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2025

ANNUAL REPORT



Comet Ridge Limited

Comet Ridge Limited
ABN: 47 106 092 577

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Comet Ridge Limited



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Overview of Activities

About

Comet Ridge Limited (ASX: COI) (Comet Ridge or Company) is an ASX listed Australian energy company focused on the development of natural gas for the supply-constrained east coast Australian market. The Company has tenement interests and a suite of prospective projects in Queensland.

The Company's flagship Mahalo Gas Hub area consists of high-quality natural gas resources with low CO₂ and competitive production costs. The Mahalo Gas Hub contains gross 2P (Reserves) and 2C (Contingent Resources) of 676 Petajoules close to the Gladstone LNG export and domestic market precinct as well as gas transport infrastructure.

There is ever 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. The Federal Government's Future Gas Strategy reinforces the important role natural gas will play alongside renewables, batteries and pumped hydro in securing Australia's energy future.

Comet Ridge plans to transition its Mahalo Gas Hub assets into meaningful gas supply for Australia's east coast gas market, with its Mahalo JV Gas Project (a joint venture with Santos QNT Pty Ltd (Santos or Operator)) progressing through Front End Engineering Design (FEED) phases as a precursor to a planned Final Investment Decision (FID).

Mahalo Gas Hub Area – large gas development hub close to domestic and export pipeline infrastructure

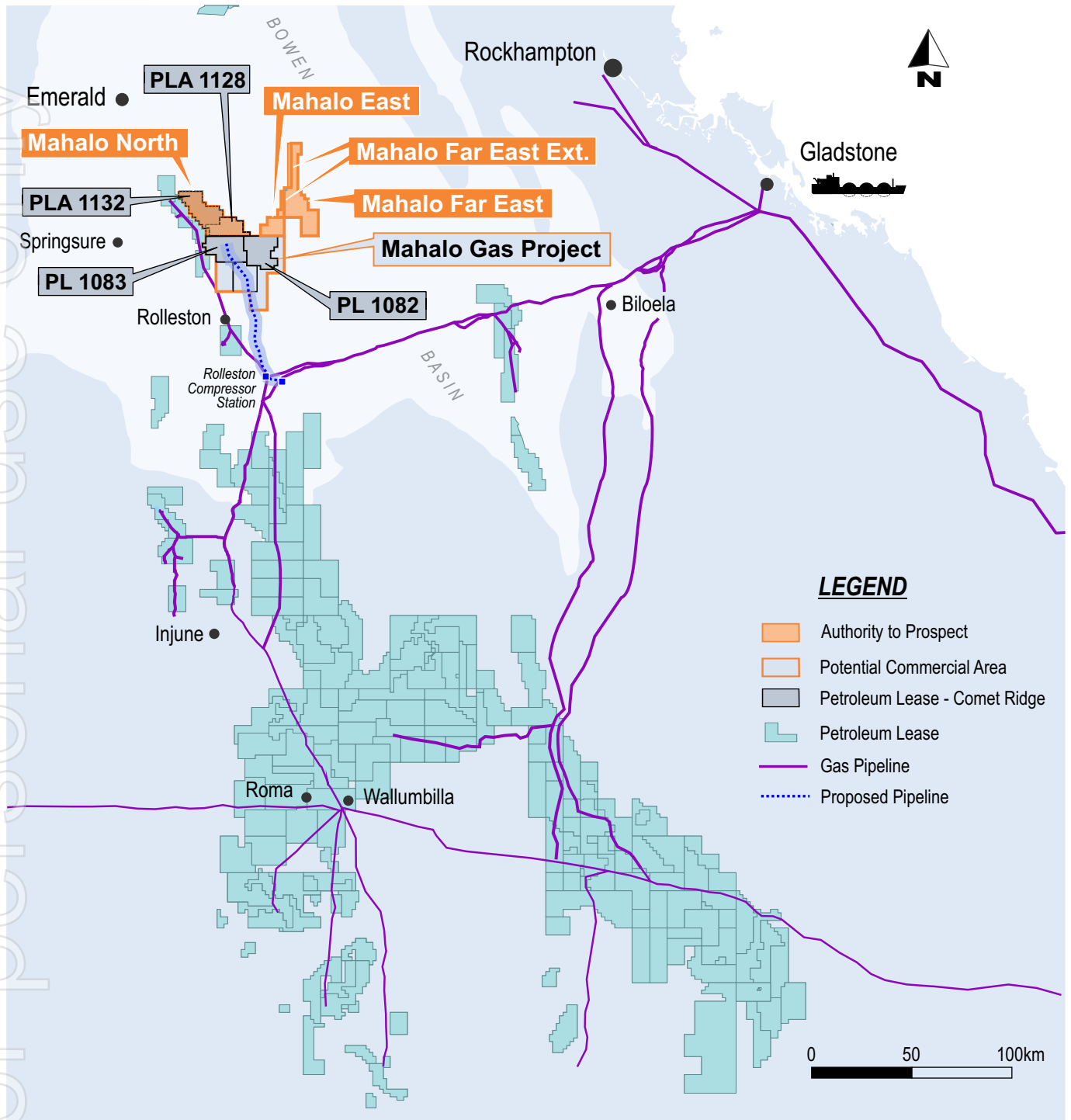


Figure 1 – Comet Ridge's Mahalo Gas Hub permits, west of Gladstone.

Snapshot

Queensland Permits

2 x Petroleum Leases
2 x Petroleum Lease applications
9 x Potential Commercial Areas
3 x Authorities to Prospect

Basins

Southern Bowen Basin (CSG)
Galilee Basin (conventional and CSG)

Queensland Acreage Area

6,592 km²

Mahalo Joint Venture Development Activities

Upstream FEED: Santos
Pipeline FEED: Jemena

Reserves & Resources

676 PJ - 2P + 2C (gross) ^

Market Focus

East coast domestic gas
and power generation

Gas Regulation

Small producer exemption from gas price caps
Future Gas Strategy highlights role of gas to 2050

^ 2P Gas Reserves and 2C Contingent Gas Resources have been independently certified (see Page 24).

FY2025 Highlights

Permit Activity

- **Mahalo Far East Extension** (ATP 2072) awarded to Comet Ridge, extending its significant position in the Mahalo Gas Hub area.
 - **Mahalo East achieved independent gas reserves certification** of 51.8 PJ of 2P and 118.5 of 3P.
 - **Mahalo North environmental approvals** progressed during FY2025, with Queensland Environmental Authority awarded in 1Q FY2025 and Federal EPBC approval materially progressed during the FY2025.

Development Activity

- **Mahalo Joint Venture partners** Santos and Comet Ridge, commenced upstream FEED in 2H FY2025.
- **Mahalo Gas Hub Pipeline (MGHP) FEED**, contract awarded to Jemena, planned to be delivered on a build, own and operate (BOO) basis for the Mahalo Joint Venture, subject to FID.
- **Gas Sale Agreement (GSA)** with CleanCo Queensland Limited amended to extend the date of remaining conditions and provide for a staged ramp up of gas supply.

Funding Activity

- **\$12.0 million equity placement** completed in December 2024 to progress Mahalo Joint Venture to FID
- **\$5.0 million Queensland Government grant** applied to the Mahalo East pilot production test during FY2025.
- **\$9.5 million PURE Asset Management Resources Fund loan facility extended** to 30 June 2027, including \$3.5 million co-investment from two family office investors.

Corporate Activity

- **Cash balance of \$13.3 million** at 30 June 2025.
- **FY2025 loss after tax of \$2.47 million** (2024: \$7.17 million), including non-cash items of \$1.23 million.
- **Data room process** progressed with a focus on project funding for Comet Ridge's share of development capital for the Mahalo Joint Venture.

Portfolio Overview

Comet Ridge has highly prospective, large footprint gas assets in two Queensland basins with **near-term developments in the Mahalo Gas Hub area** (see permit summary in Table 1).

Comet Ridge Queensland Permits

	State	CSG Interest	Conventional Interest	Area (km ²)
Mahalo Gas Hub, southern Bowen Basin				
Mahalo Joint Venture Project (PL 1082, PL 1083, PCA 302, PCA 303, PCA 304)	QLD	57.14%	n/a ¹	989
Mahalo North (ATP 2048 - PLA 1128, PLA 1132) ²	QLD	100%	100%	360
Mahalo East (ATP 2061)	QLD	100%	100%	97
Mahalo Far East (ATP 2063)	QLD	100%	100%	338
Mahalo Far East Extension (ATP 2072)	QLD	100%	100%	66
Galilee Basin				
ATP 743, PCA 319	QLD	100%	70%	750
ATP 744, PCA 320, 321, and 322	QLD	100%	70%	2,182
ATP 1015, PCA 323 and 324	QLD	100%	70%	1,810

Table 1 – Summary of Comet Ridge Queensland Permits at 30 June 2025

- ¹ Comet Ridge has rights for gas down to the level of the lower Mantuan coals.
- ² Until both PLs are awarded formally the original ATP 2048 remains in place concurrent with both applications.

1. Mahalo Gas Hub, Bowen Basin, QLD

Mahalo Joint Venture Project (PL 1082, PL 1083, PCA 302, PCA 303, PCA 304)

Overview - Comet Ridge's Mahalo Joint Venture Project is located approximately 240 km west of Gladstone in the southern Bowen Basin, covering an area of approximately 989 km². The project area is approximately 80 km to the north of pipeline infrastructure connecting to the east coast gas market (Figure 2). The initial focus for development of the project will be in the two existing Petroleum Leases PL 1082 and PL 1083 (Figures 2 and 3) awarded to the Mahalo Joint Venture by the Queensland Government, and which have been heavily appraised to date, with strong flow rates achieved and reserves independently certified.

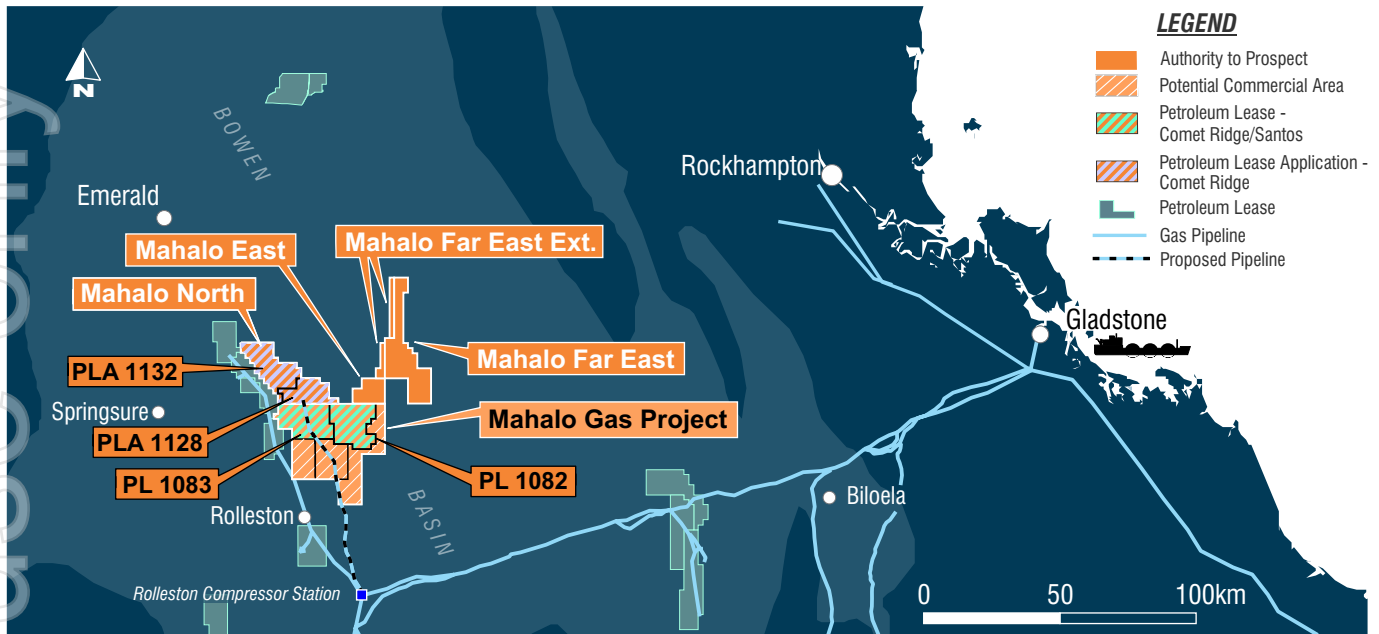


Figure 2 – Regional location of the Mahalo Gas Hub area showing proximity to pipeline infrastructure

Gas Reserves and Resources - Comet Ridge's net 57.14% interest in Mahalo Joint Venture Project Gas Reserves and Contingent Gas Resources at 30 June 2025 is shown in Table 2 below.

	Gas Reserves (PJ)			Contingent Gas Resources (PJ)		
	1P	2P	3P	1C	2C	3C
Mahalo Joint Venture Project						
COI 57.14% interest	0	152	262	109	180	294

Table 2 – Comet Ridge's share of Mahalo Joint Venture Project Gas Reserves and Contingent Resources at 30 June 2025 (rounded to nearest whole number)

Development activities – During the second half of FY2025 and up to the date of this report, Comet Ridge has overseen two project FEED processes which are a precursor to FID on the Mahalo Joint Venture Project. These two FEED processes involve the Upstream FEED component being managed by Santos (Mahalo JV Operator) and the Pipeline FEED component being managed by Jemena.

In March 2025, the Mahalo JV participants (Comet Ridge and Santos) executed an agreement with Jemena Queensland Gas Pipeline (1) Pty Ltd and Jemena Queensland Gas Pipeline (2) Pty Ltd (collectively, Jemena) to undertake FEED on a new Mahalo Gas Hub Pipeline (MGHP). Jemena may construct the MGHP on a BOO basis once Pipeline FEED is completed and the Mahalo Joint Venture Project achieves FID.

Upstream FEED comprises subsurface (design and layout of production wells), gathering systems, gas and water handling facilities, procurement and access and approvals. The Operator has materially progressed its subsurface definition phase work which aligns well with Comet Ridge internal modelling. Gas and water facilities FEED work is well-progressed by the external contractors undertaking these work packages. Over the next quarter, scouting of all properties is planned to be completed as well as cultural heritage surveys. An Environmental Authority (EA) amendment will be submitted to Queensland Government for approval.

Pipeline FEED comprises two parts:

- **Technical:** Optimise the design and generate engineering deliverables required for project approval applications, as well as key procurement and construction packages required to support tendering; and
- **Approvals:** Consultation with key stakeholders to support the development of land access agreements and key project approval applications being a Queensland Government pipeline licence and ecology assessment.

Early works studies for both of the technical and approvals scopes, including engagement with local stakeholders, were progressed during Q4 FY2025 under Petroleum Survey Licence 2066 (PSL 2066) granted in July 2025.

Both FEED studies will continue through CY2025, followed by assurance activities in Q1 CY2026 by the Mahalo JV Operator as a precursor to Project FID.



