right is a right to acquire one Share in the Company (subject to the determination by the Board that the relevant performance conditions attaching to the Performance Right have been met). If the relevant performance conditions are not met, then the Performance Right will lapse unless waived in whole or in part by the Board.

Performance Rights issued under the Plan do not confer an entitlement to attend or vote at general meetings of the Company.

### **Participation**

The eligible participants under the Plan are full time employees and permanent part-time employees

(including Directors) of the Company and its subsidiaries.

In accordance with the requirements of the Listing Rules, prior Shareholder approval will be required before any of the Directors or a related party of the Company can participate in the Plan.

### **Performance Criteria**

Performance Rights granted under the Plan will be subject to performance conditions as determined by the Board from time to time and for each particular participant on a case by case basis. Criteria that may be taken into account include (without limitation) matters such as length of employment, successful operational results and/or direct increase in Shareholder value linked to the share price of the Company or reserve targets.

### **Terms of the Plan**

#### Entitlement Limits

The Plan has a fixed maximum number of Shares that may be issued. An offer of Performance Rights may only be made under the Plan if the number of Shares underlying the Performance Rights the subject of the offer when aggregated with:

- (i) the number of Shares that would be issued if each outstanding offer made by the Company with respect to the Shares under an employee incentive scheme were accepted or exercised (as the case may be) and;
- (ii) the number of Shares issued during the previous five years pursuant to this Plan or any other employee incentive scheme,

will not exceed 5% of the total number of issued Shares as at the time of the offer. In performing this calculation, no regard will be made to any offer made, or option acquired, or Share issued as a result of:

- (i) an offer to a person situated at the time of receipt of the offer outside Australia;
- (ii) an offer that did not need disclosure under Part 6D.2 or Part 7.9 of the Corporations Act; or
- (iii) an offer made using a Corporations Act disclosure document or PDS.

#### Consideration

No amount is payable in connection with the grant of a Performance Right. The vesting of a Performance Right is conditional on the satisfaction of the performance conditions attaching to the Performance Right. Subject to the Listing Rules, the Board may nonetheless determine in its discretion that it will reduce or waive the performance conditions in whole or in part.

### Number of Performance Rights

The Plan does not set a maximum number of ordinary shares that may be made available to any one participant. The Board may determine the persons who are eligible to participate in the Plan.

An offer to a person to participate in the Plan, or any Performance Rights held by a participant in the Plan, is personal to the relevant person and may not be exercised by any other person.

The Board may stipulate the terms and conditions on which offers of Performance Rights are made, including but not limited to the maximum number of Performance Rights for which an eligible participant may apply, performance conditions, expiry date, the amount payable (if any) for the grant of a Performance Right, circumstances in which the Performance Rights will lapse and any other terms and conditions applicable which the Board determines.

A participant may not dispose of or grant security over or enter into any arrangement for the purpose of hedging or otherwise affecting their economic exposure to their Performance Rights.

### Term

The Performance Rights have a term of no more than five (5) years, or a term of up to a maximum of five (5) years, or such other term as the Board may lawfully determine in its absolute discretion and specify.

### Lapse of Performance Rights

A Performance Right will lapse on the earlier of:-

1. its stated expiry date;
2. the date that is 30 days after the participant ceases to be an employee of the Company;
3. the Board making a determination that the Performance Right has lapsed on account of the participant acting fraudulently or dishonestly or in breach of the participant's obligations to the Company; or
4. the participant or the participants' estate becomes bankrupt or commits an act of bankruptcy.

In special circumstances a Performance Right can vest where a participant ceases to be an eligible participant. Early vesting of the Performance Right will occur in the event that:-

1. the participant dies, is totally and permanently disabled or made redundant;
2. there is a change of control of the Company;
3. the Company passes a resolution for winding up;

4. an order is made for the compulsory winding up of the Company;
5. a person becomes bound and are entitled to acquire the shares in the Company:
  - (a) upon a scheme of arrangement being approved for the purposes of section 414 of the Corporations Act; or
  - (b) under a compulsory acquisition process following a takeover bid pursuant to Chapter 6A of the Corporations Act; or
6. the Performance Right has otherwise vested under the Plan.

