



Comet Ridge Limited

# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## NOTICE OF 2018 ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

**Date of Meeting**

Wednesday 21 November 2018

**Time of Meeting**

11.00am (Brisbane Time)

**Place of Meeting**

Pitcher Partners  
Level 38 Central Plaza 1  
345 Queen Street  
Brisbane Qld 4000

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Comet Ridge Limited A.B.N 47 106 092 577 ("the Company") will be held at the Offices of Pitcher Partners, Level 38, Central Plaza 1, 345 Queen Street, Brisbane Qld 4000 on Wednesday 21 November 2018 at 11.00am (Brisbane time) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

## AGENDA

### ITEMS OF BUSINESS

#### Financial Statements and Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2018 together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

#### Resolution 1 – Non-Binding Resolution to Adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2018 be adopted."*

**Note:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

#### For the purposes of Resolution 1:

##### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this resolution by or on behalf of:

- a member of the Key Management Personnel (KMP) of the Company; or
- a Closely Related Party of a KMP,

whether the votes are cast as a shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote if it is cast as a proxy by a KMP, details of whose remuneration are included in the remuneration report for the year ended 30 June 2018, or a Closely Related Party of such a KMP:

- for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- if it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with an express authority on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP; and

- the vote is not cast on behalf of a KMP details of whose remuneration are included in the remuneration report for the year ended 30 June 2018, or a Closely Related Party of a KMP.

Further, the Company will not disregard a vote if it is cast by a KMP, details of whose remuneration are not included in the remuneration report for the year ended 30 June 2018, or a Closely Related Party of such a KMP:

- as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by a person who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with an express authority on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of a KMP.

The Chairman intends to vote any undirected proxies in favour of this resolution.

#### Resolution 2 – Re-election of Mr Michael Dart as a Director

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, Michael Dart, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."*

#### Resolution 3 – Ratification of the Issue of Shares

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue of 51,225,437 ordinary fully paid shares at A\$0.34 on 21 September 2018 to institutional and sophisticated investors on the terms and conditions set out in Explanatory Memorandum is ratified."*

#### For the Purposes of Resolution 3:

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour on this resolution by any person who participated in the issue of ordinary shares the subject of this Resolution 3 and any of its associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a

direction on the proxy form to vote as the proxy decides.

**You may be liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company disregards.**

#### Resolution 4 – Approval of 10% Placement Capacity

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval be given for the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue or the agreement to issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”*

#### For the Purposes of Resolution 4:

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour on this special resolution by any person who may participate in the issue of Equity Securities the subject of this Resolution 4 and a person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed (**Participating Party**), and any associate of the Participating Party.

However, the Company will not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**IMPORTANT NOTE: At the date of this Notice, it is not known who will participate in the proposed issue of Equity Securities the subject of this special resolution and the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing Shareholder votes will be excluded under the voting exclusion in this Notice. You may be liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company disregards.**

Explanations of the Resolutions are set out in the accompanying Explanatory Memorandum. This Explanatory Memorandum explains the purpose of the meeting and the resolutions to be considered at the meeting.

#### OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

For the purposes of this Notice (including each of the Resolutions), the following definitions apply:

**“Annual General Meeting”** means the meeting of shareholders called by the Board under the Notice of Meeting dated 19 October 2018 to be held at the Offices of Pitcher Partners, Level 38, Central Plaza 1, 345 Queen Street, Brisbane Qld 4000 on Wednesday 21 November 2018 at 11.00am (Brisbane time)

**“Annual Report”** means the annual report of the Company for the year ended 30 June 2018;

**“ASX”** means the ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**“Board”** means the Board of Directors of Comet Ridge Limited;

**“Closely Related Party”**, in relation to a member of the KMP, means the member’s spouse, child or dependant (or a child or dependant of the member’s spouse), anyone else in the member’s family who may be expected to influence or be influenced by the member in the member’s dealings with the Company (or its controlled entities), and any company the member controls;