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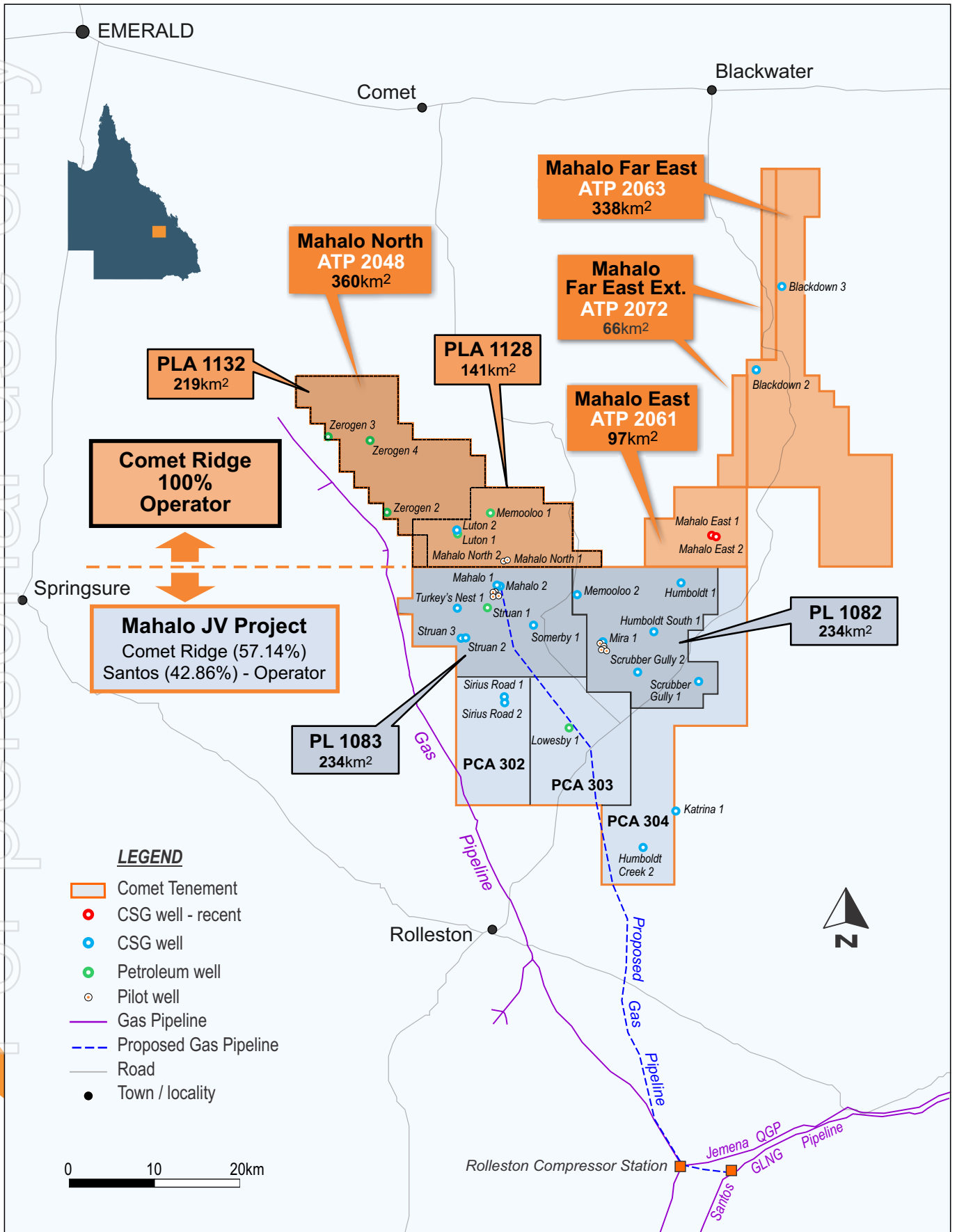


Figure 3 – Map of Mahalo Joint Venture Project PL areas (PL 1082 and 1083) within the Mahalo Gas Hub showing the proposed MGHP corridor

Mahalo North (ATP 2048 - including PLA 1128 & PLA 1132)

Overview - Within Mahalo North, Comet Ridge has two Petroleum Lease (PL) application areas covering 360 km² that are highly prospective given their location directly north of, and contiguous with, the Mahalo Joint Venture Project. The initial exploration block (ATP 2048) was awarded to Comet Ridge as 100% equity holder by the Queensland Government on 29 April 2020, following approval of an Environmental Authority for appraisal and execution of a Native Title agreement over the block. Gas produced from both PLs at Mahalo North will be subject to domestic supply conditions.

Gas Reserves and Resources – Comet Ridge completed the successful Mahalo North 1 production test, resulting in Comet Ridge certifying initial 2P and 3P Gas Reserves for Mahalo North in November 2022 and then an upgrade of 3P Reserves in December 2023 as shown in Table 3 below. The 3P Reserves upgrade was underpinned by five new geologic sectors being added to the Mahalo North Project 3P areas as a result of optimisation undertaken on project design during pre-FEED studies and additional open file data becoming available.

Mahalo North	Gas Reserves (PJ)			Contingent Gas Resources (PJ)		
	1P	2P	3P	1C	2C	3C
COI 100% interest	12	43	149	-	-	-

Table 3 – Mahalo North Gas Reserves at 30 June 2025 (rounded to the nearest whole number)

Development approvals - The initial gas development area will be in the south of ATP 2048 where Comet Ridge completed the Mahalo North 1 production test and where 1P and 2P Reserves are located. PLA 1128 was submitted by Comet Ridge in October 2023 for the initial development area and is awaiting approval by the Queensland Department of Resources after environmental approvals are secured. A second Petroleum Lease application (PLA 1132) was submitted by Comet Ridge in April 2024 and is in the early stages of assessment (see Figure 4 below).

Following Gas Reserves certification, the Company's focus over the past two financial years has been finalising the necessary work to support the environmental approvals required for PLA 1128 to be awarded and development activities to commence. These environmental applications were submitted in October 2023. Extensive environmental work was undertaken by Comet Ridge and its consultants, EPIC Environmental, comprising assessment of ecology, aquatic values, air quality, noise, and ground and surface water to support the environmental approval applications.

Queensland coal seam gas developments are required to undertake two separate, highly detailed environmental assessments for approval at both state and federal levels prior to development. State approval requires an Environmental Authority (EA) to be awarded by the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) and federal approval is required under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC).

The Queensland Government EA was awarded to Comet Ridge in August 2024, an important step towards the grant of PLA 1128 (the initial Mahalo North development area) by the Queensland Department of Resources. The scope of this approval includes installation of new production wells, compression and water treatment facilities, gas gathering systems and access tracks. The EA

awarded to Comet Ridge contains numerous industry-standard conditions that the Company is required to meet to ensure the activities are undertaken without causing environmental harm or contravening noise and emissions standards while balancing the critical role that gas is anticipated to play as Australia transitions towards Net Zero.

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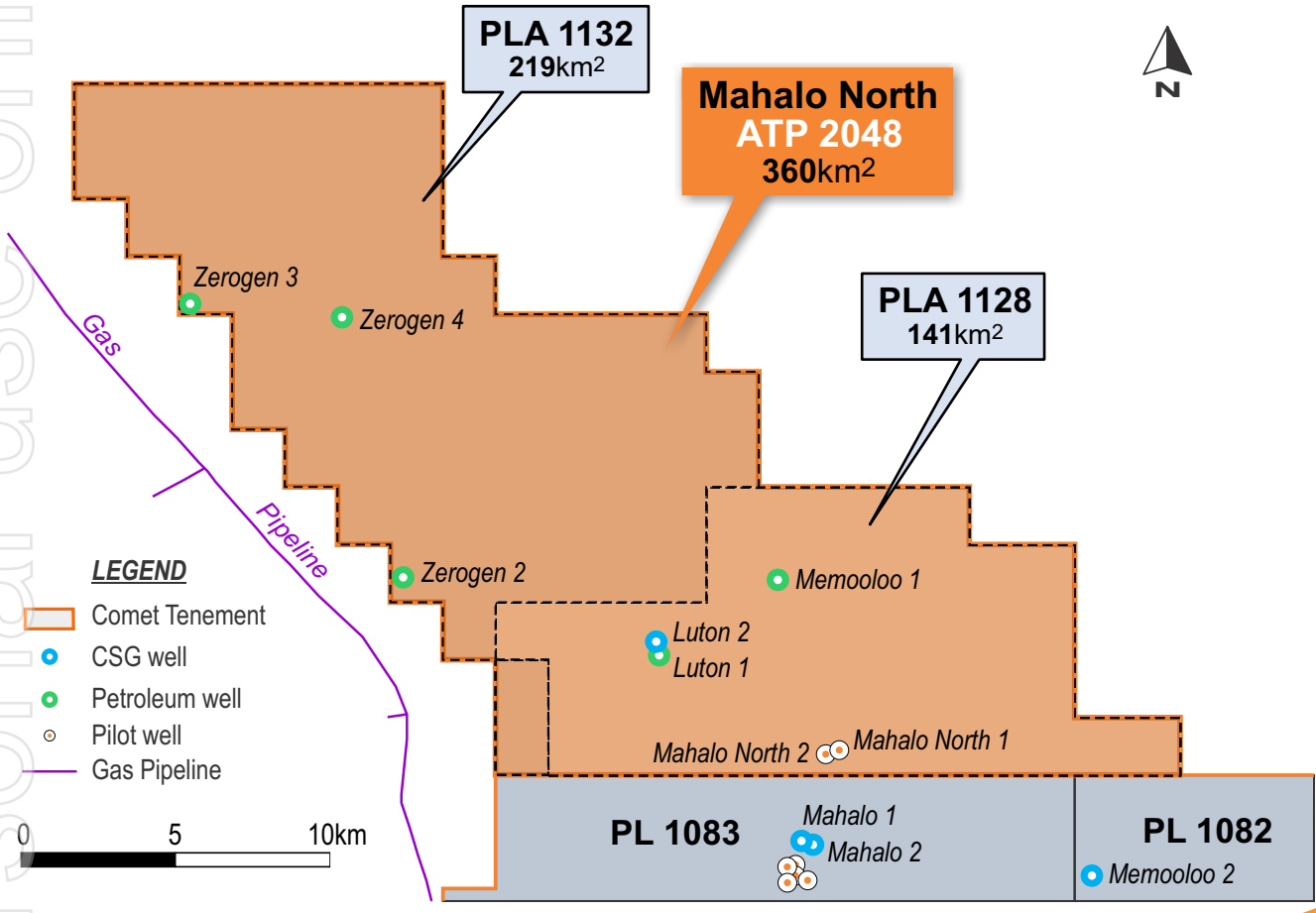


Figure 4 – Map of PLA 1128 (initial development area) and PLA 1132 within Mahalo North (both part of the original ATP 2048)

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A referral was submitted in October 2023 to the Federal Department of Climate Change, Energy, the Environment and Water (DCCEEW) under the EPBC Act for the abovementioned initial development activities within PLA 1128. A summary of the process to date and remaining steps is outlined further below:

- **October 2023** – Comet Ridge submission of EPBC referral to DCCEEW;
- **March 2024** – DCCEEW notified Comet Ridge that the Mahalo North gas project would be a controlled action and assessed under Preliminary Documentation (PD). DCCEEW provided a detailed request for information (RFI), to supplement the information already provided in the initial submission;
- **December 2024** – Comet Ridge prepared the PD and submitted to DCCEEW;
- **March 2025** – Comet Ridge was informed by DCCEEW that the Independent Expert Scientific Committee (IESC) had reviewed the PD and provided their advice to DCCEEW. DCCEEW requested a response to the IESC advice as part of the PD submission;
- **July 2025** – Comet Ridge responded to the IESC advice and DCCEEW is currently reviewing the final PD submission.

Assessment under the PD process has required Comet Ridge to undertake additional field work relating to groundwater dependent ecosystems (GDE) to support its original submission in October 2023, including the drilling of monitoring bores and groundwater monitoring with monthly sampling analysis around GDEs. The next step will be a public notification period (both in newspapers and on the Comet Ridge website). After the public notification period, DCCEEW will assess the entire PD submission and Comet Ridge anticipates this process to be completed before the end of 2025.

During the 2024 financial year, Comet Ridge executed a Conduct and Compensation Agreement (CCA) with the landholder that occupies the main Mahalo North development area within PLA 1128. This development CCA covers the initial production wells, roads and tracks, compression facilities (if required), water treatment and storage facilities as well as a small site office and accommodation. The total land area impact on this property is expected to be approximately 1% and the relationship with the landholder remains very positive. Comet Ridge will be able to supply valuable produced water for stock watering and agricultural use.

FEED activities – The proposed development scope within PLA 1128 will consist of interconnected horizontal and vertical well production pairs, gas and water gathering, a small gas compression facility, and water management infrastructure. Comet Ridge has advanced a significant amount of work on FEED activities for the Mahalo North development along with its main development consultants Verbrec (compression facilities), Wasco (construction activities) and Veolia (water treatment). FEED activities will be finalised once a decision is made on the optimal infrastructure solution for evacuation of Mahalo North gas production into domestic market opportunities.

Mahalo East (ATP 2061)

Overview - This 97 km² block is also highly prospective given its location directly north-east of, and contiguous with, the Mahalo Joint Venture Project. The block was awarded to Comet Ridge as 100% equity holder by the Queensland Government on 28 September 2020, after a competitive tender process. Gas produced from Mahalo East is also subject to domestic supply conditions.

Appraisal activities - Comet Ridge undertook a pilot drilling program at Mahalo East in the first half of FY2025, with drilling and testing costs partly funded from a \$5 million grant under the Queensland Government's Frontier Gas Exploration Grants Program. The pilot comprised a vertical production well (Mahalo East 1) and a lateral well (Mahalo East 2), similar in design to Comet Ridge's successful Mahalo North pilot. The objective of the pilot production test was to convert previously certified 2C (31 PJ) and 3C (122 PJ) Contingent Resources into Gas Reserves and positioning the project for development.

Gas Reserves and Resources – Following the successful pilot production test, Comet Ridge certified initial 2P and 3P Gas Reserves for Mahalo East as at 30 June 2025 as shown in Table 4 below.

Mahalo East	Gas Reserves (PJ)			Contingent Gas Resources (PJ)		
	1P	2P	3P	1C	2C	3C
COI 100% interest	-	52	118	-	-	-

Table 4 – Mahalo East Gas Reserves at 30 June 2025 (rounded to the nearest whole number)

The recently certified Gas Reserves at Mahalo East have added 27% of additional 2P Reserves and 29% of additional 3P Reserves to Comet Ridge's net Gas Reserves portfolio for the Mahalo Gas Hub Area (see Figure 5).

