Comet Ridge Limited

- ASX listed - based in Brisbane
- Focus on natural gas in eastern Australia
- Multi-basin presence
  - Southern Bowen (Mahalo) - Queensland
  - Galilee - Queensland
  - Gunnedah - NSW
- Coal Seam Gas (CSG) Pilot schemes running at the Mahalo Gas Project with initial 2P and 3P reserves
  - Comet Ridge now managing subsurface work
- Significant resource base in the Galilee Basin northwest of Gladstone (over 2200 PJ 3C)
  - CSG
  - Sandstone Gas

*Chapter 5 ASX Listing Rules disclosure Page 17*
Corporate Overview

Capital Structure – ASX: COI

- Share price (29 August 2017) $0.15
- Shares on issue 617.7m
- Performance rights 5.0m
- Diluted market cap $93.4m
- Cash (30 June 2017) $6.0m

12 Month Share Price Performance

- James McKay
  - Non-Exec Chairman
  - 28 years in business (commerce/law background)
  - Former Chairman, Sunshine Gas

- Chris Pieters
  - Commercial Director
  - Geologist with 12 years in oil & gas
  - Former Chief Commercial Officer, Sunshine Gas

- Tor McCaul
  - Managing Director
  - Petroleum engineer with 29 years in oil & gas
  - Former Head of Commercial for Cairn plc in India

- Mike Dart
  - Non-Exec Director
  - 20 years experience in M&A and Finance
  - Director of Dart Capital Partners, private venture capital fund

- Gillian Swaby
  - Non-Exec Director
  - 30+ years in finance & resources
  - Former Chair of WA Council of Chartered Sec.
Comet Ridge - Strategic East Coast Gas Portfolio

LEGEND
- COI Tenement
- Gas basin
- Gas pipeline
- Major gas demand centre
- Gas producing centre
- Population centre

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<th>Type</th>
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<th>*Contingent Resource (PJ)</th>
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<td>3P</td>
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<td>CSG</td>
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<td>Sandstone Gas</td>
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Refer to the Competent Persons Statement at end of this presentation and the ASX announcement dated 6 August 2015 for further information on COI's Reserves and Contingent Resources.
Eastern Australia – State of Play

- Substantial green activism to gas despite the significant contribution gas makes to the national economy.

- Some states and territories – LIMITING gas supply as demand INCREASES dramatically!

- Queensland and South Australia have been blessed with gas common sense.
Additional gas supply is the only effective response

Galilee Basin (Queensland) has the scale and location to participate in the national gas solution

- Market needs CSG from new basins (e.g., Galilee Basin)
- Market also needs gas from deeper / tighter sandstone reservoirs (e.g., Galilee and Cooper Basins)
Mahalo Production Performance

- Overall performance of horizontal well and Mahalo Pilot has been very pleasing
- Water rate is low leading to expectation of lower development and operating costs
- Two of three vertical wells brought on line in 2016, with Mahalo 4 free flowing
- Scale up of short Mahalo 7 horizontal well to longer development wells is logical and achievable
- Gas flowrate 426mcfd from horizontal with only 361m in coal
Mahalo – Comet Ridge Managing Subsurface Work

- Executed agency agreement with Santos for Comet Ridge to manage next phase announced 3 April
- Target on moving 3P reserves to 2P – COI 219 PJ (3P)\(^+\) & 112 PJ (1C)\(^+\)
- Program focused in north of block
- Mira under-reaming followed by horizontal well
- One corehole to the northeast
- Work Program and Budget approved by Santos and APLNG on 12 April and field work commenced 2 August
- Focus on building reserves cost effectively – JV program spend this year $4m to $5m gross
- Under-reaming successfully completed and drilling now underway

ATP 1191 Mahalo Block
Comet Ridge 40%
APLNG 30%
Santos 30%
Mahalo Development Concept

Significant analysis work completed – examining the most efficient and effective way to move the northern pilot schemes into production via available export pipeline capacity and field infrastructure.

**Three Step Process:**

1. **Conversion of existing 3P to 2P reserve**
   - Production enhancement at Mira Pilot
   - Single step-out corehole in north east

2. **Initial production phase targeting 25 TJ/d from northern part of the block**
   - Utilise existing facilities to minimise capex spend and construction time

3. **Expand initial production phase to full field target of 100+ TJ/d**
   - Based around well production rates from initial production phase to guide field development
Mira Field – early August
Under-reaming – Mira wells 3, 4 & 5

- Well production enhancement process
- Coal (fractures plugged by fines) is removed from around wellbore
- Provides easier pathway for gas and water to flow to well
- Drilling tool run inside casing with expandable arms
- Tool placed across coals and rotated at high speed
- Water pumped down inside of drillpipe carries coal material back to surface outside of drillpipe and inside of casing
- Production tubing and downhole pump then run back into the well and well returned to production
Mira 5 workover – early August
Humboldt South 1 corehole – coring now
Mira 6 horizontal well - September
Galilee Basin
Galilee Basin – Significant Scale

- Large area (~250,000km²) covering a big part of central western Queensland
- Land use is grazing – cattle and sheep on large stations
- Historical exploration - oil recovered and gas flows
- Recent basin-wide focus on CSG
- Single-well production test by Comet Ridge
- Significant potential for conventional and unconventional resources
- Coal mine province evolving in the shallow coals in the east
Galilee Basin – Sandstones

