



ASX Announcement

26 October 2021

Mahalo North 2 dual lateral well spuds

Comet Ridge Limited (ASX:COI) is pleased to announce that drilling operations at the Mahalo North 2 dual lateral well in ATP 2048 commenced at 1800 hrs on Monday 25 October, 2021. Comet Ridge holds 100% equity in ATP 2048 and is the Operator.

Mahalo North 2 is located on the high-quality fairway in the southern part of ATP 2048, approximately 3.7km to the north of the existing Mahalo Pilot Scheme, and 450m to the west-southwest of the recently drilled Mahalo North 1 well (see the map on Page 2).

The Mahalo North 2 dual lateral well is designed very differently to the Mahalo North 1 vertical well. The Mahalo North 1 vertical well's primary purpose was to allow significant evaluation (core and log data to be obtained) and ultimately to also allow for production tubing and a pump to be installed downhole. The Mahalo North 2 dual lateral well will provide the connection to a significant section of coal and allow a pathway for water and gas to flow from right along the coal reservoir via the lateral well, and then into the vertical well for transport to surface.

At 0600 hrs this morning, the hole had been drilled to 42 metres and casing had been cemented in place. The well control equipment is currently being installed before drilling continues. The drilling assembly will then turn and build angle gradually to reach the target coal seam at a depth of approximately 250 metres. From this point, the drilling assembly will be drilling almost horizontally and steering east-northeast with the objective of intersecting the Mahalo North 1 vertical well. Drilling will continue further out towards the east-northeast to maximise the amount of coal intersected.

A second lateral wellbore will then be drilled, originating off the first lateral wellbore. This is planned to proceed in a more northerly direction – hence the well is planned to be a “dual” lateral well. It will have two long production sections in the coal seams, steered in slightly different directions, to intersect as many natural fractures as possible and provide the greatest amount of water and gas production per unit of well cost.

The well plan envisages that the total coal interval intersected throughout this well will be greater than 2000 metres.

Comet Ridge Managing Director, Tor McCaul said:

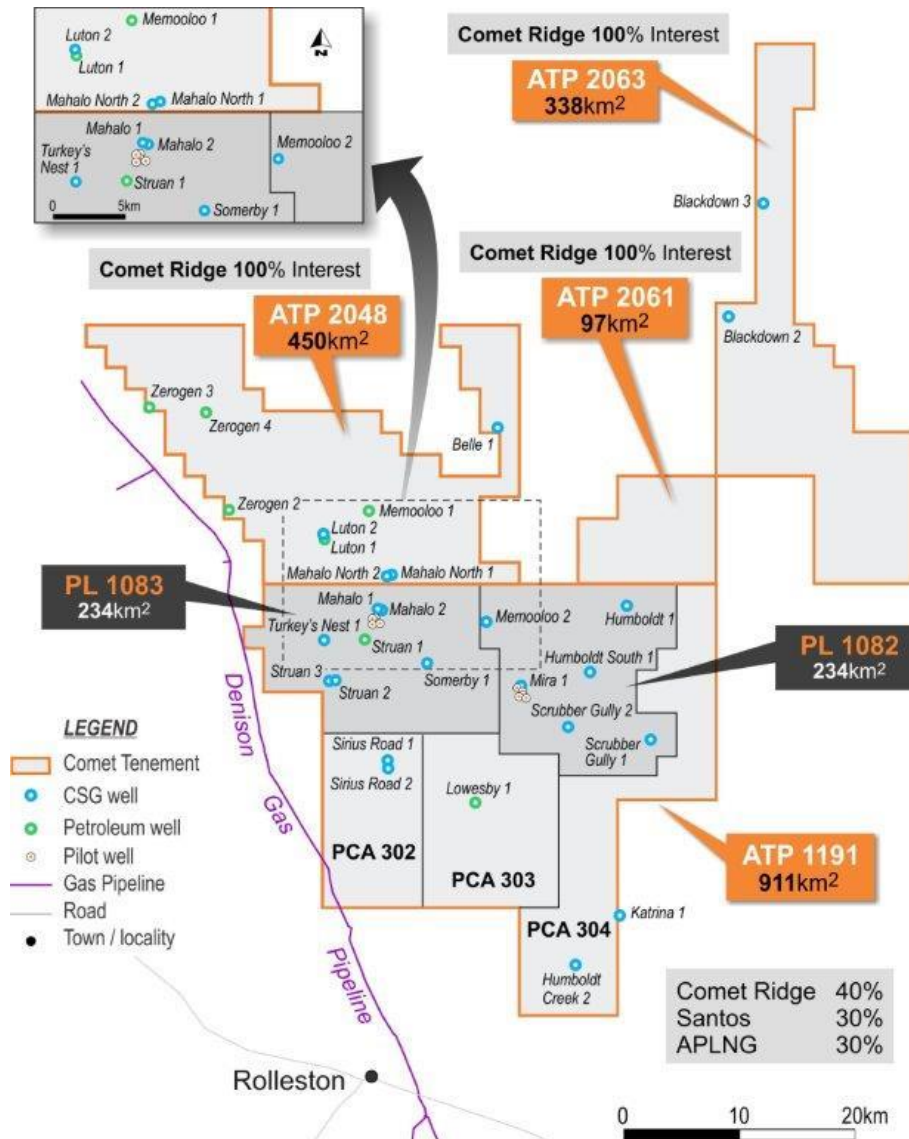
“After such a great result from Mahalo North 1, we are looking forward to the next phase of the drilling program at Mahalo North 2, which will be the first development style and long length well on the fairway.”

The Company will continue to provide operational updates to the market at key times during the drilling and well testing program.

A compelling east coast gas play

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Map of Mahalo Gas Hub area with inset of the location of Mahalo North 1 and 2 at the southern end of ATP 2048.

By Authority of 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.