**“Company”** or **“Comet Ridge”** means Comet Ridge Limited A.B.N 47 106 092 577;

**“Constitution”** means the Company’s Constitution, as amended from time to time;

**“Corporations Act”** means Corporations Act 2001 (Cth);

**“Directors”** mean the Directors of the Company;

**“Equity Securities”** has the meaning given to that term in the Listing Rules.

**“Explanatory Memorandum”** means the explanatory memorandum accompanying this Notice;

**“Key Management Personnel”** or **“KMP”** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company or its controlled entities, whether directly or indirectly. Members of the KMP include directors (both executive and non-executive) and certain senior executives;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Notice**” means this Notice of Annual General Meeting;

“**Resolution**” means a resolution contained in this Notice;

“**Shares**” means fully paid ordinary shares in the Company; *and*

“**Shareholder**” means a holder of shares in the Company.

#### **By order of the Board**

**STEPHEN RODGERS**

Company Secretary

Dated: 19 October 2018

#### **Entitlement to attend and vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person’s entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00pm (Sydney time) on Monday 19 November 2018.

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice; or
- by submitting their proxy appointment and voting instructions by facsimile.

#### **Voting in person (or by attorney)**

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company’s Share Register and attendance recorded. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the meeting.

#### **Voting by a Corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of Section 250D of the Corporations Act.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed unless previously given to the Company’s Share Registry.

#### **Voting by Proxy**

- A Shareholder entitled to attend and vote is permitted to appoint not more than two (2) proxies. Each proxy will have the right to vote on a poll and also to speak at the meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder’s votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder’s behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice.
- To be effective, proxies must be lodged by 11.00am (Brisbane time) on Monday 19 November 2018. Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:

1. by returning a completed proxy form in person or by post using the pre-addressed envelope provided with this Notice to:

The Share Registry  
Comet Ridge Limited  
c/- Computershare Investor Services Pty  
Limited  
GPO Box 242  
MELBOURNE VIC 3001

or

2. by faxing a completed proxy form to:

Comet Ridge Limited, on  
1800 783 447 (within Australia); or  
+ 61 3 9473 2555 (outside Australia)

or

3. by visiting:

[www.investorvote.com.au](http://www.investorvote.com.au) and logging in using the control number found on the front of your accompanying proxy form.

Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com)

or

4. Online voting is now mobile compatible so you can readily appoint a proxy straight from your smart phone.

To do this, enter [www.investorvote.com.au](http://www.investorvote.com.au) directly into your smart phone and follow the instructions on your personalised proxy form or scanning the QR Code on the front of your proxy form. To scan the QR code you will have needed to download and installed a QR Code Scanner application for your smart phone.

The proxy form must be signed by the Shareholder or the Shareholder's attorney.

Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the Power itself, must be received by the Company at the above address, or by facsimile and by 11.00am (Brisbane time) on Monday 19 November 2018. If facsimile transmission is used, the Power of Attorney must be certified.

#### **Undirected Proxies**

Any undirected proxies given to the Chairman of the meeting in respect to Resolutions 1 through to 4 by a

shareholder entitled to vote on those resolutions **will be voted in favour** of those resolutions and the shareholder will be taken to have expressly authorised the Chairman to exercise the proxy as he/she thinks fit.

# COMET RIDGE LIMITED

A.B.N 47 106 092 577

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Comet Ridge Limited (“Comet Ridge” or the “Company”) to be held at 11.00am Wednesday 21 November 2018. Shareholders should read this document in full.

### FINANCIAL STATEMENTS AND REPORTS

The first item of the Notice of Annual General Meeting deals with the presentation of the consolidated annual financial statements of the Company for the financial year ended 30 June 2018 together with the Directors’ Declaration and Report in relation to that financial year and the Auditor’s Report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Auditor’s Report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the Auditor in relation to the conduct of the audit.

### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company’s 2018 Annual Report. The Remuneration Report is contained in the Annual Report and is also available on the Company’s website:

[www.cometridge.com.au](http://www.cometridge.com.au)

The Board believes that the Company’s remuneration policy and framework as detailed in the Remuneration Report are appropriate given the size of the Company and its current strategic objectives.