Koburra Trough

- 3 historic petroleum wells within ATP 743 and ATP 744 recovered gas and/or oil from Lake Galilee Sandstone at base of Galilee Basin section – all now in Comet Ridge acreage
- Koburra 1, Carmichael 1 and Lake Galilee 1 flowed gas to surface at low rates - Evidence of active petroleum system
- However early basin wells were targeting oil and not designed to evaluate gas potential (high mud overbalance / not tested immediately on penetration etc.)
- Lake Galilee 1 – oil recovered
- Potential for significant hydrocarbon volumes
- Targeting Late Carboniferous to Permian sandstones to depths of ~3000m
- Comet Ridge has Basin’s first sandstone contingent resource
  153PJ (2C)* over Albany structure in Koburra Trough
Gunn Project Area

- 6 individual coal seams
- depth to coal 700-1,000m
- >16m net coal deposited over large area
- average gas content 4.3 m³/t (high 7.3 m³/t)
- good to excellent permeability within target coals
- Gunn-2 Production Test
  - perforated single 4m coal interval
  - seam isolated above and below by impermeable mudstone
  - established connectivity to coals
  - evaluated methods of formation water treatment
  - demonstrated long term production solution

Gunn Project area and ATP 1015 area coals contain recoverable gas over an estimated 1,865km²
Galilee Basin – Forward View

- Comet Ridge Work Programme to be funded by gas pre-sale or equity farm-in – process is currently underway
- A structurally short east coast market will need to look to the Galilee Basin for gas volume – this is already occurring
- Comet Ridge’s eastern position with both large sandstone gas and large CSG resources will have increasing significance
- Sandstone Gas at Albany structure (3C – 417 PJ 100% COI) is the logical first step due to size and position on the basin eastern edge
- Sandstone Gas at Lake Galilee structure is the logical second step due to size and proximity to Albany (23km)
- CSG in the Gunn Project Area (3C – 1870 PJ+ 100% COI) with expansion into ATP 1015 (100% COI) to the east is the logical third step due to the large volume and continuous nature of the coals
- Each of these three areas can be supported in the field as the one project with corresponding scale economies
Contact

Telephone: +61 7 3221 3661
Facsimile: +61 7 3221 3668
Email: info@cometridge.com.au

Level 3
283 Elizabeth Street
Brisbane 4000

GPO Box 798
Brisbane 4001
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The Contingent Resource for the Albany Structure ATP 744 are taken from an independent report by Dr Bruce McConachie of SRK Consulting (Australasia) Pty Ltd, an independent petroleum reserve and resource evaluation company. The Contingent Resources information has been issued with the prior written consent of Dr McConachie in the form and context in which they appear in this Annual Reserves Statement for 2016. His qualifications and experience meet the requirements to act as a qualified petroleum reserves and resource evaluator as defined under the ASX Listing Rule 5.42 to report petroleum reserves in accordance with the Society of Petroleum Engineers (“SPE”) 2007 Petroleum Resource Management System (“PRMS”) Guidelines as well as the 2011 Guidelines for Application.

The estimate of Reserves and Contingent Resources for the Mahalo Project as part of ATP 1191P provided in this presentation, is based on, and fairly represents, information and supporting documentation determined by Mr Timothy L. Hower of MHA Petroleum Consultants LLC Inc in accordance with Petroleum Resource Management System guidelines. Mr Hower is a full-time employee of MHA, and is a qualified person as defined under the ASX Listing Rule 5.42. Mr Hower is a Licensed Professional Engineer in the States of Colorado and Wyoming as well as being a member of The Society of Petroleum Engineers. Mr Hower has consented to the publication of the Reserve and Contingent Resource estimates for Mahalo in the form and context in which they appear in this presentation.

The reserve and contingent gas resource estimates for ATP 1191P provided in this presentation were originally released to the Market in the Company’s announcement of 28 August 2014 and subsequently updated in an announcement date 2 December 2015, and were estimated using the deterministic method with the estimate of contingent resources for ATP 337P not having been adjusted for commercial risk.

The contingent resource estimates for ATP 744P provided in this presentation are based on and fairly represent, information and supporting documentation determined by Mr John Hattner of Netherland, Sewell and Associates Inc, Dallas, Texas, USA, in accordance with Petroleum Resource Management System guidelines. Mr Hattner is a full-time employee of NSAI, and is considered to be a qualified person as defined under the ASX Listing Rule 5.42 and has given his consent to the use of the resource figures in the form and context in which they appear in this presentation.

The contingent gas resource estimates for ATP 744P provided in this statement were originally released to the Market in the Company's announcement of 25 November 2010, and were estimated using the deterministic method with the estimate of contingent resources for ATP 744P not having been adjusted for commercial risk.

COI confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to either ATP 1191P or ATP 744P referred to above and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

The contingent resource estimates for PEL 6, PEL 427 and PEL 428 referred to in this presentation were determined by Mr Timothy L. Hower of MHA Petroleum Consultants LLC in accordance with Petroleum Resource Management System guidelines. Mr Hower is a full-time employee of MHA, and is a qualified person as defined under the ASX Listing Rule 5.42. Mr Hower consented to the publication of the resource figures which appeared in the announcement of 7 March 2011 made by Eastern Star Gas Limited (ASX:ESG) and any reference and reliance on the resource figures for PEL 6, PEL 427 & PEL 428 in this presentation is only a restatement of the information contained in the ESG announcement.

The contingent resource estimates for PEL 6, PEL 427 and PEL 428 were estimated using the deterministic method with the estimate of contingent resources for PEL 6, PEL 427 and PEL 428 not having been adjusted for commercial risk.

COI confirms that it is not aware of any new information or data that materially affects the information included in the ESG announcement of 7 March 2011 and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.