



Comet Ridge Limited



Comet Ridge Limited (ASX:COI)

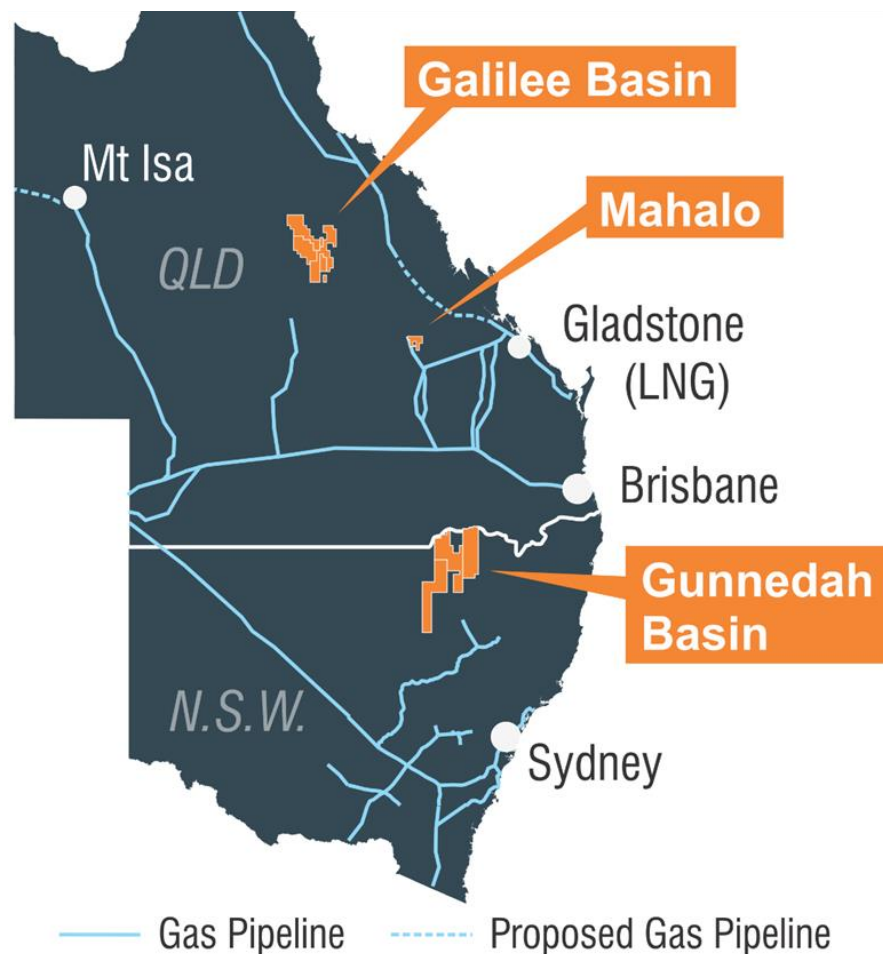
Noosa Mining Conference 2017

Tor McCaul
Managing Director
20 July 2017

www.cometridge.com.au

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

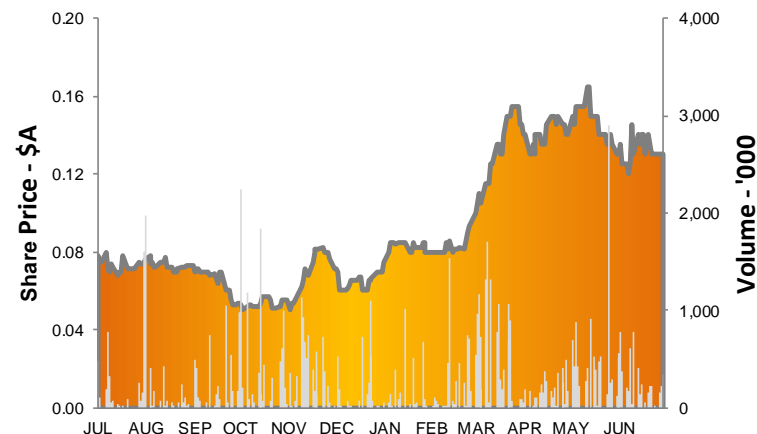


Corporate Overview

Capital Structure – ASX: COI

Share price (19 July 2017)	\$0.135
Shares on issue	617.7m
Performance rights	5.0m
Diluted market cap	\$84.1m
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