### Re-organisation of Share Capital

Other than as provided for by the Plan, participants will not be entitled to participate in any new issue of shares.

In the event that the Company makes a bonus issue of shares, then the number of underlying shares over which the Performance Rights are exercisable, will be increased by the number of shares which the participant would have received if the Performance Rights had vested immediately prior to such record date.

If there is a re-organisation of capital of the Company, then the rights of the participant will be changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation.

### Quotation of Shares

The Company will not seek official quotation of any Performance Rights. The Company will apply to the ASX for quotation of shares issued on exercise of Performance Rights if other shares of the Company are officially quoted by ASX at that time.

### Administration and Amendment of the Plan

The Plan will be administered by the Board which will have power to determine appropriate procedures and make regulations for the administration of the Plan which are consistent with it subject to the Listing Rules. The Board may, in its absolute discretion, at any time amend any of the rules, or waive or modify the application of any of the rules in relation to any participant provided no amendment to the Plan materially reduces the right of any participant in respect of any Performance Right granted to that participant, other than an amendment introduced to either correct any manifest error or mistake, and the purposes of complying with present or future State or Commonwealth legislation, termination and suspension of the Plan. The Board may suspend or terminate the plan at any time, provided that such termination or suspension does not adversely affect the then existing rights of the participants.

## **“Annexure B”**

### **Notice of Meeting for the Comet Ridge Limited 2022 Annual General Meeting**

#### **Summary of Full Material terms of the Tranche 2 Warrant Deed ‘**

##### **Grant of Tranche 2 Warrant**

In consideration of Pure Asset Management Pty Ltd (Holder) entering into the Facility Agreement, Comet Ridge Limited (Company) granted to the Holder an irrevocable option for the Holder to require the Company to issue the Warrant Shares for the Purchase Price in accordance with the terms and conditions of this Deed (the **“Tranche 2 Warrant”**). The Tranche 2 Warrant was issued 31 March 2022 to the Holder.

##### **Exercise of Tranche 2 Warrant**

- (a) The Holder may exercise the Tranche 2 Warrant by delivering a duly executed Exercise Notice to the Company at any time during the Exercise Period.
- (b) Once given, an Exercise Notice is irrevocable.
- (c) The Tranche 2 Warrant is taken to have been exercised at the time when a signed Exercise Notice is delivered in accordance with the terms of the agreement.
- (d) The Company must apply on the Completion Date for official quotation on the ASX of all Warrant Shares issued from the exercise of the Tranche 2 Warrant.

##### **Completion Date means:**

- (a) if, on the Exercise Date, the Company is not in possession of Excluded Information, five Business Days after the Exercise Date; or
- (b) if, on the Exercise Date, the Company is in possession of Excluded Information, a date nominated by the Company in writing (provided that such date is within 30 days of the Exercise Date), or such other date as the Company and Holder agree in writing, acting reasonably.

**Adjusted Price** means the price calculated in accordance with the following formula:

$$\frac{A + B}{C}$$

where:

A = Market Capitalisation of the Company on the trading day prior to the announcement of the issue of Equity Securities;

B = the number of Equity Securities the subject of the issue multiplied by their issue price; and

C =

- (i) the number of Shares on issue immediately prior to the issue of Equity Securities; plus
- (ii) the Diluted Amount of the Equity Securities the subject of the issue.

**Exercise Price** means the lower of the following per Warrant Share:

- (a) A\$0.132;
- (b) if the Issuer makes an issue of Equity Securities (or series of consecutive issuances of Equity Securities in any period not exceeding 12 months) other than the Warrant Shares and the issue of Equity Shares as part of a single raising of \$5 million and the diluted amount of those Equity Securities (in aggregate) exceeds 15% of the number of Shares on issue immediately before the announcement of the issue or first issuance:
  - (i) the Adjusted Price; or
  - (ii) in the case of a series of issuances, the volume weighted Adjusted Price in relation to those issuances, Paragraph (b) may apply on more than one occasion and in respect of any set of consecutive issuances (in which case the applicable value for the purposes of paragraph (b) will be the lowest value determined in accordance with paragraph (b) on any of those occasions). For the purposes of paragraph (b), two or more issuances of Equity Securities will occur within a period not exceeding 12 months if they are both announced in a period not exceeding 12 months.