Comet Ridge Net 2P and 3P Gas Reserves at Mahalo Gas Hub
(increased by 27% and 29% respectively from the recent Mahalo East certification)

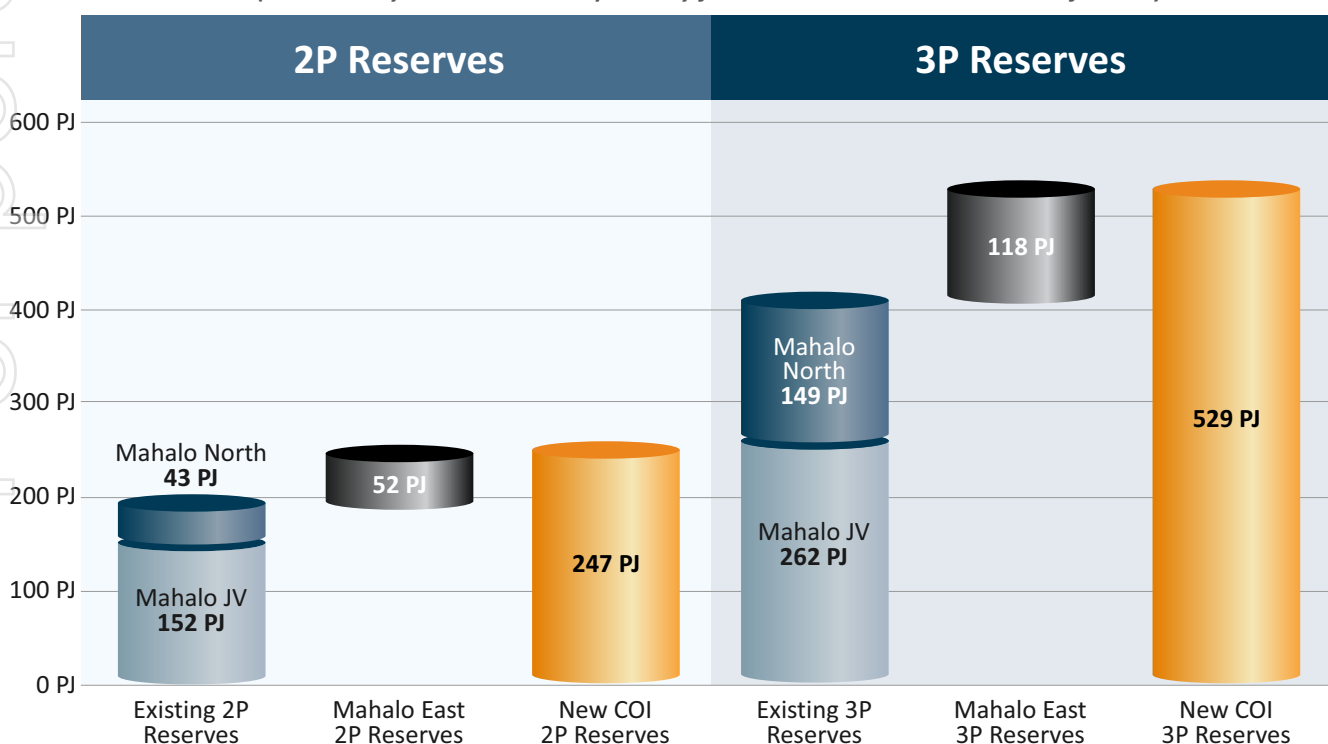


Figure 5 – Mahalo East additions to Comet Ridge's Net Gas Reserves Portfolio

Mahalo Far East (ATP 2063) and Mahalo Far East Extension (ATP 2072)

Overview – ATP 2063, a large 338 km² block, was awarded to Comet Ridge on a 100% equity basis on 10 May 2021. Mahalo Far East contains coals that are generally deeper and have notably higher natural gas content than the main Mahalo high productivity fairway, adding significant additional gas-in-place volume to Comet Ridge's portfolio in the Mahalo Gas Hub area. This block also contains conventional (sandstone) gas potential underneath the coals, for which Comet Ridge also holds 100% equity.

Comet Ridge has also identified a large CSG opportunity on the eastern flank of the permit, known as the Blackdown play, which is deeper than the high-quality CSG fairway within the main Mahalo Gas Hub area. The Blackdown play has elevated coal maturity and higher gas content which is likely to require longer lateral wells for commerciality but could ultimately produce excellent gas volumes.

New permit awarded – During FY2025, Comet Ridge was awarded a new block in the Mahalo Gas Hub area (ATP 2072), called Mahalo Far East Extension. ATP 2072 covers an area of 66 km² and is located immediately north of Mahalo East and west of Mahalo Far East (see Figure 3), approximately 85 km south-east of Emerald. The southern portion of the new block sits over the Mahalo Gas Hub high-quality fairway and is expected to be a source of future production wells for the Mahalo Gas Hub development.



2. Galilee Basin Permits

Comet Ridge holds a large acreage position of 4,742 km² in the eastern part of the Galilee Basin. This acreage contains substantial 3C Contingent Resources, shown in Table 5 below, which have been independently certified at two stratigraphic levels. These comprise the sandstones or “Deeps” (from a depth of approximately 2,500 m) in the Albany structure and also CSG or “Shallows” in the Gunn Project Area (from a depth down to approximately 1,000 m).

Galilee Basin Permits (COI net interests)	Contingent Gas Resources (PJ)		
	1C	2C	3C
CSG, Gunn Project Area (COI 100%)	0	67	1,870
Conventional, Albany Structure (COI 70%)	39	107	292
Total	39	174	2,162

Table 5 – Comet Ridge's share of Galilee Basin Contingent Gas Resources at 30 June 2025 (rounded to nearest whole number)

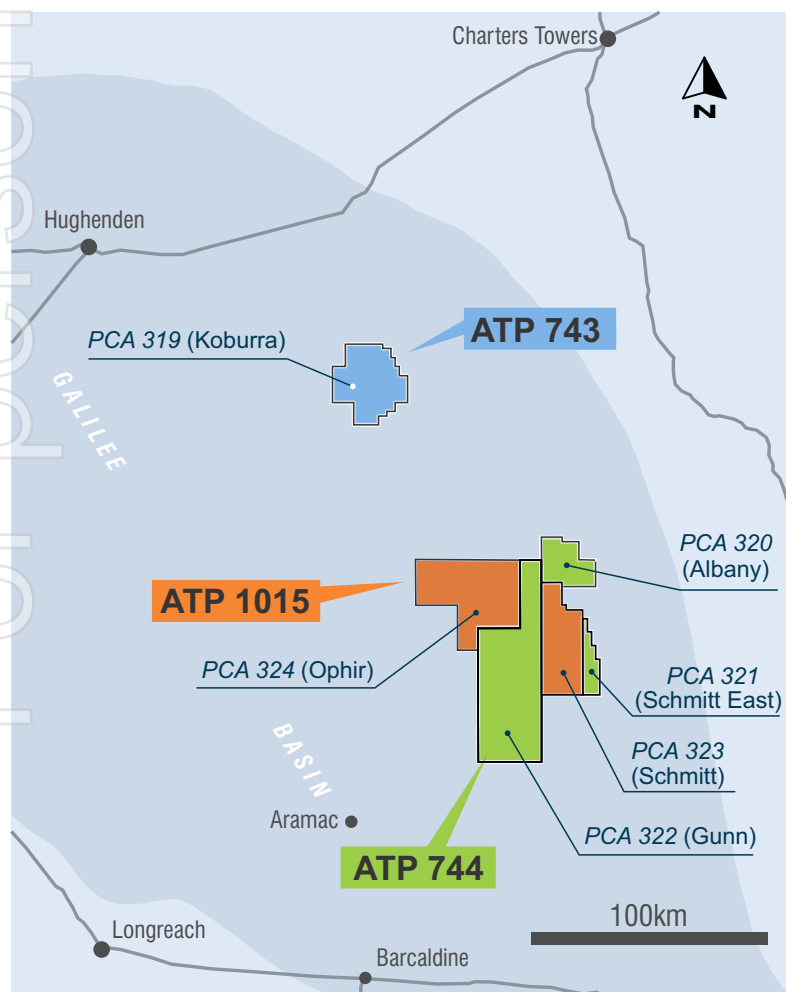


Figure 6 – Galilee permits showing the PCAs within the three ATPs

In 2019, Comet Ridge and Vintage Energy created the Galilee Deeps Joint Venture (GDJV), with Vintage Energy earning a 30% interest by funding the Albany 1 well and additional 2D seismic aimed at the deeper sandstone reservoir sections. The Albany 1 well flowed 230,000 standard cubic feet of gas per day and confirmed these deeper sandstones could indeed be productive. The GDJV participants have identified up to 20 sandstone leads and prospects in this deeper section of the basin for future appraisal.

PCAs numbered 319 to 324 (Figure 6) have been awarded to Comet Ridge for a term of 15 years ending 9 September 2037. All three of the underlying permits, ATPs 743, 744 and 1015, have also been renewed for a further term of 12 years, ending 3 September 2033, 31 October 2033 and 30 November 2034 respectively.

Comet Ridge continues to work through the next phase of appraisal with Vintage Energy and is focused on several studies to extend technical knowledge on charge (source & migration), reservoir, seal and trap.



3. New South Wales Permits

Comet Ridge has one remaining NSW exploration licence (PEL 427), which was renewed by the NSW Government on 12 May 2022 for a period of six years. The approved area was reduced to 12 blocks by the NSW Government over an area of 891 km² located in the northern Gunnedah Basin, immediately north of Santos' Narrabri CSG Project in the Bohena Trough.

Comet Ridge holds a 59.1% CSG equity interest and 100% conventional equity interest in PEL 427. Comet Ridge is the Conventional Operator whilst Santos operates the CSG interest.

Given the uncertainty and significant risk related to investment in natural gas in NSW, the Company is planning to be 100% focused on its Queensland operations for the foreseeable future.

Other Activities

International Activities (Discontinued)

The New Zealand Petroleum and Minerals (the NZ Government petroleum authority) confirmed the surrender of the Comet Ridge interest in PMP 50100 in New Zealand as of 7 August 2024. The Company has since that time held no permit, licence or other exploration interest in New Zealand. This position was confirmed by New Zealand Petroleum and Minerals after Comet Ridge completed a work program to plug and abandon (make permanently safe) all the wells in its sole New Zealand permit. This was finalised in the first half of 2024 and all of the Company's obligations to make the permit safe and all required operations in that block have been concluded. The 100% owned subsidiary of Comet Ridge Limited which was the registered holder of PMP 50100, Comet Ridge NZ Pty Ltd (ACN 125 503 497), was deregistered by ASIC on 13 August 2025. Comet Ridge NZ Pty Ltd has also been removed from the New Zealand Company Register where it was recorded as an overseas ASIC Company.

Health, Safety and Environment

With the drilling and production test in Mahalo East, the majority of the field operations in the 2025 financial year were in Mahalo East. In addition, our focus was on the continued environmental work in support of our EPBC approval for Mahalo North, which consisted of the drilling of five shallow monitoring bores for the monitoring of ground dependent ecosystems, including monthly monitoring of these bores.

The total operational hours worked in FY2025 across the business was 40,192 hours up from 21,562 hours last year. Consistent with previous years, there were no safety or environmental incidents recorded during the 2025 financial year.

Mahalo East and Mahalo North field operations were supported by a rigorous risk management approach used in planning for the operations. This included the Company's Risk Committee systematically identifying the strategic and operational level risks associated with the field work and operations carrying out specific operational risk assessments for the main activities. These risks and appropriate mitigations were incorporated into the field work undertaken at Mahalo East and Mahalo North in FY2025.

The primary focus of the business moving forward is to ensure that the next phase of activity is conducted in accordance with the HSE management system and that operations comply with all the many regulatory requirements and approvals.

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Community

Comet Ridge takes its corporate social responsibility very seriously. This is reflected in a deep commitment, at all levels of the Company, to working with community stakeholders in the regions where it operates. This commitment has ensured external and stakeholder relationships continue to be extremely positive.

Throughout FY2025 Comet Ridge has:

- Attended and contributed to a number of government and industry organised workshops;
- Sponsored local community events in Rolleston, Queensland; and
- Continued engagement with Central Highlands Regional Council.

Community engagement and respect for the communities where the Company operates is a core value for Comet Ridge and is supported by legislation and regulation. The Queensland 'Land Access Code', which has been developed in compliance with the relevant legislation and is enshrined in regulation, is the industry reference when it comes to landholder and community relations and interaction between landholders and the gas industry. Comet Ridge has always acted consistently with the principles and guidelines set out in this Code of Practice.

Comet Ridge believes that co-existence and mutual respect are the cornerstones of community relations. The Company has built on the strong relationships developed over previous years and continues to enjoy excellent relationships with landholders, local government, the wider community, and all relevant stakeholders.

In terms of local government engagement, the Company continues to maintain contact with relevant officials and elected representatives in the local government areas where Comet Ridge operates. Contact with local government affords an excellent opportunity to communicate with local communities at a broad level, allowing Comet Ridge to listen to local residents' and businesses' aspirations and align them with Company's plans. The Company uses and supports local contractors and businesses in its operations as a priority.

Through membership of Australian Energy Producers (AEP), the Company interacts with government representatives (at multiple levels) and directly with other key agencies such as Coexistence Queensland which has grown out of the Queensland Gas Fields Commission. Comet Ridge maintains strong relationships with the relevant Queensland Government departments, including the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development and the Department of Environment, Tourism, Science and Innovation.

Cultural Heritage

Comet Ridge values its relationships with Traditional Owners and respects their heritage and culture. We always act to protect and secure Indigenous Cultural Heritage when conducting in-field activities by working with the local Cultural Heritage claimant group and briefing that group prior to any field activities. We also engage the local Cultural Heritage group for the conduct of field surveys prior to any field work or land disturbance and ensure we comply with all relevant legislation. Protecting, preserving and respecting Indigenous culture, Indigenous peoples' deep connection to the land and ensuring artefacts and areas of cultural significance are secured are all extremely important to Comet Ridge. The Company has a number of Native Title agreements in place.

Sustainability

As part of Australia's community of oil and gas operators, we acknowledge the important role that the industry will play in the energy mix in the future. Comet Ridge recognises that, in delivering this essential component of the prosperity and wellbeing of all Australians, it is incumbent upon us to minimise the impact of our activities and remediate areas affected by operations to ensure that the environment we touch or are connected to experiences the lowest possible impact.

Natural gas will provide long-term energy and manufacturing security for Queensland and Australia, which is fundamental for our society's wellbeing. The approach to environmental, social and governance (ESG) issues across the natural gas industry is an evolving, critical component of a company's social licence to operate. Companies with a strong ESG program and performance benefit significantly and directly when it comes to stakeholder engagement and investor participation. Comet Ridge is actively engaging, independently and through AEP, to develop its own ESG program. The environmental aspects of our operations are governed by strict laws and regulations both at state and federal levels which are integrated into our operational procedures, including the assessment of potential environmental impacts of any proposed activities before the commencement of any project. Comet Ridge also engages with relevant stakeholders such as landholders, native title claimants and local governments to minimise its impact.

We also understand that the world must use its resources wisely and that society is transitioning to produce fewer greenhouse emissions. Apart from domestic uses such as cooking and heating, gas is an essential part of industries as diverse as pharmaceuticals and the manufacture of fertilisers, which are not currently able to be met by renewable energy sources. Natural gas plays a key role in housing, for example making glass, bricks, aluminium and plasterboard. Natural gas also has an important role to play in providing firming power for this transition, as it burns much more cleanly than other fossil fuels, can start electricity generation at short notice and with fewer associated emissions.

Natural gas is used as a critical input to the manufacture of many thousands of products that we use every day to make our lives better. Natural gas is a key input for ammonia-based fertilisers which are very important in maximising crop yields to help feed the planet's growing population. Synthetic fibres like nylons are hydrocarbon (natural gas and oil) based and so many of us wear the products of natural gas around with us every day. Plastics in our cars, houses, phones, keyboards and computers are also products made from natural gas. It takes natural gas to build the many components needed for a solar panel or a wind factory. Natural gas is used extensively to refine ore to generate many of the metals needed for renewables components. Indeed, it is hard to contemplate a world without the many products that natural gas provides, and Australian manufacturing would effectively shut down without it.

Our goal is to operate efficiently and responsibly, with the support of our stakeholders. We want our communities, employees and shareholders to all enjoy the benefits of Comet Ridge developing Queensland's natural gas resources.