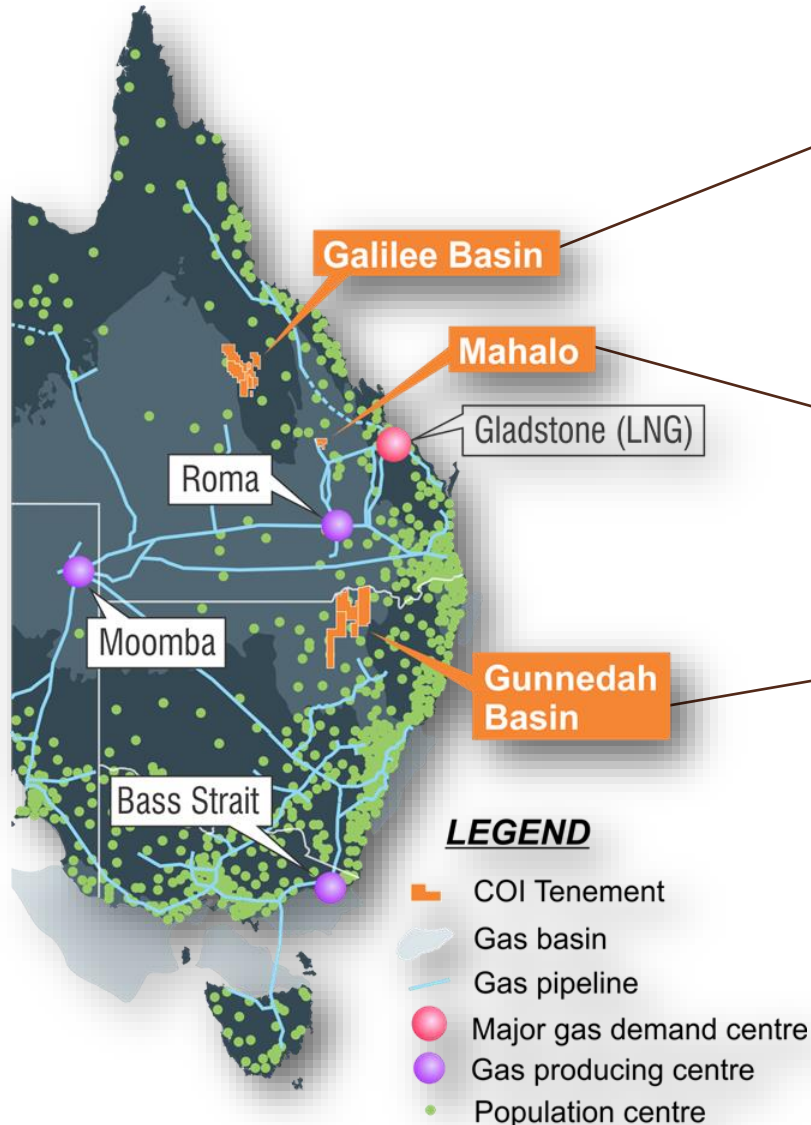
Gillian Swaby
Non-Exec Director

- 30+ years in finance & resources
- Former Chair of WA Council of Chartered Sec.

