

25 November 2022

CHAIRMAN'S AGM ADDRESS 2022

I believe that 2021/22 has been our most successful year yet. This has come about largely from the persistence, innovation and hard work of staff and management. Highlights include:

- Comet Ridge finalised the acquisition of APLNG's 30% interest in the Mahalo Gas Project Joint Venture. After a very long and complicated process, this deal completed on 28 June 2022.
- Additionally, Comet Ridge negotiated with Santos an option for them to acquire an additional 12.86% interest in Mahalo (subsequently exercised post the balance date). Joint venture interests are now 57.14% Comet Ridge & 42.86% Santos (who is the Development Operator). This aligned the joint venture for our main project putting it in a position to take the Mahalo Gas Project forward.
- The industry has witnessed the continued tightening in the East Coast domestic market and export LNG market. This has provided a very favourable macro position for the Company.
- We also drilled and ran the Mahalo North 1 production test. This subsequently reached 1.75 MMcfd (million standard cubic feet per day), which is a very impressive result for a single pilot well.

Post the end of the financial year Comet Ridge achieved our initial gas reserves certification for Mahalo North, continuing to build the Company's very material Queensland gas reserves portfolio. The Company is working to receive a material contingent resource estimate for Mahalo East before the end of the calendar year.

- Progressed a gas sales agreement with CleanCo which we expect to complete by the end of December.
- Progressed development activities including infrastructure access for early gas sales opportunities, and environmental studies to support a new PL application for our 100% Mahalo North.
- Renewed the Galilee Basin permits for a further 12-year period and six Potential Commercial Areas (PCAs) awarded for 15 years over the most prospective parts of the Galilee Basin for both CSG and conventional sandstone gas.
- Ensured the Company was financially well positioned with a placement of \$24 million completed in September 2022.
- Fully repaid the Santos \$13.1 million loan via the \$5.1 million Mahalo JV equity option exercised by Santos and an \$8.0 million cash repayment by Comet Ridge.

A compelling east coast gas play

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Two years ago, at the AGM, I said that the 'gas market, we believe, will become very short in coming years.' In hindsight this was an understatement. Whilst this has been exaggerated by external factors such as electricity supply issues, and also the invasion of Ukraine, it is clearly predictable that when there is a desire to transition to renewables without the deliverability necessary for our economy, gas as the only plentiful method of providing peaking electricity would be increasingly needed.

To place draconian restrictions on gas exploration and development, particularly in New South Wales and Victoria, was always a recipe for drastically higher prices. Speculation about Government intervention in a market created by their own actions is worrying and likely to produce the opposite effect of that intended.

In summary, the past eighteen months have been transformational for Comet Ridge and have put the Company in an enviable position amongst our peers. Notably, our Mahalo Gas Hub is now extensively appraised with significant gas reserves and resources, with more to come. The northern blocks are held 100% by Comet Ridge and the southern part at 57% equity within an aligned and active joint venture. I believe this makes the Mahalo Gas Hub and Comet Ridge very valuable in a very favourable market.

On behalf of the Board, I would like to take this opportunity to thank all our shareholders of the Company. I would also like to thank my fellow Board members, and I would especially like to acknowledge and thank all our staff for their great efforts.

I look forward to continued success in the coming year.

By Authority of the Board per: James McKay, Chairman

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