Environment, Social and Governance (ESG) Reporting

As previously reported, Comet Ridge does not currently fall into one of the sustainability reporting thresholds in s.292A of the *Corporations Act* requiring it to prepare a sustainability report. However, in response to the increased focus on the principles of Environment, Social and Governance (ESG) as an effective means of creating long term value while addressing societal priorities, Comet Ridge has committed to adopting an ESG reporting regime. The regime selected is based on the one enshrined in the United Nations' Sustainable Development Goals determining that the reporting on the ESG disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF) (<https://www.weforum.org/stakeholdercapitalism>) strikes the necessary balance between the detail needed for shareholders and other stakeholders seeking a level of transparency, and a reporting structure that will not impose unreasonable or unnecessary burden on a Company with limited internal resources, the size and stage of development which Comet Ridge is currently at.

In conjunction with Socialsuite, the Company has made significant progress in finalising a sustainability report which will contain the ESG disclosures referencing ESG metrics focused on people, planet, prosperity and principles of governance that organisations are able to report on regardless of industry or region. Once finalised and adopted, this will see the Company reporting against the 21 core SCMs, which will then be reviewed regularly and updated periodically. It is expected that this reporting will be made separate to the Annual Report.

Chairman and Managing Director letter to shareholders

Dear Fellow Shareholder,

As we reflect on the past financial year for Comet Ridge, it's evident that we've made significant progress in both appraisal and development activities, marking a notably busy and productive period for the Company.



Just before the start of the financial year we had two significant wins in competitive bidding rounds with the Queensland Government in May and June 2024, which directed at least some of our focus for the 2025 financial year. In May we were awarded a \$5 million grant under the Queensland Frontier Gas Exploration Program to build and run a gas production pilot in Mahalo East (ATP 2061), about 25 km from our earlier very successful pilot at Mahalo North. Our objective for Mahalo East was to build further material 2P Reserves which we achieved at the end of the financial year. Furthermore, in June 2024 we won a competitive block bid (on a 100% basis) for a further 66 km² of Mahalo Gas Hub acreage also in the northeast, which we called Mahalo Far East Extension. The Queensland Government designated this block ATP 2072 in July 2024. Whilst this fourth 100% block win, in the northern part of

the Mahalo Hub, is our smallest block to date it is still material in size and expands our footprint for future gas development.

One of the conditions of the \$5 million grant for the Mahalo East production pilot, was that all field work and sufficient flow testing had to be completed and all reporting to the Queensland government had to be submitted within 12 months for the \$5 million spend to be claimed from the state government. This is not necessarily a simple task given all the work that has to be done in the right sequence – pilot location finalised, landholder approval and agreement, environmental surveys, cultural heritage clearances, contracts for third party drilling and other services awarded and mobilised, well pads and access roads built, wells drilled, downhole tubing, pump and facilities installed and then enough time to bring the well on slowly and produce water and gas in a very controlled way so the coal reservoir is not damaged. This needs to be done with an eye on the wet season to ensure limited or no field work happens over the summer season. Our operations and technical team accepted the challenge and by the end of May 2025 the pilot operations were completed, the reports submitted and before the end of the financial year we had received the full \$5 million funding from the Queensland Government.

A few weeks later we received the independent reserves certification for 51.8 PJ of 2P Reserves and 118.5 PJ of 3P Reserves, confirming our confidence in the Mahalo East (ATP 2061) block. This gives us a second material developable area (100% equity position) outside the significant reserves we hold with Santos in the Mahalo JV just to the south.

At Mahalo North, the main focus throughout the year was gaining our environmental approvals for development at both a state and federal level with the state approved EA (Environmental Authority) awarded to us in August 2024. After formal submission by us in October 2023, the federal approval, through the EPBC (*Environment Protection and Biosecurity Conservation Act 1999*) required water monitoring bores to be drilled and this was completed in August and September 2024. We have also recently been back in the field for more detailed environmental studies work and although we do not yet have this second environmental approval, we believe there is a very high chance that it will be received late in calendar year 2025. We note the recent Federal Government focus on productivity and the call to reduce red and green tape.

In terms of development of the biggest component of Comet Ridge's 2P Reserves, which sit inside the Mahalo Joint Venture Petroleum Leases with Santos as Operator (PLs 1082 and 1083), the first part of the 2025 financial year saw Santos completing the Concept Select Phase of the development and passing through Santos's internal approval gates to move to FEED. Both Comet Ridge and Santos approved the budget and work scope for FEED to commence in late November 2024. Discussions between Comet Ridge, Santos and Jemena continued at that time around provision of a BOO scheme for the 10-inch diameter high pressure export pipeline to connect Mahalo to existing gas pipeline infrastructure. All three parties approved the pipeline FEED in March 2025 with work commencing by Jemena very soon after.

In May 2025 we refinanced our PURE Asset Management debt facility out to June 2027 and also extended our conditions precedent under our Gas Sales Agreement with CleanCo, to bring those better in line with the timing of both FEED studies at Mahalo with Santos and Jemena.

From a funding perspective, in December 2024, we raised \$12 million in equity to cover the FEED work for Mahalo in 2025 (and into 2026) as well as to support appraisal and approvals work at Mahalo East and Mahalo North. We were very appreciative of the shareholder support we were given.

Our funding data room remained open during the year, and whilst we undertook some productive discussions with several parties to fund Mahalo or otherwise generate value for Comet shareholders, we did not reach a conclusion on any of these that we thought was sufficiently compelling at this stage. The gas market continues to tighten and we see a complete lack of greenfields onshore natural gas (in a safe jurisdiction) to bring into the east coast gas market, such as the Mahalo Gas Hub provides. Our high equity position across the entire Mahalo Gas Hub gives us both a strong reserves position and commercial room to manoeuvre.

To some degree, gas market intervention and the possibility of a minority government at the federal election in May 2025 caused the entire industry to be cautious and somewhat measured about gas investment, however we see confidence returning to the market which is also associated with the shortage of gas molecules (impacting both manufacturing and power) that virtually all commentators agree is coming.

We are pleased to have lifted our net share of 2P Reserves by over 26% at the end of the financial year to 247 PJ. We believe these reserves to be material in the current east coast market.

For the current financial year, the focus is on gas sales agreements, funding and moving through the FEED process for both the upstream, with Santos, and the pipeline, with Santos and Jemena.

We thank our shareholders for their continued support and Comet Ridge personnel for their hard work and dedication throughout the 2025 financial year.



James McKay
Chairman



Tor McCaul
Managing Director

2025 Annual Reserves Statement

Comet Ridge is pleased to present its Annual Reserves Statement for the year ending 30 June 2025.

Comet Ridge Limited – Net Recoverable Reserves and Resources ¹														
Basin	Project/Permit	COI Interest	Reserves (PJ) ¹						Contingent Resources (PJ) ¹					
			1P	1P	2P	*2P	3P	3P	1C	1C	**2C	**2C	3C	3C
			30-6-24	30-6-25	30-6-24	30-6-25	30-6-24	30-6-25	30-6-24	30-6-25	30-6-24	30-6-25	30-6-24	30-6-25
Southern Bowen Basin, QLD	Mahalo JV (ATP 1191) ^{2,+}	57.14%	*-	*-	*152	*152	262	262	109	109	**180	**180	294	294
Southern Bowen Basin, QLD	Mahalo North (ATP 2048) ³	100%	*12 ²	*12 ²	*43	*43	149	149	-	-	-	-	-	-
Southern Bowen Basin, QLD	Mahalo East (ATP 2061) ⁴	100%	-	-	-	*52	-	118	8	-	31	-	122	-
Galilee Basin, QLD	Gunn (ATP 744)	100%	-	-	-	-	-	-	-	-	**67	**67	1,870	1,870
Galilee Basin, QLD	Albany (ATP 744)	70%	-	-	-	-	-	-	39	39	**107	**107	292	292
Gunnedah Basin, NSW	PEL 427	59.09%	-	-	-	-	-	-	-	-	-	-	281	281
Total			*12	*12	*195	*247	411	529	156	148	**385	**354	2,859	2,737

Table 6 – Comet Ridge Limited – Reserves and Resources Annual Statement

- Movements in Net Recoverable Reserves and Resources are explained in responses to Listing Rule 5.39.3 and 5.40.2 below. References to Petroleum Reserves in this Statement relate to the Company's independently certified Gas Reserves.
- Subsequent to the booking of the Reserves and Resources for ATP 1191, the Authority to Prospect and the area that it covered has been converted on application to PL 1082 and PL 1083 along with PCAs 302, 303, and 304.
- 1P Petroleum Reserves for the Mahalo North Project have been included in this Reserves certification on the basis that a development decision by Comet Ridge (as 100% owner and operator of the project) is planned as soon as transport arrangements and PL application are concluded. Similarly, with the streamlined Comet Ridge and Santos Mahalo Joint Venture now focused on development plans for the Mahalo Joint Venture Gas Project to the south, the re-instatement of 1P Reserves for Comet Ridge's net interest in the Mahalo Joint Venture Project will be reviewed and actioned as development plans are finalised with Santos.
- Initial Petroleum Reserves (2P and 3P) have been certified by the Company for the Mahalo East Project (ATP2061) as at 30 June 2025. These Petroleum Reserves replace the previous certified Contingent Gas Resources (1C, 2C and 3C) for Mahalo East.

ASX Listing Rules Annual Report Requirements

* Listing Rule 5.39.1:

- All 2P Petroleum Reserves recorded in Table 6 at 30 June 2025 are undeveloped and are attributable to unconventional gas.
- 100% of the 2P Petroleum Reserves are located in the southern Bowen Basin.
- No 1P Petroleum Reserves were recorded for the period ending 30 June 2025 for the Mahalo Joint Venture Project or Mahalo East Project. Refer to ASX Announcement "Mahalo Reserves and Resources Revision" 30 October 2019 for details of the reason for the removal of the 1P Petroleum Reserves and the ASX Announcement "Mahalo East 2P Reserves Certification of 51.8 PJ" for explanation (in Notes to Table 1) of nil 1P Reserves.

* Listing Rule 5.39.2:

- The proportion of 1P and 2P Petroleum Reserves that are unconventional is 100%. The 1P and 2P Reserves recorded for the Company are located in the Company's southern Bowen Basin Mahalo Joint Venture Project area (PL 1082 and PL 1083 along with PCAs 302, 303, and 304) and its Mahalo North project area (ATP 2048) and Mahalo East Project area (ATP 2061) both of which are also in the southern Bowen Basin.

Listing Rule 5.39.3:

- Table 6 records a comparison of the 2P and 3P Petroleum Reserves at 30 June 2025 as against the previous year and discloses that the Petroleum Reserves (2P and 3P) have changed as a result of the initial certification of Petroleum Reserves for the Mahalo East project (ATP 2061).

Listing Rule 5.39.4:

- Comet Ridge first reported certified Petroleum Reserves for the Mahalo Joint Venture Project on 27 August 2014 and these Reserves have remained undeveloped for greater than 5 years since the date initially reported.
- The Mahalo Joint Venture has yet to reach a FID on the Mahalo Joint Venture Gas Project, which needs the approval of both Joint Venture participants. This project is currently undergoing FEED studies as a precursor to a planned FID in 2026.
- On 28 June 2022 Comet Ridge completed the acquisition of APLNG's 30% interest in the Mahalo Joint Venture to provide a pathway to project development with a streamlined joint venture comprising Comet Ridge and Santos with material equity positions and Santos continuing as Operator.
- Concurrent with this holding in the Mahalo Joint Venture, Comet Ridge now holds a large 100% operated acreage position immediately adjacent to the Mahalo Joint Venture Gas Project to the northwest and northeast and has, since the award of these permits, certified additional Petroleum Reserves and Resources in these areas. Comet Ridge plans to make use of common infrastructure that will be available to the Mahalo Joint Venture Gas Project following final investment decision, as well as Comet Ridge's 100% owned projects.
- Following an appraisal program Comet Ridge announced (ASX: 2 November 2022) the initial independent certification of 1P, 2P & 3P Reserves for its 100% held Mahalo North (ATP 2048) tenure, which has subsequently been updated with an upgrade in the 3P Reserves announced 20 December 2023.
- Following an appraisal program by Comet Ridge in FY2025, the independent certification of 2P and 3P Reserves as at 30 June 2025 for its 100% Mahalo East (ATP 2061) tenure was announced (ASX: 25 July 2025).

Governance Arrangements and Internal Controls Listing Rule 5.39.5:

- Comet Ridge has obtained all of its Petroleum Reserves and Contingent Gas Resources estimates reported at 30 June 2025 from external independent consultants who are qualified Petroleum Reserves and Resources evaluators as prescribed by the ASX Listing Rules.
- Comet Ridge estimates and reports its Petroleum Reserves and Resources for its southern Bowen Basin tenures in accordance with the definitions and guidelines of the Petroleum Resources Management System 2018 and Guidelines for Application of PRMS 2011 as published by the Society of Petroleum Engineers (SPE PRMS). In respect to the Galilee Basin (Gunn Project Area) and Gunnedah Basin Resources estimates, these were made in accordance with the definitions and guidelines of the Petroleum Resources Management System 2007, published by the Society of Petroleum Engineers (SPE PRMS). In respect to the Galilee Basin (Albany Structure) Resources estimates, these were made in accordance with definitions and guidelines of the Petroleum Resources Management System 2007 and Guidelines for Application of PRMS 2011 as published by the Society of Petroleum Engineers (SPE PRMS).
- To ensure the integrity and reliability of data used in the Reserves estimation process, the raw data is reviewed by senior reservoir engineering and geological staff at Comet Ridge before being provided to the independent reserve certifiers. Comet Ridge has not and does not currently intend to conduct internal certification of Petroleum Reserves preferring to appoint independent external experts prior to reporting any updated estimates of Reserves or Resources so as to ensure an independent and rigorous review of its data.
- Comet Ridge reviews and updates its Petroleum Reserves and Resources position on a regular basis to ensure that if there is any new data that might affect the Reserves or Resources estimates of the Company, steps can be taken to ensure that the estimates are adjusted accordingly.

**Listing Rule 5.40.1:

- All 2C Contingent Resources as at 30 June 2025 are undeveloped. Approximately 70% of the reported 2C Contingent Resource is attributable to unconventional gas with the remainder attributable to a sandstone reservoir referred to in Table 6 as the Albany Structure.
- The geographical areas where the 2C Contingent Resources appear in the far-left column of Table 6.

Listing Rule 5.40.2:

- Table 6 records a comparison of the 1C, 2C and 3C Contingent Resources as at 30 June 2025 against the previous year and discloses that one change occurred in the current financial year, being the replacement of all 1C, 2C and 3C Contingent Resources for the Mahalo East project (ATP 2061) into 2P and 3P Petroleum Reserves classification, via an independent certification as at 30 June 2025 and announced by Comet Ridge on 25 July 2025.