Comet Ridge - Strategic East Coast Gas Portfolio



Comet Ridge Limited



Type	+Reserve (PJ)		+Contingent Resource (PJ)		
	2P	3P	1C	2C	3C
CSG				67	1870
Sandstone Gas			56	153	417

Type	+Reserve (PJ)		+Contingent Resource (PJ)		
	2P	3P	1C	2C	3C
CSG	30	219	112	232	372

Type	+Reserve (PJ)		+Contingent Resource (PJ)		
	2P	3P	1C	2C	3C
CSG					562

2017 Company focus on significantly growing 2P reserves

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 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 (eg. Galilee Basin)
 - Market also needs gas from deeper / tighter sandstone reservoirs (eg. Galilee and Cooper Basins)



Mahalo Project

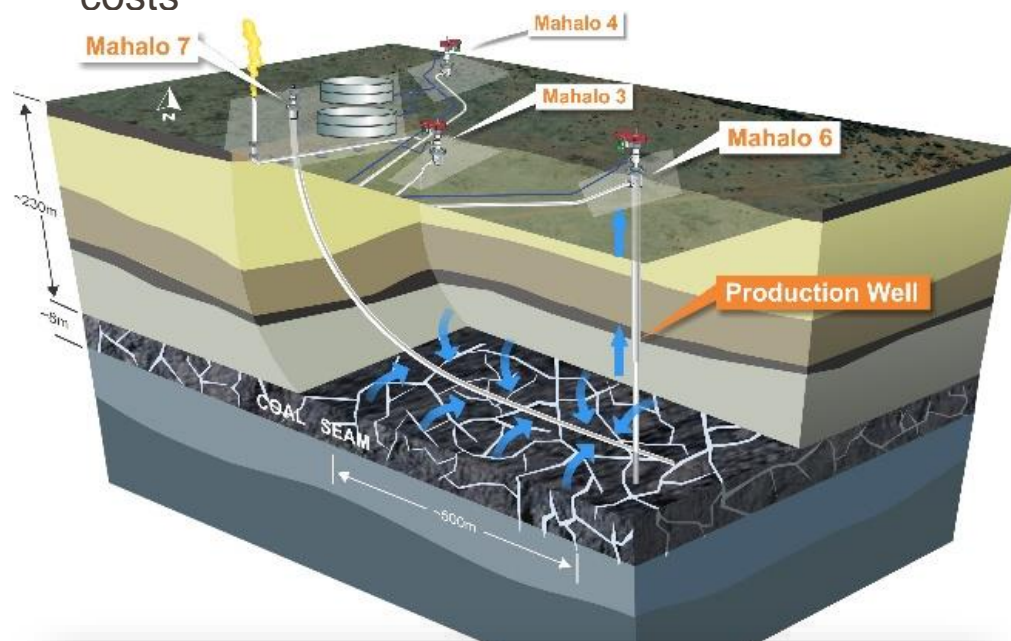


Mahalo Production Performance

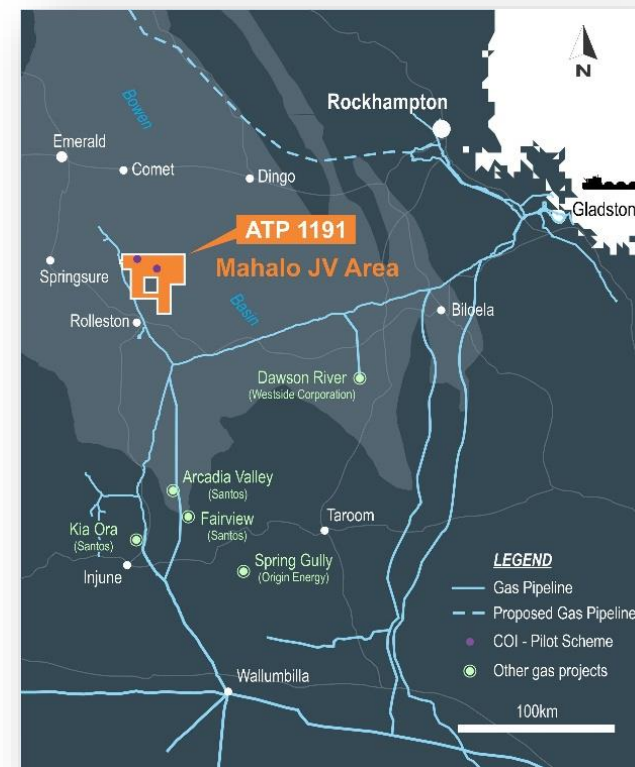


Comet Ridge Limited

- 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 426mcf/d from horizontal with only 361m in coal



