



ASX Announcement

20 January 2025

Operational Update - Mahalo East Pilot Start-up

Comet Ridge Limited (ASX:COI) is pleased to advise that the Mahalo East Pilot Production Scheme started-up late last week.

The location of the Mahalo East wells in relation to the Mahalo Hub is shown in **Figure 1** on the following page.

The Mahalo East 1 (ME1) vertical and the Mahalo East 2 (ME2) lateral wells were successfully drilled in October and November last year. The ME2 lateral well made the intercept into the ME1 vertical well and drilled 1338 metres in coal. During the pilot production testing that has just commenced, reservoir fluid (water and natural gas) will flow out of the natural coal fractures, along the ME2 lateral well path and then into the ME1 vertical well. Water and gas will then flow up to surface inside the ME1 well, with the water lifted by the downhole pump.

The gas desorption phase of the laboratory analysis on the extensive core taken from the ME1 vertical well is almost complete. Strong gas volumes have been observed desorbing from the coal samples taken.

During late November a completion rig installed production tubing and a downhole progressive cavity pump (PCP) into ME1 for lifting water out of the vertical well. The production separator, flare and metering skid were then moved across from the Mahalo North pilot area and were installed on the ME1 well pad. Also installed was a temporary lined ring tank to collect and manage produced water. **Figure 2** on the following pages shows the layout of the surface facilities.

Both wells were drilled with the support of the Queensland Government's Frontier Gas Exploration Grants Program, under which Comet Ridge received a \$5 million funding allocation.

For earlier operational information please refer to ASX releases on 10, 21 and 31 October, 11 November and 6 December 2024. Further updates will be provided as appropriate.

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A compelling east coast gas play

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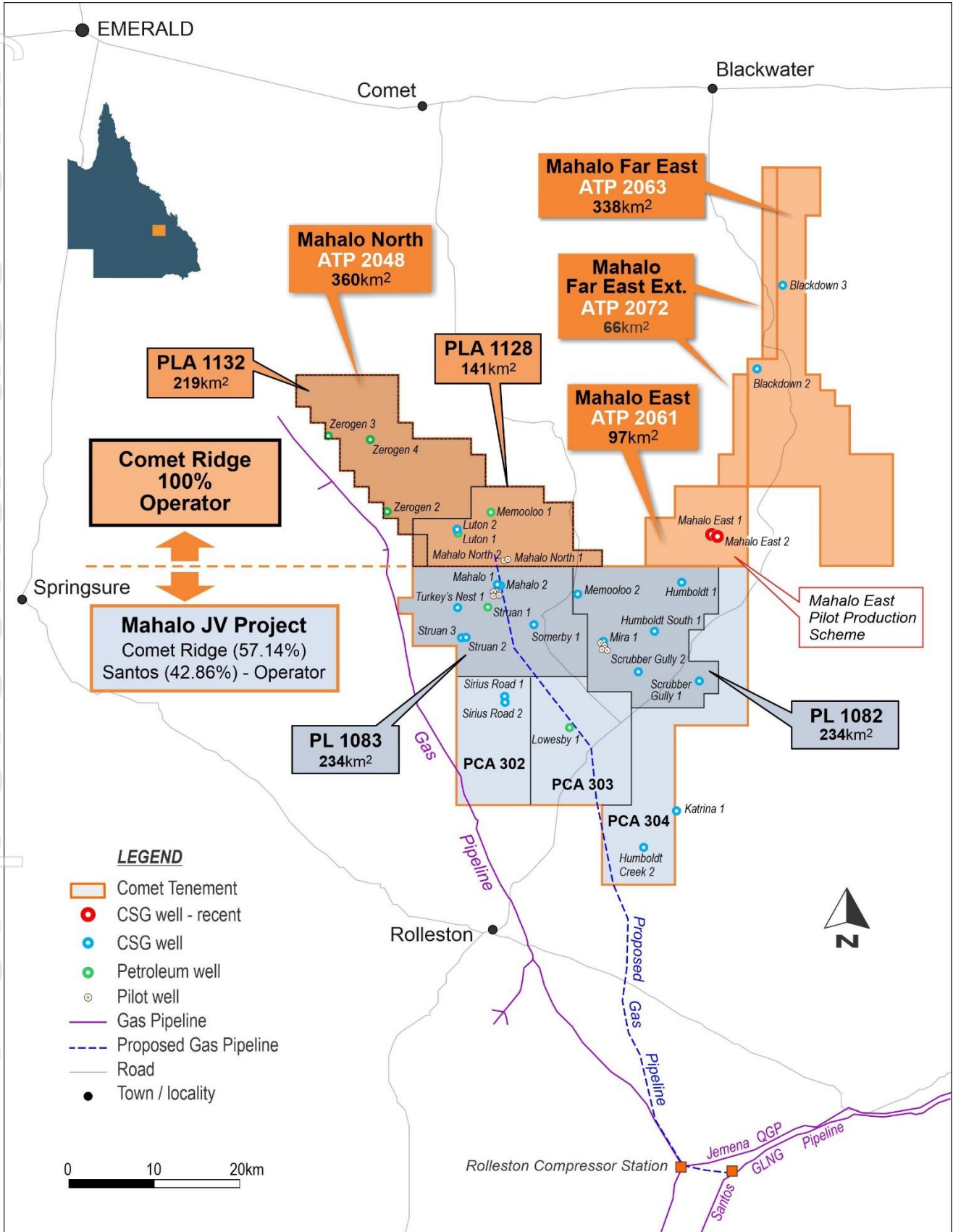




Figure 2: Mahalo East pilot flow package in place with wellhead and pump drive equipment on left, gas-water separator centre right and water storage tank and flare stack in the background.

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 strained east coast Australian market. The company has tenement interests and a suite of prospective projects in Queensland. Our flagship Mahalo Gas Hub project consists of low cost, sales spec natural gas blocks, close to Gladstone, containing low CO₂ Gas Reserves. Our exploration assets 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.

Comet Ridge plans to transition its Mahalo Gas Hub assets into meaningful gas supply into the east coast gas market, commencing with Mahalo North and the larger Mahalo Gas Project, in joint venture with Santos QNT Pty Ltd (as the Development Operator). These projects will be further supplemented by planned development of gas resources from Comet Ridge's other 100% held permits, Mahalo East, Mahalo Far East and the newly awarded Mahalo Far East Extension. More information regarding Comet Ridge is available at www.cometridge.com.au.