Listing Rule 5.44:

- The estimates of Reserves and Contingent Resources appearing in the 2025 Annual Reserves Statement for Comet Ridge Limited and its subsidiaries are based on, and fairly represent, information and supporting documentation determined by the various qualified petroleum reserves and resource evaluators listed below.
- The estimate of the unconventional (CSG) Contingent Resources for the Gunn Project Area in ATP 744 was determined by Mr John Hattner, a full-time employee of Netherland, Sewell, and Associates Inc. (NSAI), an independent petroleum reserve and resource evaluation company. Mr Hattner is a qualified petroleum reserves and resource evaluator as defined under the ASX Listing Rule 5.42. and is a member of the Society of Petroleum Engineers. Mr Hattner has previously consented to the publication of the Contingent Resources estimate for the Gunn Project Area in the form and context in which they appear in this Annual Reserves Statement for 2025.
- The estimate of Contingent Resources for the Albany Structure in ATP 744 is taken from an independent report by Dr Bruce McConachie, an Associate Principal Consultant with SRK Consulting (Australasia) Pty Ltd, an independent petroleum reserve and resource evaluation company. Mr McConachie is a qualified petroleum reserves and resource evaluator as defined under the ASX Listing Rule 5.42 and is a member of the American Association of Petroleum Geologists, the Society of Petroleum Engineers and Australasian Institute of Mining and Metallurgy. Mr McConachie has previously consented to the publication of the Contingent Resources figures for the Albany Structure in ATP 744 in the form and context in which they appear in this Annual Reserves Statement for 2025.
- The estimate of the Reserves and Contingent Resources for the Mahalo Joint Venture, as part of ATP 1191+ (PL 1082 and PL 1083 along with PCAs 302, 303, and 304) was determined by and under the supervision of Mr Timothy L. Hower MHA Petroleum Consultants LLC (now part of the Sproule Group). Mr Hower is a full-time employee of Sproule and is a qualified petroleum reserves and resource evaluator as defined under the ASX Listing Rule 5.42. Mr Hower is a Licensed Professional Engineer in the state of Colorado, USA as well as being a member of The Society of Petroleum Engineers. Mr Hower has previously consented to the publication of the Reserve and Contingent Resource estimates for the Mahalo Joint Venture in the form and context in which they appear in this Annual Reserves Statement for 2025.
- The estimate of the unconventional (CSG) Contingent Resources for PEL 427 were also determined by Mr Timothy L. Hower of Sproule. 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). Any reference and reliance on the Resource figures for PEL 427 as they appear in this Annual Reserves Statement is only a restatement of the information contained in the ASX:ESG announcement.
- The estimate of the unconventional (CSG) Reserves for the Mahalo North area (ATP 2048) was also determined Mr Timothy L. Hower of Sproule. Mr Hower has previously consented to the publication of Reserve figures in the form and context in which they appear in this Annual Reserves Statement for 2025.
- The estimate of the unconventional (CSG) Reserves for the Mahalo East area (ATP 2061) was determined by Mr Timothy L. Hower of Sproule. Mr Hower has previously consented to the publication of Reserve figures in the form and context in which they appear in this Annual Reserves Statement for 2025.

Notes to Net Recoverable Reserves and Resources Table:

- 1) Gas Reserve and Resource numbers have been rounded to the nearest whole number.
- 2) Comet Ridge's net Reserves, with the exception of Mahalo East, have not been adjusted for fuel or shrinkage (estimated at approximately 3%) and have been calculated at the wellhead (which is the reference point for the purposes of Listing Rule 5.26.5). Mahalo East Reserves assume 3% fuel and shrinkage losses as production activities such as wellsite compression and water treatment are planned to be powered using electricity from onsite gas fuelled generation (which is the reference point for the purposes of Listing Rule 5.26.5).

Corporate Governance Overview Statement

The Directors and management of Comet Ridge are committed to the creation of shareholder value and recognise the need for high standards of corporate governance as integral to that objective.

The Board is pleased to report that during the year ending 30 June 2025 the Company's corporate governance practices and policies have substantially accorded with those outlined in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (4th Edition)* (ASX Recommendations or ASX Guidelines), except as outlined in the Company's annual Corporate Governance Statement. Even where there is a deviation from the recommendations the Company continues to review and update its policies and practices in order that these keep abreast of the growth of the Company, the broadening of its activities, current legislation and good practice.

The ASX Corporate Governance Council's (the Council) recommendations are not prescriptive but rather they are guidelines. If certain recommendations are not appropriate for the Company given its circumstances, it may elect not to adopt that particular practice in limited circumstances.

Where the Company's Corporate Governance practices do not correlate with the practices recommended by the Council, the Company does not consider that the recommended practices are appropriate due to either the size of the Board or the management team or due to the current activities and operations being carried on by and within the Company.

A copy of Comet Ridge's 2025 Corporate Governance Statement, which provides detailed information about governance and a copy of Comet Ridge's Appendix 4G which sets out the Company's compliance with the ASX Recommendations, is available on the corporate governance section of the Company's website at: <https://www.cometridge.com.au/corporate-governance/>.

Directors' Report

Your Directors present their report on Comet Ridge Limited (Comet Ridge or the Company) and the consolidated entity (the Group) for the financial year ended 30 June 2025. The Company was incorporated on 23 August 2003 and listed on the Australian Securities Exchange on 19 April 2004.

1. Information on Directors

The following persons were the Directors of Comet Ridge who held office for the whole or part of the year and up to the date of this Report.

James McKay B.Com, LLB, Non-executive Chairman (Director since 16 April 2009)

Special Responsibilities

Chairman
Member of the Remuneration Committee

Experience

James McKay is Executive Chairman and co-founder of Walcot Capital, a venture capital business specialising in early stage commodity investments. Walcot Capital has established a number of large and successful resource projects including Tlou Energy Limited, an ASX and AIM listed southern Africa focused coal seam gas company, and ERPM a South African based gold company that purchased the historic East Rand Proprietary Mine with a 51M oz reserve.

James is the former Chairman of successful coal seam gas company Sunshine Gas Limited, having overseen that company's growth to join the ranks of Australia's Top 150 and a top ten Queensland company with a market capitalisation over \$1 billion, prior to its merger with Queensland Gas Company.

Mr McKay is also a director and shareholder of Centenary Memorial Gardens Pty Ltd, a major Brisbane cemetery and crematorium. He is a past president of the Australasian Cemeteries and Crematoria Association, having served on its board for over eight years.

James McKay has a strong commercial background, with sound finance, investment markets, business management and legal expertise. He holds degrees in commerce and law.

Interest in Shares and Options

38,076,275 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Nil.

Tor McCaul B.E (Hons/Petroleum), B.Econ, MBA, Managing Director (Director since 16 April 2009)

Special Responsibilities

Managing Director
Member of the Risk Committee

Experience

Tor McCaul was appointed Managing Director of Comet Ridge in April 2009 when the Company merged with Chartwell Energy Limited (Chartwell). He previously held the position of Chief Executive Officer of Chartwell having commenced with that company in 2008. Tor has over 30 years' experience in the oil and gas industry. He graduated in Petroleum Engineering from UNSW in 1987 and spent the next nine years based in Brisbane working with operating companies in technical roles on projects in Queensland, New Zealand and PNG, which included a secondment to Chevron Niugini.

He spent the following 11 years in Asia (Karachi, Jakarta, Chennai and Delhi) in technical, finance, commercial and management roles. At VICO Indonesia (a BP-ENI JV) he was their LNG Contract Manager on the 23 million-tonne-per-annum Bontang LNG project. In India, he was Cairn plc's Head of Commercial for the Indian business. Mr McCaul is currently a Director of the Australian Energy Producers (AEP) and has previously been the Chairman for the Queensland Section of the Society of Petroleum Engineers and was the 2013 Queensland Petroleum Exploration Association (QUPEX) President.

Interest in Shares and Options

10,802,333 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Nil.

Comet Ridge Limited — Annual Report for the Year Ended 30 June 2025

Chris Pieters B.Sc (Hons), B.Bus, Executive Director (Director since 16 April 2009)

Appointed Executive Director 17 June 2015.

Special Responsibilities

Nil

Experience

Chris Pieters is the Managing Director and co-founder of Walcot Capital, a private venture capital business specialising in early-stage commodity investments, and the former Managing Director of Tlou Energy Limited, when it was a private unlisted public company with CSG exploration interests in Southern Africa.

Previously he was Chief Commercial Officer at Sunshine Gas Limited prior to its merger with the Queensland Gas Company in 2008. Mr Pieters also held other technical and business development roles at Sunshine Gas.

He is a member of the Petroleum Exploration Society of Australia.

Interest in Shares and Options

1,576,178 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Nil.

Gillian Swaby B.Bus, FAICD, FCIS, MAusIMM, Non-executive Director (Director since 9 January 2004)

Special Responsibilities

Chairperson of the Audit Committee

Experience

Gillian Swaby has been involved in financial and corporate administration for listed companies for over 35 years, as both Director and Company Secretary covering a broad range of industry sectors. Ms Swaby has extensive experience in the area of corporate governance, corporate and financial management and board practice.

Gillian is a past Chair of the Western Australian Council of Chartered Secretaries of Australia and State Councillor of the Australian Institute of Company Directors. She also serves on the board of ASX listed Deep Yellow Limited.

Interest in Shares and Options

295,372 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Deep Yellow Limited, joined 10 October 2005

Panoramic Resources Ltd, joined 8 October 2019, resigned 27 March 2024

Martin Riley B.E (Hons 1/Chem), Non-executive Director (Director since 13 March 2019)

Special Responsibilities

Chairperson of the Risk Committee

Member of the Remuneration Committee

Member of the Audit Committee

Experience

Martin Riley holds a first-class honours degree from Sydney University in Chemical Engineering and has 35 years' experience in the upstream oil and gas industry in a variety of roles. Martin was influential in the commercial inception and development of the Coal Seam Gas (CSG) industry in Queensland in the 1990s with Origin Energy. Martin has held a number of sub-surface technical roles, and senior executive positions within the industry, across both CSG and conventional assets, through exploration, development and production.

Interest in Shares and Options

850,895 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Nil.

Shaun Scott B.A (Rec Admin), B.Bus (Accountancy), ACA, Non-executive Director (Director since 16 October 2019)

Special Responsibilities

Chairperson of the Remuneration Committee

Member of the Audit Committee

Experience

Shaun Scott is an experienced independent non-executive director on both public and private boards. As an executive, Mr Scott was CEO of Arrow Energy Limited and was instrumental in taking this business from a \$20 million coal seam gas explorer to a significant gas and energy producer and leader in the development of the Queensland LNG industry, until Arrow's \$3.5 billion acquisition by Shell and Petro-China in 2010. At the Board level, Shaun has operated as Chairman and non-executive director of a number of publicly listed companies and chaired numerous Board sub-committees. Mr Scott has specific expertise and experience in business strategy, negotiations, financial and risk management, executive remuneration, governance and safety leadership.

He is a member of the Chartered Accountants Australia and New Zealand.

Interest in Shares and Options

1,038,074 ordinary shares

Directorships Held in Other Listed Entities in Last 3 Years

Noble Helium Limited (Executive Chairman), joined 25 January 2022, resigned 7 March 2024

Noble Helium Limited (Managing Director), appointed 7 March 2024, resigned 17 January 2025

2. Company Secretary

Stephen Rodgers was appointed Company Secretary on 16 April 2009 and continues in office at the date of this report. He is a lawyer with over 30 years' experience and holds a Bachelor of Laws degree from Queensland University of Technology.

After practising law with several firms in Brisbane over a 12-year period he then operated his own specialist commercial and property law practice for seven years. Mr Rodgers then joined the successful team at Sunshine Gas Limited, where he was the in-house Legal and Commercial Counsel; a broad role which also included assisting the Company Secretary with many of the facets of that position. During this period, Mr Rodgers gained invaluable experience in the operation and running of an ASX200 coal seam gas company as well as being an instrumental member of the team which led the takeover negotiations and implementation of QGC's friendly acquisition of that Company.

He also holds the position of Company Secretary of Blue Energy Limited, an ASX listed CSG exploration company operating in Australia, as well as ASX listed HSC Technology Group Ltd, a medical technology company. Mr Rodgers brings to Comet Ridge strong legal and commercial experience with a particular emphasis on the coal seam gas industry.

3. Principal Activities

The principal activities of the Group during the financial year were to carry out oil and gas exploration, appraisal and development activities. The Group has tenement interests and a number of prospective projects in eastern Australia.

There have been no significant changes in the nature of the Group's principal activities during the financial year.

4. Operating and Financial Review

The comprehensive loss after tax of the Group for the financial year ended 30 June 2025 amounted to \$3,696,000 (2024: loss of \$7,189,000), including non-cash items of \$1,229,000 (2024: \$2,690,000).

During the financial year, the Group capitalised exploration expenditure of \$3,748,000 (2024: \$1,814,000) on the Mahalo Joint Venture Project, \$1,192,000 (2024: \$2,559,000) on Mahalo North, \$3,524,000 (2024: \$203,000) on Mahalo East, \$63,000 combined on Mahalo Far East and Far East Extension and \$153,000 (2024: \$81,000) on the Galilee Deeps Joint Venture.

At 30 June 2025, the Group had \$13,299,000 in cash on hand and net current liabilities of \$19,737,000 (which includes the CleanCo financial liability, PURE warrant share financial liability and APLNG deferred consideration payable disclosed as current obligations).

Comet Ridge has future commitments for the Mahalo Joint Venture Project, 100% owned Mahalo northern projects and Galilee Basin permits which will be funded from existing cash and other funding sources as required when they fall due.

The Company executed a GSA with CleanCo on 18 September 2023 which contains a number of conditions prior to commencement of gas delivery under the GSA. If these conditions are not satisfied in the future, a cash payment would arise, which is not presently funded. Note 2 (d) Going Concern, and the independent auditor's report both acknowledge the existence of these matters and the material uncertainty that exists as a consequence. If Comet Ridge was not able to secure funding to meet this payment (if it was required to do so), that may cast significant doubt about the Group's ability to continue as a going concern.

Comet Ridge Limited — Annual Report for the Year Ended 30 June 2025

Comet Ridge is actively pursuing a number of potential funding transactions to progress the appraisal and development of the Company's projects including project sell-down, project finance, farm-out and gas prepay arrangements. The Board is confident of being able to source funding at the necessary time.

Further information on the operations of the Group and likely developments is set out in the Overview of Activities and Significant Affairs outlined below.

5. Significant Affairs

There have been no significant changes in the state of affairs of the Group during the financial year ended 30 June 2025.

6. Dividends Paid or Recommended

The Directors recommend that no dividend be paid or declared. No amounts have been paid or declared by way of dividend during the financial year.

7. Post Balance Date Events

An application to deregister Comet Ridge NZ Pty Ltd was lodged with ASIC on 13 June 2025 and ASIC subsequently confirmed the deregistration on 13 August 2025.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

8. Principal Risks

Risk Management Framework

Comet Ridge has an established Risk Committee to provide advice and assistance to the Board in developing policy and assessing risks of the business. The Comet Ridge risk management procedure is based on the Australian Standard AS/NZS ISO 31000:2018 as having prominence in guiding the facilitation and management of risk within the Company. Comet Ridge recognises that effective risk management is a fundamental consideration in the decision-making process within the Company. The process of identifying, assessing and managing material business risks is designed to manage risks, mitigate risks to an acceptable level and, where appropriate, accept risk to generate returns. The Comet Ridge risk management framework is reviewed annually, in which an analytical review is undertaken of all the Company's operational, corporate, legal, regulatory and financial risk exposures.

The Comet Ridge risk management procedure incorporates an enterprise level view of risk, an understanding of risk management options and the use of consistently developed risk information. This is a continuous process and provides the foundation for the execution of business management activities. The use of common language around risk identification, management and reporting across field and office-based teams enables management, the employees and contractors who work for the company to focus on the key risks to achieve organisational goals.

The Comet Ridge risk management procedure defines oversight responsibilities for the Board to enable effective risk identification, assessment and management across the business.

Material Risks as at 30 June 2025

The material business risks for Comet Ridge as at 30 June 2025 are outlined in this section. These risks may materialise independently, concurrently or in combination. The active management of these risks through our risk management framework is imperative to Comet Ridge meeting strategic objectives and delivering shareholder value. This summary is neither an exhaustive list of risks that may affect Comet Ridge, nor are the risks listed in order of importance.