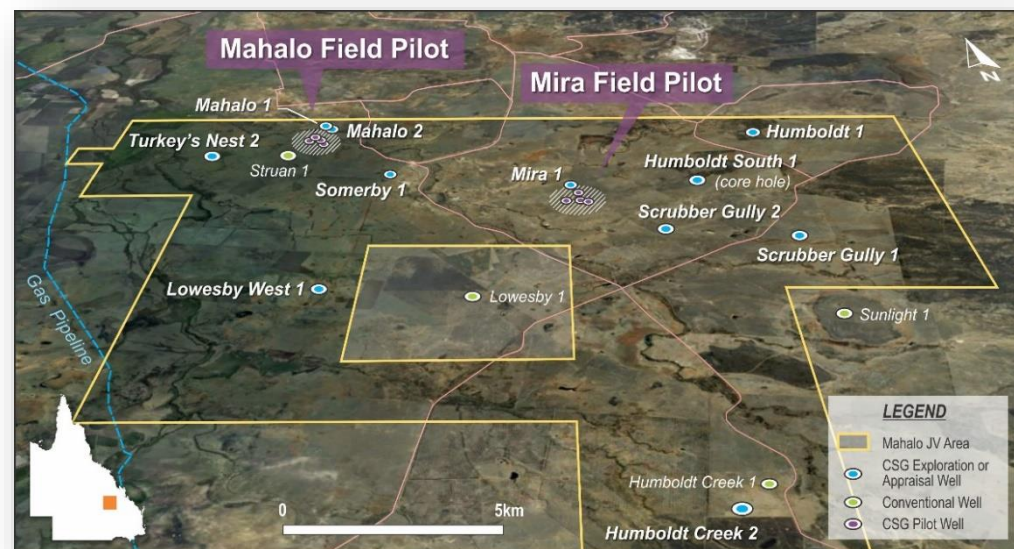
Mahalo 7 horizontal well path to vertical well intercept at Mahalo 6



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 commencing late July
- Focus on building reserves cost effectively – JV program spend this year no more than \$5m gross
- Rig mobilising next week to commence

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



Mahalo Development Concept

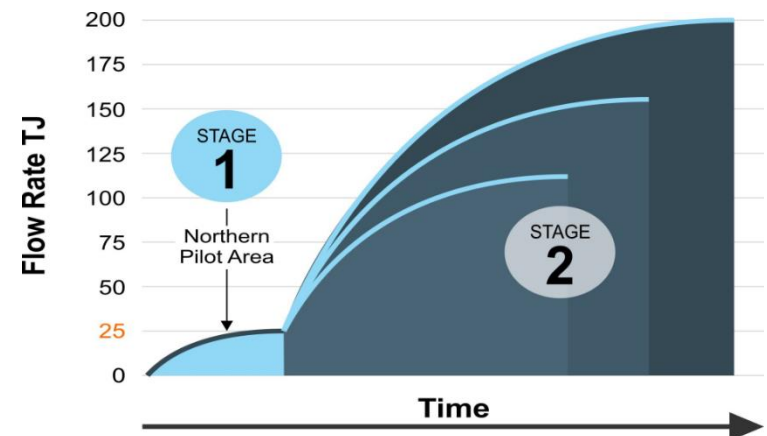
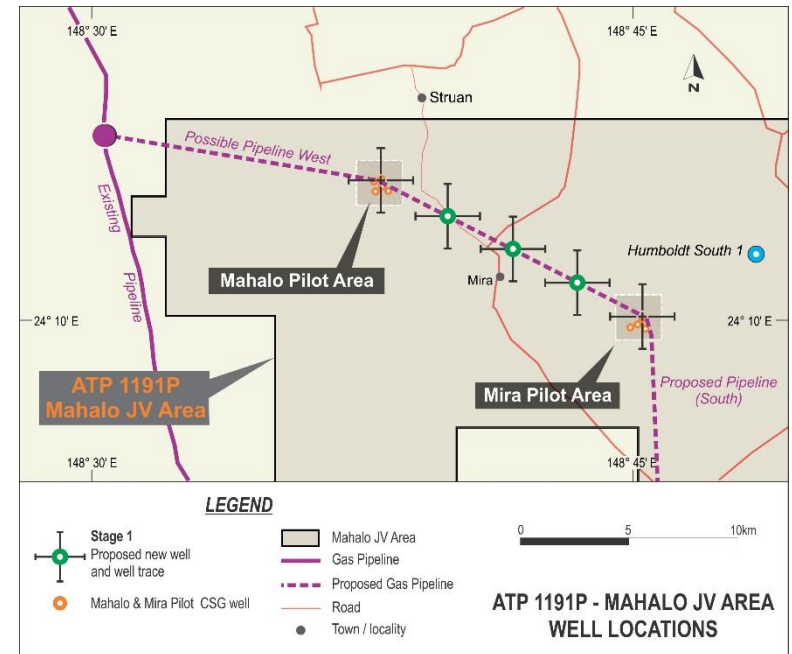


