

28 June 2010

## ENCOURAGING RESULTS AS GALILEE CSG PROGRAMME MOVES TO NEXT PHASE

Comet Ridge Limited (ASX Code: COI) today announces encouraging results from its ATP 744P Gunn 1 coal seam gas (CSG) exploration core well in the Galilee Basin where drilling has encountered a significant section of coal and shale. The preliminary results from Gunn 1 are consistent with other results from the recently drilled Hergenrother 1 well, 17 km further to the south.

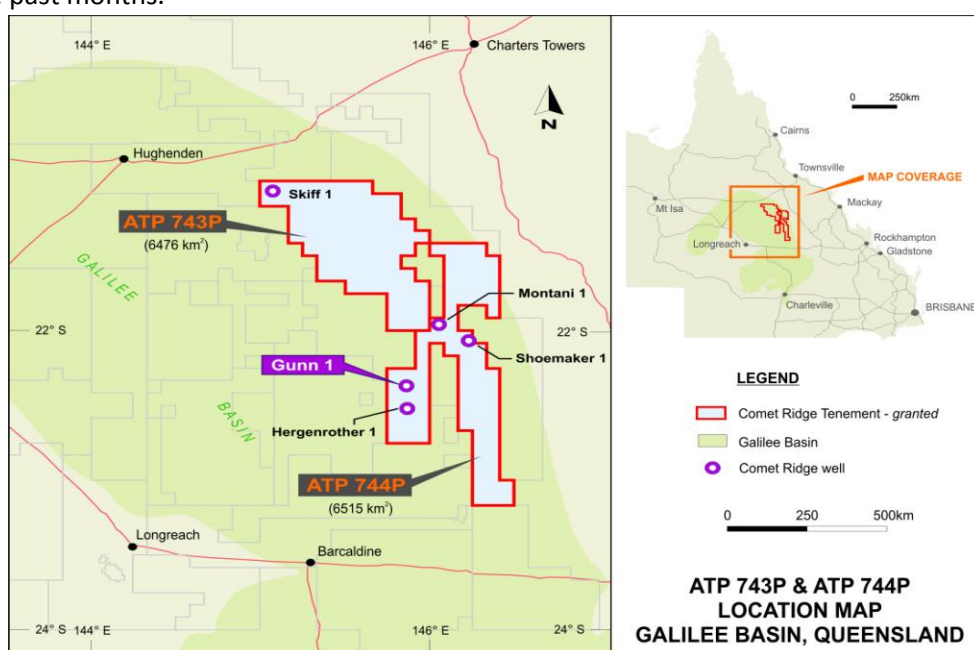
The company will now move into the next phase of its core well programme in which it will analyse core well data gathered over the past months.

Comet Ridge Limited Managing Director Tor McCaul said he was very encouraged by the preliminary gas content and drillstem data from both the Gunn 1 and Hergenrother 1 wells.

“It is now time for the company to move from the data acquisition phase to data analysis, interpretation and integration which will take a number of months to complete,” Mr McCaul said. “This will include an update to Comet Ridge’s geologic model for the Galilee Basin and a general assessment of the resource potential.”

Mr. McCaul said Comet Ridge had gathered a substantial amount of data from the latest core well drilling programme conducted over the past months which included 10 drillstem tests and in excess of 1000 metres of core.

Gunn 1 reached a total depth of 1031 metres having intersected 17 metres of coal and 10 metres of shale in the Permian Betts Creek Beds. A full suite of wireline logs were run, including an image log to identify natural fractures in the coal. Three drillstem tests were then conducted over the thickest coal intervals before the well was plugged and suspended as planned and the rig released on Friday 25 June 2010.



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## ASX ANNOUNCEMENT

Both Gunn 1 and Hergenrother 1 have been plugged such that they can be re-entered later if pressure observation wells are required for further appraisal in the western portion of ATP 744P.

Comet Ridge Limited will now take a break from the exploration drilling programme in ATP 744P while the data is analysed and, accordingly, the drilling rig has been released.

Mr. McCaul said a decision on whether to proceed to a pilot scheme, and where that scheme should be located, would be made when technical work planned for the next few months was complete. This work was a vital step in determining the resource potential of ATP 744P and the nearby ATP 743P and how the gas from these coals would be most efficiently accessed, he said.

### COMET RIDGE LIMITED - OVERVIEW

Comet Ridge Limited is a Brisbane based, ASX-listed (ASX Code: COI) coal seam gas (CSG) exploration and development company with a focus on Queensland, NSW and New Zealand. The Company also has exposure to prospective conventional oil and gas fields in the United States via a joint venture.

The Company has several projects in various stages of maturity. Comet Ridge Limited plans to grow shareholder value through the establishment and development of gas reserves from the significant resource potential of its projects.



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