



ASX Announcement

1 March 2022

Mahalo North production testing update

Key points:

- Mahalo North production test continuing with very high reservoir productivity.
- Pump speed has been progressively increased since the start of testing, with a corresponding increase in water rate.
- Third and largest water tank installed.
- Pumping rate to be steadily increased over coming weeks.

Comet Ridge Limited (ASX:COI) is pleased to provide an update on its Mahalo North pilot production test, where Comet Ridge holds 100% equity and is the Operator. The production testing operations are focused on the high-productivity fairway in the southern part of ATP 2048, approximately 3.7km to the north of the existing Mahalo Pilot Scheme.

Since the commencement of production testing at Mahalo North 2/1¹ on 14 January 2022, the down hole pump has performed as designed with Comet Ridge initiating a consistent series of pump speed increases to facilitate the dewatering process.

At the end of February, the well was producing approximately 508 barrels of water per day. The pumping rate will continue to be steadily increased by Comet Ridge over the coming weeks.

The graph on the following page shows the de-watering history of Mahalo North 2/1 compared to Mira 6/2. Mira 6/2 was a much shorter lateral well in the high productivity fairway of the Mahalo Gas Hub area. It recorded the Mahalo Hub's highest gas flow rate to date of 1.4 million cubic feet of gas per day.

Material gas production at Mahalo North 2/1 is expected to take a number of months to develop, as the coal reservoir pressure is progressively reduced by increasing the pump speed to remove water from the coal.

In anticipation of higher water and gas rates during the production testing phase, Comet Ridge has now completed the installation of the third and largest water storage tank. This will provide Comet Ridge with significant water handling facilities for the production testing phase.

¹ Mahalo North 2/1 means the lateral well Mahalo North 2 intersecting the vertical well Mahalo North 1, with all production coming out of the vertical well (Mahalo North 1)

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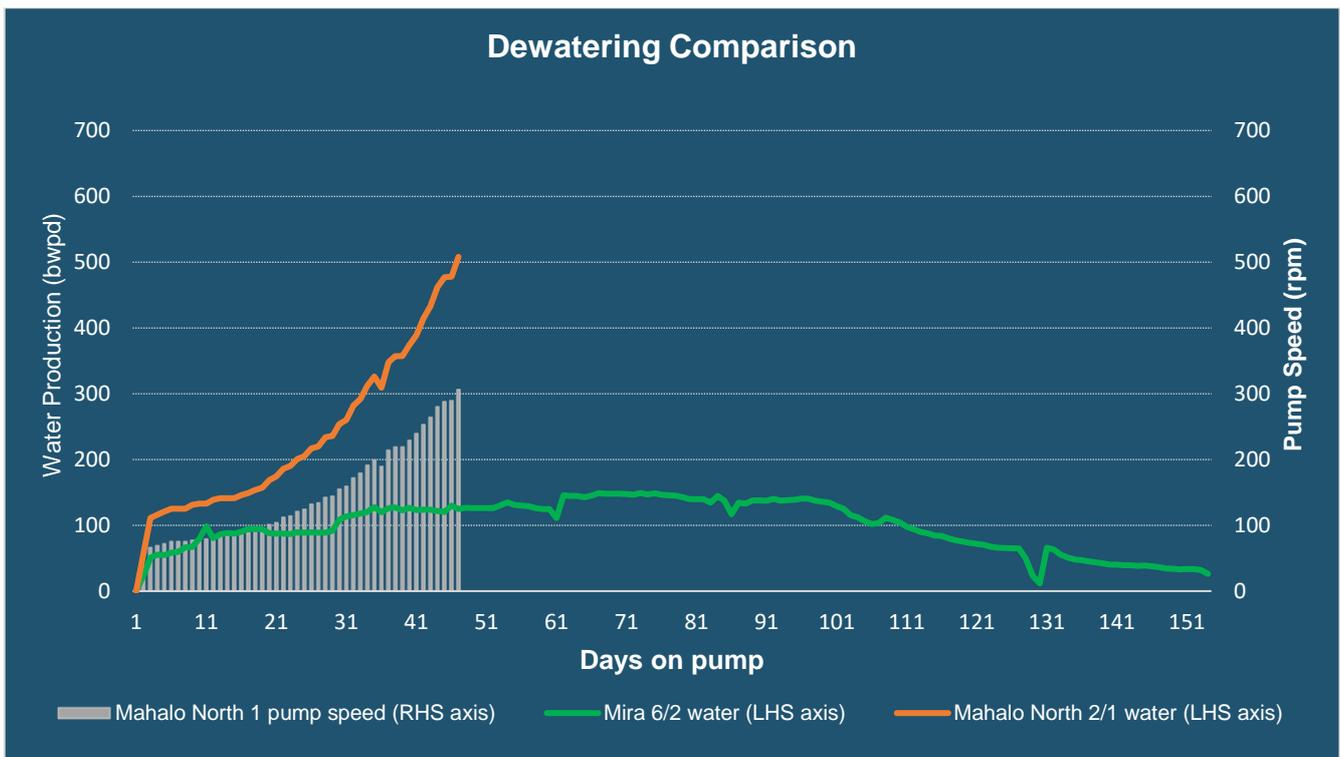
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Comet Ridge Managing Director, Tor McCaul said:

“Despite the significant rainfall event in Southeast Queensland recently, the weather in the Mahalo area has been much more moderate. The final piece of infrastructure, the large water tank, was installed recently with the production test running smoothly to date. We have been pleased to see the very high and increasing water productivity from the coal reservoir during this early dewatering phase of the test.

We look forward to climbing to our peak water rate over the next couple of weeks, and then maintaining that rate to continue to de-pressure the reservoir ahead of starting gas production.”



By Authority of the Board per: Tor McCaul, Managing Director

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About Comet Ridge

Comet Ridge Limited (ASX: COI) is a publicly listed Australian energy company focused on the development of natural gas resources for the east coast Australian market. The company has tenement interests and a suite of prospective projects in Queensland and New South Wales. Our flagship Mahalo Gas Hub projects are low cost, sales spec natural gas blocks, close to Gladstone. Our exploration assets in the Galilee and Gunnedah basins offer further upside amid increasing domestic and international demand for natural gas as a source for cleaner energy and as a key manufacturing feedstock that makes thousands of products, used daily.