Comet Ridge Limited

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 category, targeting 200+PJ (net COI)**
 - 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



Galilee Basin



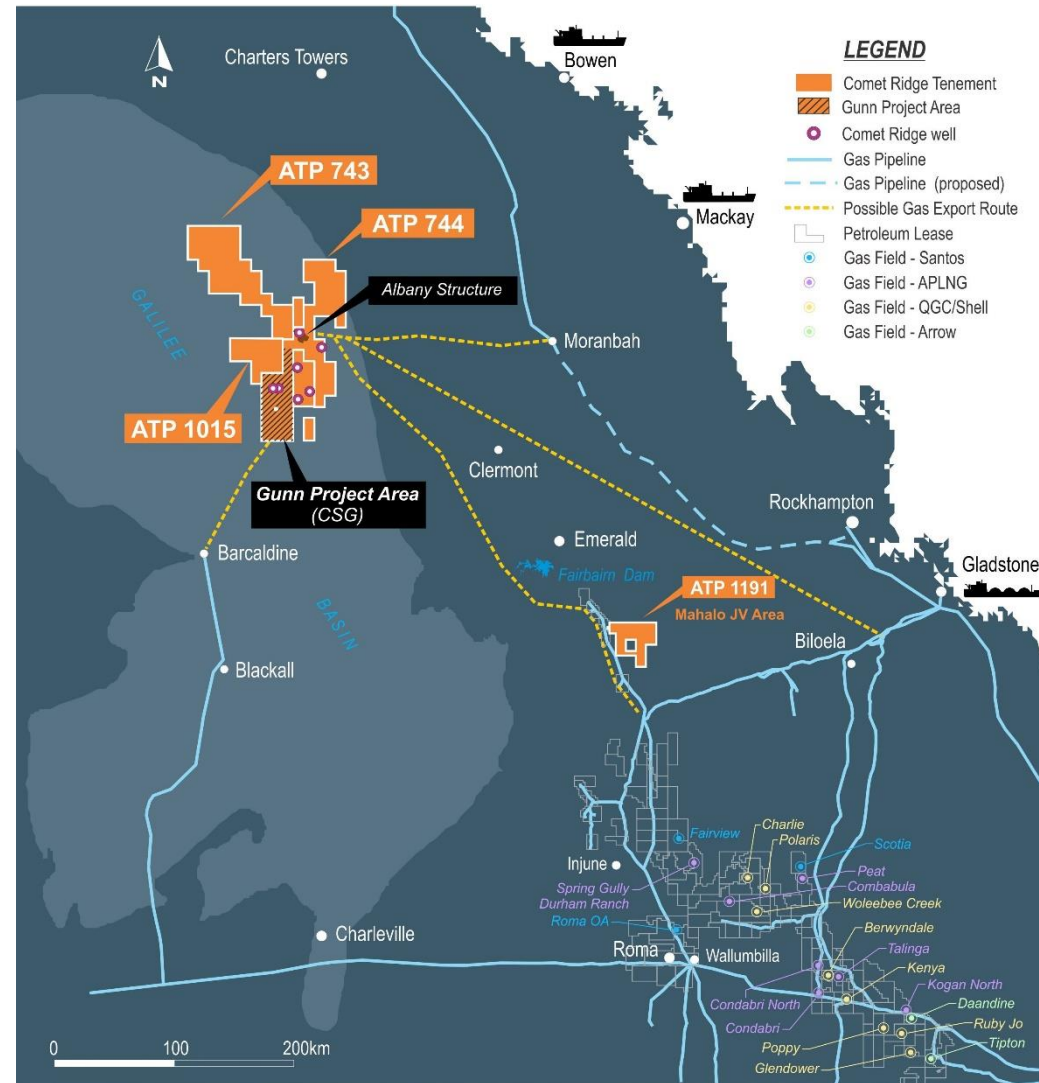