##### **Partial exercise**

The Holder may exercise the Tranche 2 Warrant in respect of:

- (i) all of the Warrant Shares; or
- (ii) any number of Warrant Shares greater than or equal to \$1,000,000.00 divided by the Exercise Price,

(and the Tranche 2 Warrant shall remain in effect in respect of any Warrant Shares which have not been the subject of exercise).

##### **Expiry of Tranche 2 Warrant**

**Exercise Period** means the period commencing on the Utilisation Date and expiring on the date that is the later of:

- (a) 7 days prior to the date that is 48 calendar months after the date of the Warrant Deed; and
- (b) 7 days prior to the date that is 48 calendar months after the Utilisation Date being the date of utilisation of the Second Loan of A\$3,500,000 under the Facility.

If the Tranche 2 Warrant is not exercised within the Exercise Period, then the Tranche 2 Warrant and all rights of Holder in connection with the Tranche 2 Warrant lapse and cease to be of any force or effect from the end of the Exercise Period.

##### **No Holder warranties in Liquidity Event**

In the case of a Liquidity Event, the Company must (unless otherwise agreed by Holder) procure that Holder is not required for the purpose of, or in connection with, the Liquidity Event to give any warranties or indemnities (other than as to title to shares registered in its name or the name of its

nominees, and as to its capacity and authority to effect the relevant event), or to appoint any party to act as its agent or make any contribution to the costs (including legal and accountancy fees and disbursements) incurred by any other party in connection with such Liquidity Event.

#### **Dividends and voting**

The Tranche 2 Warrant does not confer on Holder:

- (a) any entitlement to any dividends or other distributions by the Company; or
- (b) any right to attend or vote at any general meeting of the Company.

#### **Tranche 2 Warrant not to be quoted**

The Tranche 2 Warrant shall not be listed for quotation on ASX or any other securities exchange.

#### **Agreement to issue Warrant Shares**

Upon exercise of the Tranche 2 Warrant, the Company irrevocably agrees to offer and issue to Holder or its Nominee, and Holder irrevocably agrees to subscribe for, or to procure that its Nominee will irrevocably subscribe for, from the Company, the Warrant Shares (that are the subject of the exercise) for the Purchase Price on the terms and conditions of this Deed.

#### **Issue of Warrant Shares free from Security Interests**

Any Warrant Shares issued under the Warrant Deed must be issued free from any Security Interests and with all rights, including dividend or interest rights, attached or accruing to them on and from the Completion Date.

#### **Terms of the Warrant Shares**

Warrant Shares issued upon the exercise of the Tranche 2 Warrant must:

- (a) be fully paid and free and clear from any Security Interests or other third-party rights;
- (b) rank in all respects *pari passu* with the Shares on issue on the Completion Date; and
- (c) be issued as specified in the Exercise Notice, either:
  - (i) in uncertificated form through CHESS if Holder specifies a valid CHESS account; or
  - (ii) in uncertificated form registered in the Company's Issuer Sponsored Sub register if Holder does not specify a valid CHESS account, in the name of Holder or its Nominee.

#### **Obligations on Completion**

On the Completion Date:

- (a) the Company must issue to Holder or its Nominee, and Holder shall subscribe for, or procure its Nominee to subscribe for, the Warrant Shares (that are the subject of the exercise); and
- (b) the Company and Holder, or its Nominee, shall execute and deliver all necessary documents and give all necessary instruments as reasonably required by the other to ensure that all right, title and interest in the Warrant Shares (that are the subject of the exercise) vests with Holder, or its Nominee:
- (c) the Holder must pay, or procure that its Nominee pays, to the Company the Purchase Price.