Operational Risks

Risk **Joint Venture arrangements** – Comet Ridge is in several joint ventures for some of the assets it owns and, as such, is dependent on technical and commercial alignment with our Joint Venture partners.

Cause Misalignment between Joint Venture partners can lead to inefficient utilisation of available capital and may impact approaches to prioritisation of exploration or development opportunities.

Impact Delayed approvals of development plans may impact on the timing of Comet Ridge's growth.

Mitigations We ensure that our team works closely with our Joint Venture partners and are actively involved to achieve mutually beneficial outcomes.

Risk **Exploration and development** – Our growth is dependent on our ability to successfully discover, develop and deliver new resources and reserves.

Comet Ridge Limited – Annual Report for the Year Ended 30 June 2025

Cause Exploration and drilling activities are highly uncertain and dependent on capital funding and the acquisition and analysis of data.

Impact Comet Ridge's ability to deliver our strategy may be impacted by the success of our exploration and development efforts.

Mitigations To ensure the highest possibility of success and therefore confidence of investors, we seek to employ the most technically capable staff, who analyse our existing acreage for drilling prospects by applying best-in-class technologies and process for exploration and development. Comet Ridge seeks partnering and farm-in opportunities to diversify risk.

Risk **Access to infrastructure** – Comet Ridge's growth strategy is largely dependent on access to infrastructure owned by third parties.

Cause We rely on third parties to process, transport and market the product Comet Ridge is seeking to produce.

Impact Comet Ridge's growth may be impacted by the failure to obtain access to appropriate supporting facilities or access on favourable commercial terms.

Mitigations We seek to work closely with suppliers of infrastructure to mitigate the risk of not obtaining access and we continue to explore alternative routes to market to diversify risk where possible.

Risk **Renewal of Tenure** – All permits and tenure are subject to compliance with certain requirements, including but not limited to meeting minimum exploration work commitments, lodgement of reports, payment of fees and compliance with environmental conditions and legislation.

Cause We rely on a number of external factors as well as internal to ensure that we are able to satisfy these conditions which might not be able to be met on time or at all due to various factors some of which may be out of the control of the Company.

Impact Comet Ridge could risk losing title to or its interest in any of the permits or tenure to any of its assets if these requirements are not met.

Mitigation We have a very experienced team who are familiar with the regulatory environment and continue to monitor the Company's progress against work commitments and reporting obligations. These commitments are continually reviewed throughout the year not only by the operations team level but also are overseen by the Risk Committee who reports directly to the Board who has the authority to secure further resources and funding to ensure commitments are not missed.

Risk **Land Access** – Land access is critical for the success of Comet Ridge's exploration and development activities.

Cause We rely on being able to negotiate with landholders and other stakeholders' access and entry agreements onto private and public lands over which Comet Ridge's exploration and production tenures overlay.

Impact Comet Ridge's future exploration operations and profitability may be adversely impacted or delayed in the event of a dispute with a landholder or user that delays or prevents the Company carrying out its projects and this could materially adversely affect its financial position and performance.

Mitigations We seek to work closely with landholders and other stakeholders and engage with them as early as possible to ensure that they are kept apprised of our proposed activities and seek to develop working partnerships with these parties where possible.

Strategic Financial Risks

Risk **Access to Funding** – The Company is likely to need capital in the future to progress the explorations and development of its assets. There can be no guarantee that future capital, debt or equity will be available, or available on suitable terms. It could adversely impact the Company's ability to fund operations and future growth.

Cause Volatility or uncertainty in capital markets could restrict the willingness of investors to provide additional capital, such as has been experienced with the advent of the COVID-19 pandemic.

Impact Comet Ridge's growth aspirations require the investment of significant capital to generate returns.

Mitigations We have prudent expenditure management and forecasting with an annual Board approved budget. We actively seek partnering opportunities to help fund key activities on a project-by-project basis such as farm-ins and pre-sale gas agreements.

Safety, Environmental and Sustainability Risks

Risk **Climate Change** – Management of carbon emissions and increased regulatory obligations may lead to increasing regulation and costs. Policies related to Climate Change and the energy transition that Australia is presently undergoing may adversely affect demand for natural gas, its pricing and gas industry investment. Climate change may also have a direct physical impact on our operations e.g. through changing climate patterns such as wet seasons and increased frequency of large storms.

Cause There continues to be focus from governments, regulators, activism and investors in relation to how companies are managing the impacts of climate change policy and expectations.

Impact Comet Ridge’s growth and operating costs may be impacted by increasing regulation and financial imposts associated with climate change, compliance with increased regulatory obligations and the management of carbon emissions.

Mitigation Comet Ridge actively monitors current and emerging areas of climate change risk and opportunities to ensure appropriate action can be taken. Comet Ridge continuously focuses on improving its energy efficiency and emissions management in delivering cost efficiencies and will adopt, when required, industry best practice to minimise the impact of the risk.

Risk **Health, Safety and Environment** – There is a risk of harm to employees, contractors, the environment and communities near our operations, particularly in remote locations, from exploration and development activities.

Cause Our activities are subject to operating hazards which could result in harm to our people, communities and the environment.

Impact In addition to physical damage, injury or negative effects to the health or wellbeing of affected people and the environment, impacts may include reputational damage and fines.

Mitigations The identification, effective control and overall management of health, safety and environmental risks are the highest priority for Comet Ridge. We have developed detailed HSE management plans and safeguards, as well as rigorous processes to ensure we operate at the highest standards of safety management. The risk management process is applied to all activities conducted by Comet Ridge in the field. This is aligned to the Corporate Risk Management Procedure.

Risk **Cyber Security** – Comet Ridge’s operations are and will continue to be reliant on various computer systems, data storage facilities and interfaces with networks and other systems.

Cause Every business, regardless of its size, is a potential target of cyber-attack. That is because every business has key assets (financial or otherwise) that bad actors may seek to exploit. The occurrences of cyber-attacks have increased exponentially in recent times.

Impact Failures or breaches of these systems (including by way of virus and hacking attacks) have the potential to materially and or negatively impact the Company’s operations and reputation. Examples of these would include the theft or loss of data and publication of materially sensitive information.

Mitigations The Company has put in place barriers, continuity plans and risk management systems, as well as inhouse training, however there are inherent limits to such plans and systems. Further, Comet Ridge has no control over the cyber security plans and systems of third parties which may interface with our operations, or upon whose services the Company’s operations are reliant.

Regulatory Risks

Risk **Significant regulatory change** – A change in government or policy and / or unexpected changes to legislation and regulation may significantly impact Comet Ridge financially and operationally.

Cause Changes in legislation, regulations and / or policy can result from changes in Government or from changes by Government or external pressures.

Impact Changes in legislation, regulation and / or policy may impact on exploration and development of our product. In turn, such changes would impact on sustainable returns for investors, through profit erosion and loss of company value. Retrospective or unexpected regulatory changes potentially impact the longer-term viability of projects.

Mitigations We actively monitor regulatory and political developments and constructively engage with government, regulators and industry bodies.

9. Future Developments and Expected Results

The Group proposes to continue its exploration, appraisal and development programs and investment activities.

Further information on the operations of the Group and likely future developments is set out in the Overview of Activities.

10. Environmental Regulations

The Group's operations are subject to environmental regulation under the federal and state laws of Australia, where it undertakes its exploration and development activities. It is the Group's policy to engage appropriately experienced contractors and consultants to advise on, and ensure compliance with, its environmental performance obligations.

There have been no reports of breaches of any environmental regulations or obligations in the financial year and as at the date of this report.

11. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2025 has been received and is attached to this report as required under section 307c of the *Corporations Act 2001*.

12. Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board committee held during the financial year ended 30 June 2025 and the number of meetings attended by each Director were:

	Board		Audit Committee		Remuneration Committee		Risk Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
J McKay	8	8	*	*	1	1	*	*
T McCaul	8	8	*	*	*	*	4	4
G Swaby	8	7	3	3	*	*	*	*
C Pieters	8	7	*	*	*	*	*	*
S Scott	8	8	3	3	1	1	*	*
M Riley	8	8	3	3	1	1	4	4

* Not a member of the relevant committee

13. Remuneration Report – Audited

This report outlines the remuneration arrangements in place for the Non-executive Directors, Executive Directors and other Key Management Personnel of the Company.

Remuneration Committee

The Board has established a Remuneration Committee which provides advice and specific recommendations on the remuneration packages and other terms of employment for Non-executive Directors, Executive Directors and other senior executives, including:

- the level of Non-executive Director fees;
- the amount and nature of remuneration arrangements for Executive Directors and other executives; and
- the type and nature of incentive arrangements including key performance targets effecting the remuneration of the executive team.

The objective of the Remuneration Committee is to ensure that the remuneration policies and arrangements are fair and competitive and aligned with the long-term interest of the Company.

The level of remuneration and other terms and conditions of employment for Executive Directors and Company executives are reviewed annually having regard to performance and relevant comparative information and are approved by the Board after the Remuneration Committee has sought independent professional advice, as required. In this respect, consideration is given to normal commercial rates of remuneration for similar levels of responsibility.

At this stage of the Group's development, the Remuneration Committee is focused on long-term value generation for shareholders and therefore consider Long-Term Incentives (LTIs) based on achieving specific milestones, to be the preferred method of incentivising Executive Directors and Senior Executives. With the LTIs selected, the Committee has focused on ensuring Executive Directors and Senior Executives' long-term performance aligns with long-term value for shareholders.

The Corporate Governance Statement provides further information on the role of this Committee.

Key Management Personnel

For the 2025 financial year (FY), the Key Management Personnel (KMP) for Comet Ridge comprised:

James McKay	Non-executive Chairman
Tor McCaul	Managing Director
Christopher Pieters	Executive Director
Gillian Swaby	Non-executive Director
Martin Riley	Non-executive Director
Shaun Scott	Non-executive Director

Based on the Group's current activities, it is the view of the Committee that the Board remain as the KMPs for the organisation. As the Company moves closer to development and ultimately production, the Committee intends to review its position on those personnel who could be considered as KMPs.

Non-executive Director Remuneration

The Board's policy is to remunerate Non-executive Directors at market rates for time, commitment and responsibilities. The Remuneration Committee determines payments to the Non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at the Annual General Meeting. The latest determination was at the Annual General Meeting held on 22 November 2023 when shareholders approved an aggregate remuneration of \$750,000 per year.

Fees for Non-executive Directors are not linked to the performance of the Group, however, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. There is no minimum holding prescribed in the Constitution.

No increases to Non-executive Directors' fees have been made in FY2025 apart from the increase in superannuation guarantee from 11% to 11.5% effective from 1 July 2024. The Non-executive Directors' remuneration shown below is reported on a gross basis.

Non-executive Directors' fees (inclusive of superannuation) have been paid on the following basis as at the end of each financial year:

Director fees	2025	2024
	\$	\$
Base Fees		
Chair	158,849	158,137
Other Non-executive Directors	82,480	82,110
Additional Fees		
Chair of Audit Committee	10,183	10,138
Chairs of Remuneration and Risk Committees	5,092	5,069
Members of committees	3,055	3,042

Executive Remuneration Framework

The objective of the executive remuneration policy is to ensure that the Group's remuneration arrangements are competitive and reasonable, enabling it to attract and retain the right calibre of staff and to align the remuneration of Executive Directors and other executives with shareholder and business objectives. Executive remuneration arrangements comprise a fixed remuneration component and may also include specific incentives based on key performance areas affecting the Group's financial and/or operational results as follows:

- a base salary (which is based on factors such as length of service, qualifications and experience), superannuation, fringe benefits and performance incentives;
- short-term performance incentives in the form of cash bonuses which are paid only when predetermined key performance indicators have been met;
- executives engaged through professional service entities are paid fees based on an agreed market based hourly and/or daily rate for the services provided and may also be entitled to short term performance-based incentives; and
- long-term performance-based incentives comprising performance rights which are designed to align the remuneration of executives with the business objectives of the Company and its shareholders.

The Remuneration Committee reviews executive remuneration arrangements annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

Comet Ridge Limited – Annual Report for the Year Ended 30 June 2025

Executive and Non-executive Directors and other employed executives receive the superannuation guarantee contribution required by the Commonwealth Government. For the financial year ended 30 June 2025 the rate was 11.5% up to a maximum contribution of \$29,932. Executive and Non-executive Directors and other employed executives do not receive any other retirement benefits; however, some individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

Details of Remuneration

Details of remuneration of each of the KMP of the Group during the financial year are set out in the following table:

Benefits and Payments Year Ended 30 June 2025	Short-term Benefits & Fees Salary, Fees & Benefits	Post- Employment Super- annuation	Long-term Benefits Long Service Leave	Total Fixed Remuneration	Share-based Payments Performance Rights	Total
Directors	\$	\$	\$	\$	\$	\$
J McKay	145,205	15,832	-	161,037	-	161,037
T McCaul	418,521	28,082	8,739	455,342	26,644	481,986
G Swaby	83,105	9,557	-	92,662	-	92,662
C Pieters	73,973	8,507	-	82,480	-	82,480
M Riley	84,018	9,662	-	93,680	-	93,680
S Scott	81,279	9,347	-	90,626	-	90,626
Total KMP	886,101	80,987	8,739	975,827	26,644	1,002,471

Benefits and Payments Year Ended 30 June 2024	Short-term Benefits & Fees Salary, Fees & Benefits	Post- Employment Super- annuation	Long-term Benefits Long Service Leave	Total Fixed Remuneration	Share-based Payments Performance Rights	Total
Directors	\$	\$	\$	\$	\$	\$
J McKay	145,205	15,973	-	161,178	-	161,178
T McCaul	446,332	27,399	9,413	483,144	98,266	581,410
G Swaby	83,105	9,142	-	92,247	-	92,247
C Pieters	73,973	8,137	-	82,110	-	82,110
M Riley	84,018	9,242	-	93,260	-	93,260
S Scott	81,279	8,941	-	90,220	-	90,220
Total KMP	913,912	78,834	9,413	1,002,159	98,266	1,100,425

The relative proportions of actual remuneration recognised are as follows:

Executive Director	Fixed Remuneration		At Risk Short-term Incentives		At Risk Long-term Incentives	
	2025	2024	2025	2024	2025	2024
T McCaul	94.5%	83.1%	0.0%	0.0%	5.5%	16.9%
C Pieters	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%

Long-term incentives are provided by way of performance rights and the percentages disclosed above are based on the value of the performance rights expensed during the year.

Comparison of KMP Remuneration to Company Performance

The table below shows the total remuneration cost of the KMP, loss per ordinary share (EPS), and the closing price of ordinary shares on the ASX at year end for the current year and previous four years.

Relation to performance	2025	2024	2023	2022	2021
Total remuneration (\$)	1,002,471	1,100,425	1,107,728	1,045,961	962,648
Loss per share cents	(0.21)	(0.69)	(0.67)	(1.02)	(0.88)
Share price at year end (cents)	14.0	20.0	16.5	17.0	6.2

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Service Agreements

Remuneration and other terms of employment for the Managing Director and the Executive Director are formalised in employment contracts. The contracts provide for the provision of performance related bonuses and participation in the Comet Ridge Employee Performance Rights Plan. Other major provisions of the employment agreements are set out below.

Tor McCaul	Managing Director (appointed 16 April 2009)
Term of Agreement:	No fixed term
Base Salary:	\$483,306 per annum (inclusive of superannuation)
Termination Benefit:	Three months' base salary is to be paid in lieu of notice of termination. Twelve months is payable if services are terminated due to change of control event. Subject to Board discretion, a further six months can be paid in addition.
Termination Notice:	The Company or Mr McCaul may terminate the Agreement at any time providing each other a minimum of three months' notice. No termination benefit is required if terminated for cause.