Galilee Basin – Significant Scale



Comet Ridge Limited

Background

- 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



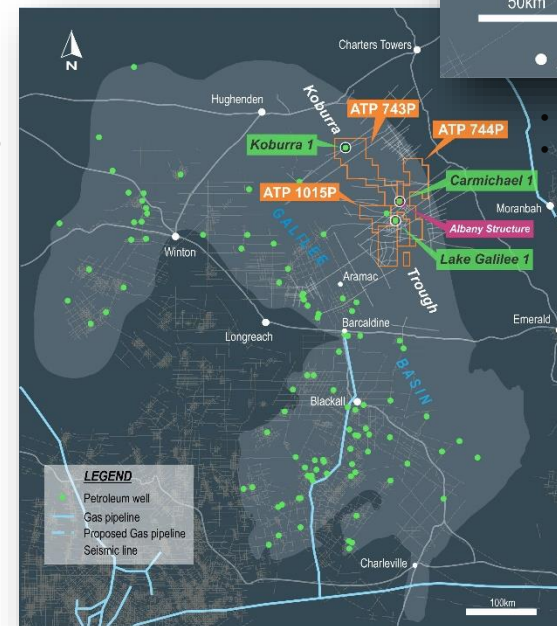
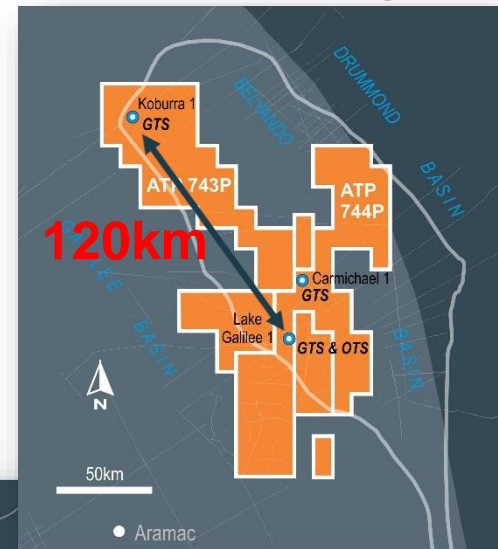
Galilee Basin – Sandstones