Shareholders should note that this Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on the resolution at the Annual General Meeting are against adoption of the report, then:

- if comments are made on the report at the Annual General Meeting, the Company’s Remuneration Report for the financial year ending 30 June 2019 will be required to include an explanation of the Board’s proposed action in response or, if no action is proposed, the Board’s reasons for this; and
- if, at the Company’s 2019 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a general meeting (**Spill Meeting**) be called to consider the election of Directors of the Company (**Spill Resolution**). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

### RESOLUTION 2 – RE-ELECTION OF MR MICHAEL DART AS A DIRECTOR

The Company’s Constitution provides that at every Annual General Meeting one-third of the Directors, or, if their number is not a multiple of three, then such

number as is appropriate shall retire from office to ensure that no Director holds office for more than three (3) years. Mr Michael Dart has therefore, elected to retire from office in accordance with this requirement and submits himself for re-election.

Mr Michael Dart was last elected by Shareholders to the Board at the Company's 2016 AGM.

Mike Dart has over 20 years commercial experience working in M&A, private equity and venture capital as well as hands-on operational experience as CEO, Managing Director and Finance Director. His industry experience spans oil and gas, above and below ground infrastructure and more recently additive/ advanced manufacturing (3D printing) in Australia and the US.

Mike spent a total of 7 years working for EY in their M&A team, ultimately being the M&A lead for oil, gas and resources for the east coast of Australia.

Mike holds a Bachelor of Commerce and a Graduate Diploma of Applied Finance and Investment.

#### ***Recommendation***

The Directors (with Mr Michael Dart abstaining) recommend that you vote in favour of the resolution.

#### **RESOLUTION 3 – RATIFICATION OF THE ISSUE OF SHARES**

In a Placement the details of which were announced to the market on 7 September 2018 the Company raised a total of approximately \$17.4 million (before costs) through the issue on 21 September 2018 of 51,225,437 ordinary shares at \$0.34 per share.

Subject to certain exceptions, ASX Listing Rule 7.1 restricts a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of the company's ordinary securities on issue at the commencement of that period without shareholder approval.

ASX Listing Rule 7.4 permits the ratification by shareholders of previous issues of securities made without shareholder approval provided the issue did not breach the 15% threshold in ASX Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1.

In accordance with ASX Listing Rules 7.4 and 7.5, the Company advises that:

- (a) Resolution 3 has been included so that shareholders may approve and ratify pursuant to ASX Listing Rule 7.4 the issue of a total of 51,225,437 ordinary shares to those parties detailed below;
- (b) The shares were issued and allotted to various sophisticated investors and Australian institutions unrelated to the Company;
- (c) The proceeds raised through the issue of the shares will be used primarily to fund the on-going general working capital requirements of;
- (d) The shares issued rank pari passu with, and on the same terms, as the existing fully paid ordinary shares on issue in the Company;
- (e) None of the allottees were Related Parties of the Company;
- (f) The shares were issued at \$0.34; and
- (g) A voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 3.

As the issue of Shares did not breach ASX Listing Rule 7.1, the Company wishes to refresh its capacity to issue without specific approval by seeking approval under ASX Listing Rule 7.4 for the issue of those shares. The effect of obtaining Shareholder approval will be that the shares issued will be treated as having been made in accordance with ASX Listing Rule 7.1 and, as a result, the Company's ability to issue the number of shares permitted under ASX Listing Rule 7.1, without Shareholder approval will not be affected.

#### ***Recommendation***

The Directors consider it prudent that the Company retain the flexibility of that ability in case the need to issue further securities arises and the Board unanimously recommend that Shareholders vote in favour of the proposed resolution.

#### **RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**).

The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a Special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, which is detailed below.

### **Description of ASX Listing Rule 7.1A**

#### *a) Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

#### *b) Equity Securities*

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue only one type of Equity Securities quoted on ASX being ordinary shares.

#### *Formula for calculating 10% Placement Facility*

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of the issue or agreement:

- i. plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- ii. plus the number of partly paid shares that became fully paid in the 12 months;
- iii. plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rules 7.1 and 7.4;
- iv. less the number of fully paid shares cancelled in the 12 months.