Chris Pieters	Executive Director (appointed 17 June 2015)
Term of Agreement:	Four months with options for parties to extend as needed
Remuneration:	Services provided as a consultant at \$1,500 (excluding GST) per day
Termination Benefit:	No termination benefits payable
Termination Notice:	Either party may terminate the Agreement with a minimum of three months' notice
KPIs:	A bonus of \$50,000 for each KPI achieved listed below: <ul style="list-style-type: none"> • Agreement for the commercial offtake of more than 50% of the gas from Mahalo Joint Venture Gas Project; • FID Mahalo Joint Venture Gas Project; • Agreement for the commercial offtake of more than 50% of the gas from Galilee Basin; • FID Galilee Basin; and • Farmout of the Shallow Coals in the Galilee Basin.

In the event that the position was to become redundant or other factors prevented Mr Pieters from achieving those KPIs within the allowed time, which were outside of his control, they could be treated as having been satisfied and able to be paid.

Share-based Compensation

Long-term incentives are provided to certain employees through the Comet Ridge Employee Performance Rights Plan as approved by shareholders for the purposes of ASX Listing Rule 7.2 Exception 9 most recently at the 2016 Annual General Meeting. Share-based compensation is equity-settled.

Key Management Personnel Performance Rights

No performance rights affecting remuneration in the current or a future period with respect to KMP were granted during the year.

When performance rights are granted, KMP must satisfy a service condition of continuous employment with the Company up to and including the date when the performance conditions are achieved, in addition to the performance conditions. Performance rights are issued for nil consideration and no amount is payable on vesting.

The movements in the current year of the number of performance rights granted to a KMP are as follows:

Grant Date	Vesting Date	Number at Beginning of Year	Granted as Remuneration During the Year	Number of Rights Vested ¹	Number of Rights Lapsed	Number at End of Year
T McCaul						
23-Nov-23	01-Oct-24	1,000,000	-	(700,000)	(300,000)	-
		1,000,000	-	(700,000)	(300,000)	-

¹ As per the terms of the performance rights, nil consideration is paid on rights that vest.

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Key Management Personnel Shareholdings

The number of ordinary shares in the Company held by each of the KMP of the Group is as follows:

30 June 2025	Balance at beginning of the year	Shares purchased	Number of Rights Vested	Balance at end of the year
J McKay	38,076,275	-	-	38,076,275
T McCaul	10,102,333	-	700,000	10,802,333
G Swaby	295,372	-	-	295,372
C Pieters	1,576,178	-	-	1,576,178
M Riley	850,895	-	-	850,895
S Scott	1,038,074	-	-	1,038,074
Total	51,939,127	-	700,000	52,639,127

END OF AUDITED REMUNERATION REPORT

14. Performance Rights

Movements in the number of performance rights on issue during the year ended 30 June 2025 as a result of new grants and expiring of performance rights during the year are as follows:

Grant Date	Expiry Date	No. of Rights 30 June 2024	Granted during the year	Vested during the year	Expired during the year	No. of Rights 30 June 2025
23-Nov-23	31-Dec-24	3,890,000	-	(2,723,000)	(1,167,000)	-
		3,890,000	-	(2,723,000)	(1,167,000)	-

No new performance rights were granted to Directors or the five most highly remunerated officers in the 2025 financial year.

Since the end of the financial year and up to the date of this report no new performance rights have been issued.

15. Insurance of Directors and Officers

The Company has entered into agreements with Directors to indemnify them against any claims and related expenses that may arise in their capacity as Directors and Officers of the Company or a related body corporate, except where the liability arises out of conduct involving a lack of good faith and subject to the provisions of the *Corporations Act 2001*.

During the financial year, the Company paid premiums for Directors' and Officers' Liability Insurance. The contract prohibits disclosure of the details of the nature of the liabilities covered or the premium paid.

The Company has not during or since the end of the financial period indemnified or agreed to indemnify an auditor of the Company.

16. Proceedings on Behalf of Company

No person has applied for leave of Court under section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

17. Rounding of Amounts to Nearest Thousand Dollars

Pursuant to Legislative Instrument 2016/191 issued by the Australian Securities & Investments Commission, amounts in the Financial Report have been rounded off to the nearest thousand dollars unless otherwise indicated.

18. Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. The Group did not pay the auditor for any non-audit services.

The Board of Directors will continuously consider the position and, in accordance with advice received from the Audit Committee, ensure that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Comet Ridge Limited — Annual Report for the Year Ended 30 June 2025

The Directors are satisfied that the provision of non-audit services (where applicable) by the auditor, does not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services will be reviewed to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services (where applicable) undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)*.

Details of the amounts paid or payable to the auditor for audit services provided during the year are set out in Note 5 Auditors' Remuneration.

This report is made in accordance with a resolution of the Board of Directors.



Tor McCaul
Managing Director
Brisbane, Queensland, 22 September 2025

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“

We are pleased to have lifted our net share of 2P Reserves by over 26% at the end of the financial year to 247 PJ

”

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The Directors
Comet Ridge Limited
Level 12, 410 Queen Street
Brisbane QLD 4000

Auditor's Independence Declaration

In relation to the independent audit for the year ended 30 June 2025, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Comet Ridge Limited and the entities it controlled during the year.

Pitcher Partners
PITCHER PARTNERS

J. Evans
JASON EVANS
Partner

Brisbane, Queensland
22 September 2025

FINANCIAL STATEMENTS

2025

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Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2025

		Consolidated	
	Note	June 2025 \$000's	June 2024 ¹ \$000's
Other income			
Interest received		184	196
Net gain on fair value movement of financial liability at fair value	13 / 23	2,599	-
Foreign exchange gain realised		6	-
Expenses			
Employee benefits' expense	4	(1,250)	(2,307)
Contractors' & consultancy costs		(508)	(494)
Exploration and evaluation expenditure written-off		-	(9)
Professional fees		(117)	(228)
Corporate expenses		(315)	(317)
Information technology costs		(302)	(269)
Net loss on fair value movement of financial liability at fair value	23	-	(436)
Finance costs	4	(3,334)	(2,655)
Other expenses		(447)	(300)
Depreciation		(136)	(128)
LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS		(3,620)	(6,947)
Income tax expense/(benefit)	6	-	-
LOSS AFTER INCOME TAX FOR THE YEAR FROM CONTINUING OPERATIONS		(3,620)	(6,947)
Profit/(loss) after income tax from discontinued operations	24	1,150	(218)
LOSS AFTER INCOME TAX FOR THE YEAR		(2,470)	(7,165)
Other comprehensive loss, net of income tax			
Items that may be reclassified subsequently to profit and loss			
Exchange differences on translation of foreign operations		(1,226)	(24)
TOTAL OTHER COMPREHENSIVE LOSS, NET OF INCOME TAX		(1,226)	(24)
TOTAL COMPREHENSIVE LOSS		(3,696)	(7,189)
Loss attributable to:			
Owners of the parent		(2,470)	(7,165)
Total comprehensive loss attributable to:			
Owners of the parent		(3,696)	(7,189)
LOSS PER SHARE FROM CONTINUING OPERATIONS			
		Cents	Cents
Basic loss per share	7	(0.31)	(0.67)
Diluted loss per share	7	(0.31)	(0.67)
EARNINGS/(LOSS) PER SHARE FOR/(FROM) DISCONTINUED OPERATIONS			
Basic loss per share	7	0.10	(0.02)
Diluted loss per share	7	0.10	(0.02)
LOSS PER SHARE			
Basic loss per share	7	(0.21)	(0.69)
Diluted loss per share	7	(0.21)	(0.69)

¹ The comparative numbers have changed as a result of the discontinued operation as disclosed in Note 24.

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at 30 June 2025

	Note	Consolidated	
		June 2025	June 2024
		\$000's	\$000's
CURRENT ASSETS			
Cash and cash equivalents	8	13,299	16,776
Trade and other receivables		166	125
Financial assets at fair value	9	809	809
Other assets	10	773	779
TOTAL CURRENT ASSETS		15,047	18,489
NON-CURRENT ASSETS			
Property, plant and equipment		14	7
Right-of-use assets		284	73
Financial assets at fair value	9	-	763
Exploration and evaluation expenditure	11	109,650	100,970
TOTAL NON-CURRENT ASSETS		109,948	101,813
TOTAL ASSETS		124,995	120,302
CURRENT LIABILITIES			
Trade and other payables	12	1,431	2,752
Lease liabilities		127	77
Financial liability at fair value	15	32,530	32,737
Provisions	14	696	868
TOTAL CURRENT LIABILITIES		34,784	36,434
NON-CURRENT LIABILITIES			
Borrowings	13	6,661	7,367
Lease liabilities		163	-
Financial liability at fair value	15	-	1,521
Provisions	14	3,068	2,474
TOTAL NON-CURRENT LIABILITIES		9,892	11,362
TOTAL LIABILITIES		44,676	47,796
NET ASSETS		80,319	72,506
EQUITY			
Contributed equity	16	196,573	184,835
Reserves	17	-	1,561
Accumulated losses		(116,254)	(113,890)
TOTAL EQUITY		80,319	72,506

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
for the year ended 30 June 2025

	Contributed Equity \$000's	Foreign Currency Translation Reserve \$000's	Share-based Payments' Reserve \$000's	Accumulated Losses \$000's	Total \$000's
Balance at 1 July 2023	169,542	1,250	323	(106,802)	64,313
Loss for the period	-	-	-	(7,165)	(7,165)
Other comprehensive loss for the period	-	(24)	-	-	(24)
Total comprehensive loss for the period	-	(24)	-	(7,165)	(7,189)
Transactions with owners in their capacity as owners					
Contributions of equity net of transaction costs	14,090	-	-	-	14,090
Exercise of warrant shares	500	-	-	-	500
Transfer of previous performance rights to accumulated losses	-	-	(77)	77	-
Shares issued on vesting of performance rights	703	-	(703)	-	-
Share-based payments	-	-	792	-	792
	15,293	-	12	77	15,382
Balance at 30 June 2024	184,835	1,226	335	(113,890)	72,506
Balance at 1 July 2024	184,835	1,226	335	(113,890)	72,506
Loss for the period	-	-	-	(2,470)	(2,470)
Other comprehensive loss for the period	-	(1,226)	-	-	(1,226)
Total comprehensive loss for the period	-	(1,226)	-	(2,470)	(3,696)
Transactions with owners in their capacity as owners					
Contributions of equity net of transaction costs	11,382	-	-	-	11,382
Transfer of previous performance rights to accumulated losses	-	-	(106)	106	-
Shares issued on vesting of performance rights	356	-	(356)	-	-
Share-based payments	-	-	127	-	127
	11,738	-	(335)	106	11,509
Balance at 30 June 2025	196,573	-	-	(116,254)	80,319

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
for the year ended 30 June 2025

	Note	Consolidated	
		June 2025 \$000's	June 2024 \$000's
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		183	195
Payments to suppliers and employees		(3,186)	(3,213)
Interest paid		(1,116)	(1,201)
NET CASH USED IN OPERATING ACTIVITIES	18	(4,119)	(4,219)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation assets		(14,294)	(3,578)
Frontier Gas Exploration Grant received		5,000	-
Proceeds from sale of exploration interest to Santos		857	857
Payment for exploration interest purchased from APLNG		(2,000)	(2,000)
Movements in restricted cash		(162)	96
Payment for property, plant and equipment		(13)	(3)
NET CASH USED IN INVESTING ACTIVITIES		(10,612)	(4,628)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(500)
Proceeds from issue of shares		12,028	15,545
Share issue costs		(646)	(955)
Principal elements of lease payments		(128)	(118)
NET CASH FROM FINANCING ACTIVITIES		11,254	13,972
Net (decrease)/increase in cash held		(3,477)	5,125
Cash at the beginning of the year		16,776	11,651
CASH AT THE END OF THE YEAR	8	13,299	16,776

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Note 1 General information

These financial statements include the consolidated financial statements and notes of Comet Ridge Limited (the Company or Comet Ridge) and its controlled entities (the Group). Comet Ridge Limited is a for-profit entity for the purpose of preparing the financial statements. Disclosures with respect to the parent entity are included in Note 28. The financial statements were approved for issue by the Directors on 22 September 2025.

Comet Ridge Limited is a public company limited by shares, incorporated and domiciled in Australia.

Note 2 Summary of material accounting policies

Accounting policies applied in the preparation of this financial report, which are consistent with the previous financial period unless otherwise stated, are disclosed throughout the notes to the financial statements together with the associated transactions or balances.

a. Compliance with Accounting Standards

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*.

b. Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

c. Historical cost convention

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

d. Going concern

The consolidated financial statements have been prepared on a going concern basis which contemplates that the Group will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 30 June 2025, the Group had \$13,299,000 in cash at bank. The Group had cash outflows from operating activities of \$4,119,000 for the period ended 30 June 2025, and, as at that date, its current liabilities exceeded its current assets by \$19,737,000. The current liabilities include the CleanCo Queensland Limited (CleanCo) financial liability of \$27,564,000, APLNG deferred consideration payable of \$1,745,000 and PURE warrant shares financial liability of \$3,221,000.

On 18 September 2023, Comet Ridge and CleanCo executed a long-term GSA for Comet Ridge to supply gas to CleanCo from its Mahalo Gas Hub permits. The GSA remains subject to two conditions precedent, being a transport and gas processing condition (which may be waived by Comet Ridge) and a finance condition. The finance condition requires Comet Ridge to obtain finance to satisfy the supply requirements under the GSA by 31 March 2026. If this condition is not met, extended or waived, the GSA may terminate and within 30 days (being 30 April 2026) a cash payment of approximately \$27,564,000 (\$20,000,000 financial liability indexed for CPI) would be due.

Comet Ridge and Santos have a liability to pay their remaining proportional share of \$2,000,000 of deferred consideration to APLNG in June 2026 (or earlier upon a trigger event occurring) with Comet Ridge's share being \$1,143,000.

The Group has a number of commitments to continue to progress the Mahalo Gas Hub permits and Galilee permits. These commitments are made over various timeframes with exploration commitments required to be undertaken by 30 June 2026 amounting to \$7,238,000 as disclosed in Note 22.

The ability of the Group to continue to adopt the going concern basis of preparation will depend upon a number of matters including the successful raising in the future of necessary funding through debt, GSA prepayment, equity, sell-down or farm-out of assets, meeting the remaining condition precedent under the GSA with CleanCo, and/or the successful exploitation of the Group's tenements to meet these commitments as they arise.

The existence at 30 June 2025 of the CleanCo financial liability, deferred consideration payable to APLNG, a non-current loan payable to PURE by 30 June 2027 as well as exploration expenditure commitments beyond the next 12 months, creates a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern in the absence of being successful in relation to one

Note 2 Summary of material accounting policies (continued)

of the above financing strategies. In the absence of this the Group may have to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts different from those stated in the financial statements. No adjustments for such circumstances have been made in the financial statements.