Comet Ridge Limited

Koburra Trough

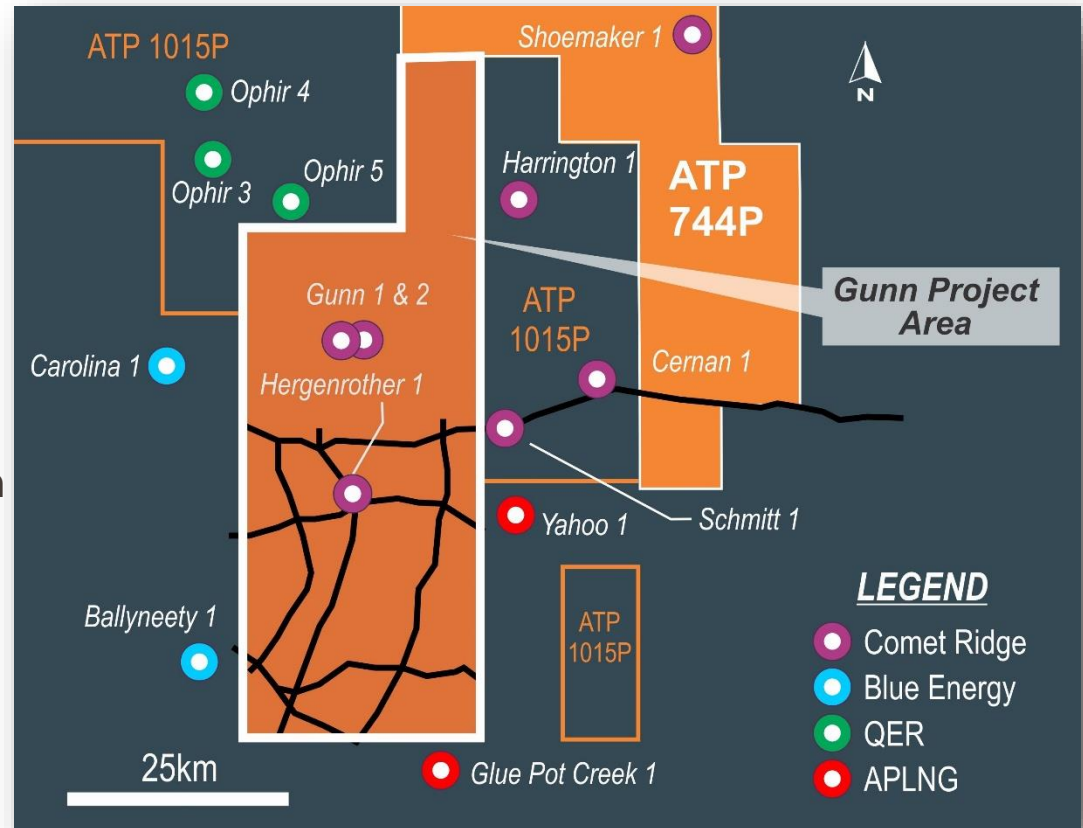
- 3 historic petroleum wells within ATP 743 and ATP 744 recovered gas and/or oil from Lake Galilee Sandstone at base of Galilee Basin section – all now in Comet Ridge acreage
- Koburra 1, Carmichael 1 and Lake Galilee 1 flowed gas to surface at low rates - Evidence of active petroleum system
- However 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