**Note:** A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.

### **ASX Listing Rules 7.1 and 7.1A**

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice, the Company has on issue 727,876,423 ordinary shares and at the date of this Notice has a capacity to issue:

- 1) 238,167 Equity Securities under ASX Listing Rule 7.1; and
- 2) subject to Shareholders approving Resolution 4, 72,787,642 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, which is detailed above.

### **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

### **10% Placement Period**

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- 1) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- 2) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), ("**10% Placement Period**").

### **ASX Listing Rule 7.1A**

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities in any existing quoted class, under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 4 is a Special Resolution and therefore requires approval of 75% of the votes cast by



Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) are cast in favour of the resolution.

**Specific information required by ASX Listing Rule 7.3A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility:

a) The Equity Securities will be issued at an issue price of not less than 75% of the Volume Weighted Average Price for the Company's Equity Securities over the 15 Trading Days immediately before:

- 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

b) If Resolution 4 is passed by Shareholders as a Special Resolution and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- 1) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- 2) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

**ASX Listing Rule 7.3A.2 – Dilution Table\*\***

<b>Variable "A" in ASX Listing Rule 7.1A.2</b>		<b>\$0.1925 Issue Price (50% decrease in Deemed Price)</b>	<b>\$0.385 Issue Price (Deemed Price)*</b>	<b>\$0.77 Issue Price (100% increase in Deemed Price)</b>
727,876,423 Shares being the current number of Shares on issue at the date of this Notice	<b>10% Voting Dilution</b>	72,787,642 Shares	72,787,642 Shares	72,787,642 Shares
	<b>Funds Raised</b>	\$ 14,011,621	\$28,023,242	\$ 56,046,484
1,091,814,634 Shares being a 50% increase in the number of Shares on issue at the date of this Notice	<b>10% Voting Dilution</b>	109,181,463 Shares	109,181,463 Shares	109,181,463 Shares
	<b>Funds Raised</b>	\$21,017,431	\$42,034,863	\$84,069,726
1,455,752,846 Shares being a 100% increase in the number of Shares on issue at the date of this Notice	<b>10% Voting Dilution</b>	145,575,285 Shares	145,575,285 Shares	145,575,285 Shares
	<b>Funds Raised</b>	\$28,023,242	\$56,046,484	\$112,092,968

\*The Deemed Price was the closing price of the Company's Shares on the ASX on 2 October 2018.

\*\*All Voting Dilution and Funds Raised numbers in the table have been rounded down to nearest whole number.

The above table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the Deemed Price.

The table has been prepared on the following assumptions:

- i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- ii) No unlisted options or Performance Rights are exercised into Shares before the date of the issue of the Equity Securities under ASX Listing Rule 7.1A. The Company has no options and 4,375,000 Performance Rights on issue under the Performance Rights Plan as at the date of this Notice.
- iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- v) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, and does not consider issues under the 15% placement capacity under ASX Listing Rule 7.1.
- vi) The issue of Equity Securities under the 10% Placement Facility consists only of ordinary shares in the Company. The table does not demonstrate the effect of listed or unlisted options or Performance Rights being issued under ASX Listing Rule 7.1A.
- vii) The issue price for ordinary shares in the Company is deemed for the purposes of the table to be \$0.385 (**Deemed Price**), being the closing price of these shares on ASX on 2 October 2018. This price is indicative only and does not consider the 25% discount to market that these shares may be issued at.

viii) 'A' is the current number of fully paid ordinary shares on issue, and assumes full placement capacity available.

c) The Company will only issue and allot the Equity Securities pursuant to the 10% Placement Capacity within 12 months of the date of this Annual General Meeting. Further the approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

d) The Company may seek to issue the Equity Securities for the following purposes:

- 1) non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- 2) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- 1) the methods of raising funds that are available to the Company, including but not limited to, placement, rights issue or other issue in which existing security holders can participate;
- 2) the effect of the issue of the Equity Securities on the control of the Company;
- 3) the financial situation and solvency of the Company; and
- 4) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this

Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company were to pursue an acquisition and were it to be successful in acquiring new resource assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new resource assets or investments.

