

22 November 2023

CHAIR'S ADDRESS - ANNUAL GENERAL MEETING 2023

What a year around the world. With ongoing conflicts in Ukraine and the Middle East, tensions between the western world and China, domestically, inflation and interest rates skyrocketing, energy prices and, relevant for Comet Ridge, gas prices increasing in line with demand while the Government intervened in the gas market late last year. The year has been challenging for all of us, but it is a year that I believe for Comet Ridge has been a very successful. This has come about largely from the persistence, innovation and hard work of staff and management.

Highlights of the 2022/23 financial year include:

- The Mahalo North pilot production test delivered a world-class result for a single pilot well, achieving gas flow of 1.75 million cubic feet per day (MMcfd).
- Initial Gas Reserves were certified at Mahalo North (43 PJ of 2P Reserves and 110 PJ of 3P Reserves) and Gas Resources were certified at Mahalo East (31 PJ of 2C Resources and 122 PJ of 3C Resources), within the Mahalo Gas Hub high production fairway.
- Following Comet Ridge's acquisition of APLNG's 30% interest in the Mahalo Joint Venture Project, Santos exercised its option to acquire a 12.86% interest, creating a simpler, more strongly aligned joint venture. Comet Ridge retains an equity interest of 57.14%, with Santos (Development Operator) holding 42.86%.
- Development activities progressed for Mahalo North including pipeline connection options and environmental studies to support an initial Petroleum Lease (PL) application as well as state and federal environmental approvals which have all been lodged with the relevant Government departments.
- Our Galilee licences were renewed for 12-year terms and six new Potential Commercial Areas (PCAs) awarded for 15 years over the most prospective areas of the permits, retaining a large area.
- A \$24m placement was completed and the Santos loan was fully repaid during the financial year with the Santos option-exercise and an \$8.0 million cash prepayment.
- The Federal Government's east coast gas market intervention unsettled the market and caused project delays for more than six months, however Comet Ridge is now exempt from gas price caps as a domestic focused gas producer.
- CleanCo Gas Sales Agreement (GSA) was executed on 18 September 2023, and now awaits Shareholding Ministers approval.

A compelling east coast gas play

Comet Ridge Limited | ABN 47 106 092 577 | ASX: COI

Level 3, 410 Queen Street
Brisbane Queensland 4000
GPO Box 798 Brisbane Qld 4001
Phone +61 7 3221 3661
Email: comet@cometridge.com.au
cometridge.com.au



At the AGM two years ago, I noted 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 the invasion of Ukraine, it was 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. This is on top of the many other uses for gas in our economy such as for manufacturing and fertiliser production.

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 has 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 larger southern project at 57% equity within an aligned and active joint venture with Santos. I believe this makes the Mahalo Gas Hub and Comet Ridge very valuable in a gas hungry market.

On behalf of the Board, I would like to take this opportunity to thank all our shareholders. I also extend my thanks to my fellow Board members – Gill, Chris, Martin, Shaun and of course Tor and the entire team at Comet Ridge who have worked tirelessly over the past year.

I look forward to continued success in the coming year.

Thank you.

By Authority of the Board per: James McKay, Chairman

For more information:

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

Phil Hicks
Chief Financial Officer
Phone +61 7 3221 3661
phil.hicks@cometridge.com.au