- GTS – flowed gas to surface
- OTS – recovered oil to surface

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



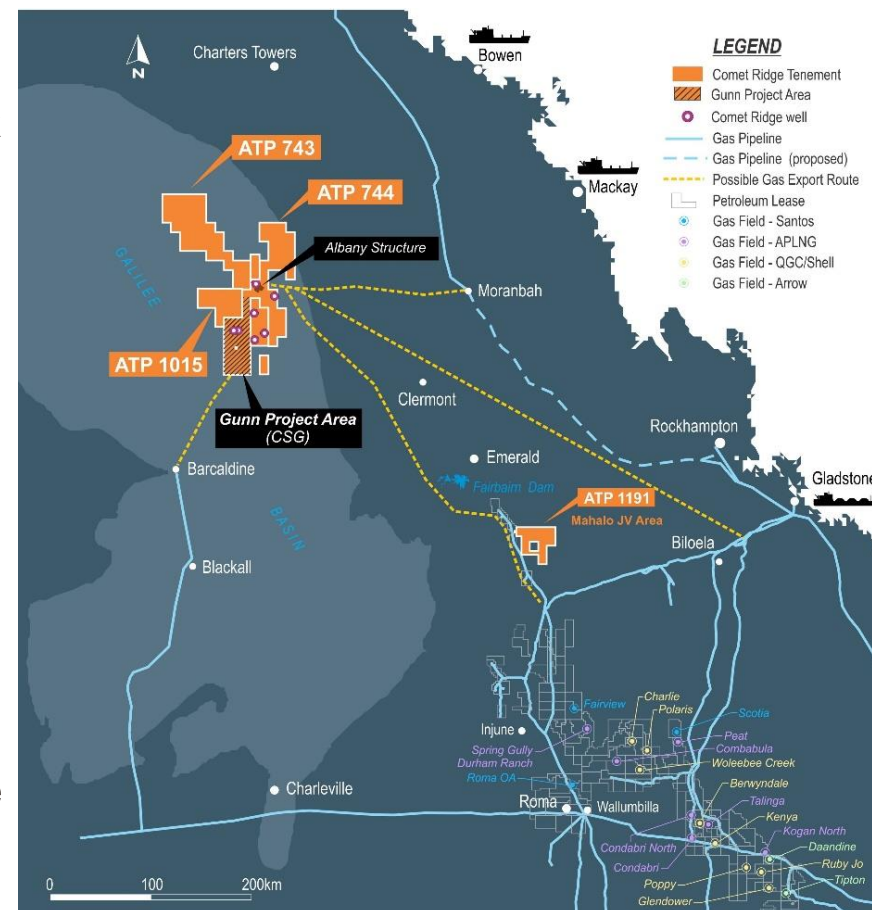
**Gunn Project area and ATP 1015 area
coals contain recoverable gas over an
estimated 1,865km²**

Galilee Basin – Forward View



Comet Ridge Limited

- 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





Comet Ridge Limited

Contact

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

www.cometridge.com.au

Level 3
283 Elizabeth Street
Brisbane 4000

GPO Box 798
Brisbane 4001

Important Notice and Disclaimer



Comet Ridge Limited

Disclaimer

This presentation (Presentation) has been prepared by Comet Ridge Limited (ABN 47 106 092 577) (Comet Ridge). The Presentation and information contained in it is being provided to shareholders and investors for information purposes only. Shareholders and investors should undertake their own evaluation of this information and otherwise contact their professional advisers in the event they wish to buy or sell shares. To the extent the information contains any projections, Comet Ridge has provided these projections based upon the information that has been provided to Comet Ridge. None of Comet Ridge or its directors, officers or employees make any representations (express or implied) as to the accuracy or otherwise of any information or opinions in the Presentation and (to the maximum extent permitted by law) no liability or responsibility is accepted by such persons.

Summary information

This Presentation contains summary information about Comet Ridge and its subsidiaries and their activities current as at the date of this Presentation. The information in this Presentation is of general background and does not purport to be complete. It should be read in conjunction with Comet Ridge's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.asx.com.au.

ASX Releases

Investors are advised that by their nature as visual aids, presentations provide information in a summary form. The key information on detailed Resource statements can be found in Comet Ridge's ASX releases. Resource statements are provided to comply with ASX guidelines but investors are urged to read supporting information in full on the website.

Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Future performance

This Presentation contains certain "forward-looking statements". Forward looking words such as, "expect", "should", "could", "may", "plan", "will", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This presentation contains such statements that are subject to known and unknown risks and uncertainties and other factors, many of which are beyond the control of Comet Ridge, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Such forward-looking statements are relevant at the date of this Presentation and Comet Ridge assumes no obligation to update such information.

Investment risk

An investment in Comet Ridge shares is subject to investment and other known and unknown risks, some of which are beyond the control of Comet Ridge. Comet Ridge does not guarantee any particular rate of return or the performance of Comet Ridge. Persons should have regard to the risks outlined in this Presentation.

Important Notice and Disclaimer



Competent Person Statement and ASX Listing Rules Chapter 5 - Reporting on Oil and Gas Activities

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 AYP 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.