#### **Obligation following Completion**

The Company must:

- (i) within 5 Business Days after Completion:
  - i. give to the ASX a Cleansing Notice within the exception in section 708A(5) of the Corporations Act; or
  - ii. lodge a prospectus in accordance with section 708A(11) of the Corporations Act,

so that the on-sale of those Warrant Shares are not subject to any on-sale or other restrictions, limitations or additional requirements on their transferability and tradability and are freely transferable on the ASX; and

- (ii) ensure that all Warrant Shares issued by the Company from the exercise of the Tranche 2 Warrant are not subject to any restrictions, limitations or additional requirements on their transferability and tradability in excess of those restrictions, limitations or additional requirements that generally apply to other Shares.

#### **Participation in new issues of Shares**

- (a) the Holder, in its capacity as Holder under the Warrant Deed, cannot participate in a new issue of capital offered to Shareholders during the Exercise Period without first exercising the Tranche 2 Warrant.
- (b) the Company must give written notice to Holder at least 15 Business Days before the Record Date applicable to any new issue of capital offered to Shareholders in order to give Holder the opportunity to exercise the Tranche 2 Warrant and receive the Warrant Shares prior to the date of determination of entitlements to participate in the new issue.
- (c) Nothing prevents Holder from participating in new issues of Shares during the Exercise Period in its capacity other than a Holder under the Warrant Deed.

### **Bonus issues**

If the Company makes (whether before or during the Exercise Period) a Bonus Issue to Shareholders, then the number of Shares over which the Tranche 2 Warrant is exercisable is increased in accordance with ASX Listing Rule 6.22.3.

### **Pro-Rata issues**

If the Company makes (whether before or during the Exercise Period) a Pro-Rata Issue of Shares (except a Bonus Issue) to Shareholders which does not result in paragraph (b) of the definition of Exercise Price being engaged, the Exercise Price of the Tranche 2 Warrant is to be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2 (but only if such adjustment would result in a reduction to the Exercise Price).

### **Reorganisation of capital**

If there is a reorganisation of capital of the Company (whether before or during the Exercise Period) then the rights of the Holder are changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

### **Non-ordinary shares**

(a) The Company must not issue any Non-ordinary Shares (or securities convertible into Non-ordinary Shares) without the consent of Holder.

(b) The Holder agrees to provide its consent if the Exercise Price is adjusted so that the economic value of the Tranche 2 Warrant is not adversely affected by the issue.

**Non-ordinary Share** means a share in the capital of the Company, other than a Share. For the avoidance of doubt, Non-ordinary Shares include preference shares, performance shares and partly paid shares, but do not include Convertible Securities, Options or securities issued pursuant to an employee incentive plan.

### **Notice**

(a) The Company must give written notice to the Holder as soon as it becomes aware of any of the events that might give rise to the reorganization of capital or issue of new securities occurring or being reasonably likely to occur.

(b) This requirement of the Company to give written notice to the Holder includes any notice that the Company gives to Shareholders, whether in accordance with the Corporations Act, the ASX Listing Rules (including ASX Listing Rule 7.20) or otherwise.

(c) Notwithstanding any other obligation to give notice, the Company must give written notice to the Holder of the adjustments that will be made to the

share capital of the Company at least 5 Business Days before the date of the event giving rise to the adjustment.

COI

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**  
1300 552 270 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11.00am (Brisbane Time) on Wednesday, 23 November 2022.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

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**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Comet Ridge Limited hereby appoint

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the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Comet Ridge Limited to be held at Royal on the Park, 152 Alice Street, Brisbane, QLD 4000 on Friday, 25 November 2022 at 11.00am (Brisbane Time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 6 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

|              |  | For                      | Against                  | Abstain                  |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Non-Binding Resolution to Adopt Remuneration Report                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Ms Gillian Swaby as a Director                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Re-election of Mr Christopher Pieters as a Director                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Ratification of Prior Issue of Warrants to PURE – Listing Rule 7.4 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Ratification of Placement Shares – Listing Rule 7.4                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Grant of Performance Rights to Managing Director                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Approval of 10% Placement Capacity                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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