- f) **Previous approval under ASX Listing Rule 7.1A:** The Company last obtained approval under Listing Rule 7.1A at its 2012 Annual General Meeting (AGM).

In the period between the date of the 2017 AGM and the date of this Notice of Meeting the Company has issued a total of 67,495,970 ordinary fully paid Shares the details of which are as follows:

The Company issued on 4 December 2017, 13,145,533 ordinary fully paid shares at \$0.235 per share to participants under the Share Purchase Plan (SPP) that the Company the details of which were contained in an announcement date 1 December 2017. The SPP shares represented approximately 1.99% of the total number of securities on issue as at the date of the 2017 AGM.

The net proceeds of the proceeds of the SPP Shares as well as existing cash on hand at the time was used for:

- o Ongoing appraisal and pre-development activities at the Company's flagship Mahalo project;
- o Comet Ridge's share of costs for the Albany sandstone initial appraisal programme in the Galilee Basin;
- o Other permit exploration and appraisal; and
- o General corporate and working capital purposes.

On 16 March 2018 the Company issued 2,858,336 Ordinary Fully Paid Shares consequent upon the vesting of Performance Rights following satisfaction of vesting conditions (**Performance Rights Shares**). These Shares were issued to participants under the Comet Ridge Employee and Contractor Performance Rights Plans. No consideration was paid for the issue of these shares. The shares that were issued upon the vesting of these performance rights represented approximately .43% of the total number of securities on issue as at the date of the 2017 AGM.

On 6 April 2018 the Company issued 266,664 Ordinary Fully Paid Shares consequent upon the vesting of Performance Rights following satisfaction of vesting conditions (**Performance Rights Shares**). These Shares were issued to participants under the Comet Ridge Employee and Contractor Performance Rights Plans. No

consideration was paid for the issue of these shares. The shares that were issued upon the vesting of these performance rights represented approximately .04% of the total number of securities on issue as at the date of the 2017 AGM.

The Company issued on 21 September 2018, 51,225,437 ordinary fully paid shares at \$0.34 per share through a placement to institutional and sophisticated investors (Placement) completed by the Company the details of which were contained in an announcement date 14 September 2018. The Placement was completed under the Company's capacity under Listing Rule 7.1. The Placement shares represented approximately 7.75% of the total number of securities on issue as at the date of the 2017 AGM.

The net proceeds of the Placement and existing cash at the time was to be used for:

- o Mahalo project – drilling and testing of the Mahalo Joint Venture approved 2018 work programme, comprising five new production wells;
- o Mahalo project - environmental and other studies to support a Petroleum Lease and Pipeline Licence application;
- o Galilee sandstone project – a drilling and testing programme for the Galilee sandstone project in conjunction with joint venture partner, Vintage Energy, comprising completion of Albany 1, drilling of Albany 2, and a seismic acquisition programme;
- o Gas portfolio exploration, appraisal and development work, including Galilee hydraulic fracture stimulation as required, and progressing FID at Mahalo; and
- o General corporate expenditure and working capital purposes.

- g) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

### **Recommendation**

The Directors consider that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should such an issue be required. Accordingly, each of the Directors recommends that Shareholders vote in favour of Resolution 4. The Chair of the Meeting intends to vote available proxies in favour of this resolution.



# Comet Ridge Limited

ABN 47 106 092 577

COIRM

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SURBURB  
SAMPLETOWN VIC 3030



## Lodge your vote:

**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 11.00am (Brisbane Time) Monday, 19 November 2018**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

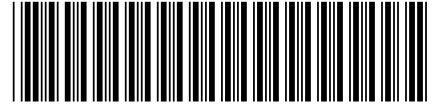
Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SURBURB  
SAMPLETOWN VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Comet Ridge Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Comet Ridge Limited to be held at **Pitcher Partners, Level 38 Central Plaza 1, 345 Queen Street, Brisbane QLD 4000, Wednesday 21 November at 11.00am (Brisbane Time)** and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1** (except where I/we have indicated a different voting intention below) even though **Item 1** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Michael Dart as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of the Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_