Comet Ridge continues to actively pursue a number of potential funding transactions to progress the appraisal and development of the Group's projects including debt and equity funding, sell-down, farm-out and GSA prepay arrangements. At the date of this financial report, given the high demand for natural gas on the east coast and the significant acreage, equity and 2P+2C Reserves and Resources position that the Group has established in the Mahalo Gas Hub area, the Directors have a reasonable expectation that the Group will be successful with its future funding initiatives and, as a result, will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

e. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is Comet Ridge Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in Other Comprehensive Income and accumulated as a separate component of equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences that have been accumulated in equity are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, as part of the gain or loss on sale where applicable.

f. Rounding of amounts

The Group is of a kind referred to in Legislative Instrument 2016/191 issued by the Australian Securities & Investments Commission, relating to the "rounding" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the Legislative Instrument to the nearest one thousand dollars, unless otherwise indicated.

g. Fair value measurement

For financial reporting purposes, fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

h. New accounting standards and interpretations for application in future periods

The new Australian Accounting Standards and Interpretations either adopted or issued but not yet adopted for the 30 June 2025 annual reporting period are set out below.

New or amended accounting standards and Interpretations adopted

There are no new or amended accounting standards effective in the reporting period commencing 1 July 2024 that are relevant to the Group's operations.

Accounting standards issued but not yet adopted

There are no accounting standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting year/periods and on foreseeable future transactions.

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Note 3 Material balances - critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement when applying the Group's accounting policies. These estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Management has identified the following critical estimates and judgements applied in the preparation of the financial statements.

- Going concern – Note 2
- Financial asset at fair value – Note 9
- Exploration and evaluation assets – Note 11
- Borrowings – Note 13
- Rehabilitation provisions – Note 14
- Financial liabilities at fair value – Note 15

Details of the nature of assumptions and conditions can be found in the relevant notes to the financial statements.

Note 4 Other Income and Expenses

	Consolidated	
	June 2025	June 2024
Loss before income tax includes the following specific expenses:	\$000's	\$000's
(a) Employee benefits' expense		
Employee benefits' expense	(911)	(1,305)
Share-based payments' expense (Refer to Note 20)	(127)	(792)
Defined contribution superannuation expense	(212)	(210)
	(1,250)	(2,307)
(b) Financing costs		
Interest expense on borrowings	(1,140)	(1,188)
Amortisation of fair value adjustment and establishment costs capitalised on Pure loan	(1,685)	(850)
Amortisation of fair value adjustment on Santos deferred consideration receivable	94	137
Amortisation of fair value adjustment on APLNG deferred consideration payable	(479)	(675)
Unwinding of discount on rehabilitation and restoration provision	(111)	(66)
Lease liability expense	(13)	(13)
	(3,334)	(2,655)

Note 5 Auditors' remuneration

During the year the following fees were paid or payable for services provided by the auditors of the Group:

	Consolidated	
	June 2025	June 2024
	\$	\$
Pitcher Partners		
Auditing or reviewing the financial statements	90,000	90,000
Tax related services	18,850	28,985
	108,850	118,985

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Note 6 Income tax

Income Tax Expense	Consolidated	
	June 2025 \$000's	June 2024 \$000's
(a) Recognised in the Consolidated Statement of Profit and Loss and Other		
Comprehensive Income		
Current tax	-	-
Deferred tax expense	-	-
Income tax expense	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax on accounting loss		
Loss before income tax	(2,470)	(7,165)
Tax benefit at the Australian tax rate of 25% (2024: 30%)	618	2,150
<i>Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:</i>		
Share options expensed	32	(238)
Non-deductible accounting fair value	-	-
Other non-deductible items	(58)	(79)
Current year tax losses not recognised in deferred tax assets	(528)	(1,833)
Income tax expense	-	-
Deferred Tax Balances		
Consolidated		
	June 2025 \$000's	June 2024 \$000's
Deferred tax asset	-	-
The balance of deferred tax asset comprises:		
Deferred tax assets		
Tax losses	33,380	39,344
Capital costs deductible over 5 years	439	512
Exploration and evaluation purchase write-off over 15 years	5,010	-
Provisions	3,638	4,478
Leased liabilities	73	23
Accrued expenses	92	63
	42,632	44,420
Deferred tax liabilities		
Exploration and evaluation expenditure	(27,412)	(25,003)
Leased assets	(71)	(19)
Accrued interest	(2)	(2)
Temporary difference relating to PURE loan	(710)	-
	(28,195)	(25,024)
Net deferred tax asset	14,436	19,396
Deferred tax asset not recognised	(14,436)	(19,396)
Deferred tax asset recognised in accounts	-	-

Accounting Policies

Income tax expense

The income tax expense is the tax payable on the Group's taxable income for the financial year based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Recoverability of unused tax losses

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates that will apply when the assets are expected to be recovered or liabilities are expected to be settled.

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Note 6 Income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. Deferred tax assets have not been recognised with respect to the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits from the deferred tax assets:

	Consolidated	
	June 2025 \$000's	June 2024 \$000's
Australian temporary differences and tax losses	14,436	19,396
Offshore tax losses	-	-
	14,436	19,396

Tax consolidation

Comet Ridge Limited and its wholly owned Australian subsidiaries have implemented the tax consolidation legislation and formed a tax consolidated group from 1 July 2009. The members of the tax consolidated group have entered into a tax funding agreement such that each member recognises the assets, liabilities, expenses and revenues in relation to its own transactions, events and balances only. This means:

- i. the parent entity recognises all current and deferred tax amounts relating to its own transactions, events and balances;
- ii. the subsidiaries recognise all current and deferred tax amounts relating to its own transactions, events and balances; and
- iii. current tax liabilities and deferred tax assets arising with respect to losses in subsidiaries are transferred from the subsidiaries to the parent entity as inter-company payables or receivables.

The tax consolidated group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax consolidated group arising under the joint and several liability requirements of the tax consolidation system, in the event of default of the parent entity to meet its payment obligations.

Note 7 Earnings per share

The earnings and weighted average number or ordinary shares used in the calculations of basic and diluted earnings per share are as follows:

	June 2025 \$000's	June 2024 \$000's
(a) Reconciliation of earnings used in calculating basic and diluted earnings per share:		
Loss for the year from continuing operations	(3,620)	(6,947)
Profit/(loss) from discontinuing operations	1,150	(218)
Loss used in the calculation of the basic and dilutive earnings per share	(2,470)	(7,165)
(b) Weighted average number of ordinary shares used as the denominator		
Weighted average number of ordinary shares used in calculating basic earnings per share	1,155,662,899	1,046,296,114
<i>Adjustments for the calculation of diluted earnings per share:</i>		
Options/Performance Rights	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,155,662,899	1,046,296,114
(c) Basic earnings per share:		
Basic loss per share from continuing operations (cents)	(0.31)	(0.67)
Basic earnings/(loss) per share from discontinued operations (cents)	0.10	(0.02)
Total basic loss per share	(0.21)	(0.69)
(d) Diluted earnings per share:		
Diluted loss per share from continuing operations (cents)	(0.31)	(0.67)
Diluted earnings/(loss) per share from discontinued operations (cents)	0.10	(0.02)
Total diluted loss per share	(0.21)	(0.69)

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Note 7 Earnings per share (continued)

(e) Options and performance rights are considered to "be potential ordinary shares" and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. Details relating to options and performance rights are set out in Note 20.

Note 8 Cash and cash equivalents

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Cash at bank and on hand	13,299	16,776

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Interest earned on accounts range from 0.00% - 0.45%.

Note 9 Financial asset at fair value

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Current		
Santos – deferred consideration receivable	809	809
	809	809
Non-current		
Santos – deferred consideration receivable	-	763
	-	763
	809	1,572

Accounting Policy

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group has classified the deferred consideration receivable from Santos as a financial asset at fair value through profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Critical accounting estimates and judgements

Santos deferred consideration receivable

On 28 June 2022, Comet Ridge acquired Australia Pacific LNG Pty Ltd's (APLNG) 30% interest in the Mahalo Joint Venture Project for a total consideration of \$20,000,000 payable in staged payments. Comet Ridge paid a \$1,000,000 deposit on 5 August 2021 and the upfront payment balance of \$11,000,000 to APLNG on 28 June 2022. The remaining \$8,000,000 of deferred consideration is payable in four annual instalments of \$2,000,000 each commencing from June 2023, unless a post completion trigger event occurs requiring earlier payment. The trigger events that require earlier repayment are any of the following:

- a final investment decision is made for development of gas from the Mahalo Joint Venture Project;
- gas production from the Mahalo Joint Venture Project equalling or exceeding 10 Terajoules per day;
- a change in control of the Group;
- Comet Ridge disposing of more than a 15% interest in the Mahalo Joint Venture Project; or
- Comet Ridge is subject to an insolvency event.

At the same time as entering the agreement with APLNG, Comet Ridge executed funding and option agreements with Santos QNT limited (Santos) to provide loan funding of \$13,150,000 to fund the initial consideration payable to APLNG and stamp duty costs. In exchange, Santos was given an option to purchase 12.86% of the 30% APLNG interest acquired by Comet Ridge at proportional acquisition value of \$8,573,000.

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Note 9 Financial asset at fair value (continued)

Comet Ridge received a notice from Santos to exercise their option on 23 September 2022, and the sale agreement was executed by both parties on 26 September 2022. At that date, the \$13,150,000 loan owing to Santos was fully repaid via a reduction of \$5,143,000 (being Santos' share of the \$12,000,000 initial consideration paid to APLNG) and cash repayment of \$8,007,000 by Comet Ridge. Santos also assumes liability for its pro-rata share of the \$8,000,000 deferred consideration payable to APLNG, being \$3,429,000. The upfront consideration of \$5,143,000 and the present value of the deferred consideration receivable of \$2,971,000 has been recognised against the Mahalo Joint Venture Project exploration and evaluation asset to reflect a partial sale of the asset.

On 24 June 2025, Comet Ridge received the third-year deferred consideration payment from Santos of \$857,333. The final remaining balance of \$857,000 (June 2024: \$1,715,000) is payable by Santos in June 2026. The present value of the Santos deferred consideration receivable as at 30 June 2025 is \$809,000 (2024: \$1,572,000).

Interest income on the unwinding of the applied discount of \$94,000 (2024: \$137,000) was recognised for the year to 30 June 2025.

Fair value measurement

The deferred consideration receivable is initially recognised at fair value through profit or loss as the present value of the \$3,429,000 receivable in 4 equal annual instalments. For subsequent measurements, the present value is adjusted for the yearly instalments received from Santos and the unwinding of the applied discount credited to profit and loss.

The Santos deferred consideration asset is classified as Level 3 in the fair value hierarchy due to the use of unobservable inputs. The inputs used in the calculation of the financial asset at fair value as at 30 June 2025 are as follows:

1. The remaining agreed cash settlement of \$857,000 (2024: \$1,715,000) receivable in one final instalment in June 2026.
2. The pre-tax discount rate applied being 6% (2024: 6%).

Unobservable input	Relationship to fair value
Risk-adjusted discount rate	The discount rate used reflects Santos' credit risk. A change in the discount rate by 100 basis points would increase/decrease the fair value by \$7,667 and \$7,522 (2024: \$22,238 and \$21,686) respectively.

Note 10 Other assets

	Consolidated	
	June 2025 \$000's	June 2024 \$000's
Prepayments	254	380
Restricted cash (term deposits held as security for bank guarantees)	519	399
	773	779

Note 11 Exploration and evaluation assets

Exploration and evaluation expenditure	Consolidated	
	June 2025 \$000's	June 2024 \$000's
Exploration and evaluation expenditure	131,961	125,684
Less provision for impairment	(22,311)	(24,714)
	109,650	100,970
Movements in exploration and evaluation phase	June 2025 \$000's	June 2024 \$000's
Balance at the beginning of year	100,970	96,288
Exploration and evaluation expenditure during the year	13,327	4,989
Frontier Gas Exploration Grant offset	(5,000)	-
Exploration and evaluation expenditure written-off	-	(9)
Restoration and rehabilitation asset	353	(298)
Balance at the end of year	109,650	100,970

Note 11 Exploration and evaluation assets (continued)

Accounting Policy

Cost

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are expensed in the profit or loss.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Government Grants

Government grants received by the Group are deducted from the carrying amount of the exploration and evaluation asset to which they relate in accordance with the capital approach as defined in *AASB 120 Accounting for Government Grants and Disclosure of Government Grants*.

Recognition

Exploration and evaluation assets are only recognised if the rights to the area of interest are current and either:

- i. the expenditures are expected to be recouped through successful development and exploitation of the area of interest or by its sale; or
- ii. activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Once the technical feasibility and commercial viability of the area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation assets to property and development assets within property, plant and equipment.

The timing and amount of restoration costs expected to be incurred are estimated, and the net present value is included as part of the cost of the exploration and evaluation activity that gives rise to the need for restoration. A corresponding provision for restoration and rehabilitation is also recognised. Finance charges arising from the unwinding of the liability are recognised as an expense in the profit or loss.

Critical accounting estimates and judgements

Exploration expenditure commitments

In order to maintain an interest in the exploration tenements in which it is involved, the Group is required to meet certain conditions imposed by the various statutory authorities granting the exploration tenements or that are imposed by the joint venture agreements entered into by the Group. These conditions include minimum expenditure commitments. The timing and amount of minimum exploration expenditure obligations of the Group may vary significantly from the forecast based on the results of the work performed, which will determine the prospectivity of the relevant area of interest.

The Group's minimum expenditure obligations, which are not provided for in the financial statements, are set out in Note 22.

Recoverability of exploration and evaluation expenditure

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash-generating unit shall not be larger than the area of interest.

The Group assesses the recoverability of the carrying value of capitalised exploration and evaluation assets at each reporting date (or during the year should the need arise). In completing this assessment, regard is given to the Group's intentions with respect to proposed future exploration and development plans for individual areas, to the success or otherwise of activities undertaken in individual areas, to the likely success of future planned exploration activities, and to any potential plans for divestment of individual areas. Any required impairment of capitalised exploration and evaluation expenditure is completed based on the results of the assessment. Furthermore, for various areas of interest, exploration and evaluation activities may not have reached a stage to allow a reasonable assessment to be made regarding the existence of economically recoverable reserves. Accordingly, exploration and evaluation assets may be subject to further impairment in the future.

In the second half of the 2020 financial year, the Mahalo Joint Venture Project received Commonwealth and Queensland environmental approvals and Petroleum Leases (PL 1082 and PL 1083) awarded for a term of 30 years. In addition, the remaining tenure of ATP 1191 has been secured with the award of three Potential Commercial Areas (PCA 302, PCA 303 and PCA 304) for a term of 5 years.

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Note 11 Exploration and evaluation assets (continued)

The joint venture partners, Comet Ridge and Santos, progressed the project into front-end engineering design during the 2025 financial year, as a precursor to FID. Comet Ridge is comfortable with the recoverability of the exploration and evaluation expenditure for the Mahalo Joint Venture Project at 30 June 2025.

The Company was awarded ATP 2048 (Mahalo North project) in April 2020. The Mahalo North project contains a north-west extension of the same coal reservoirs as the Mahalo Joint Venture Project. Comet Ridge has been successful in certifying 43 PJs of 2P Reserves and 3P Reserves of 149PJs. Capitalised exploration and evaluation expenditure at 30 June 2025 totals \$16,211,000 (2024: \$15,018,000), relating to office-based geological and geophysical interpretation and analysis, work to support a Petroleum Lease (PL) application and environmental approvals, and the costs of the 2022 financial year appraisal drilling and production testing. There are no indicators of impairment to the carrying value at 30 June 2025.

The Company was awarded ATP 2061 (Mahalo East project) in September 2020, which contains a north-east extension of the same coal reservoirs as the Mahalo Joint Venture Project. Comet Ridge was successful in certifying 51.8 PJ of 2P Reserves and 118.5 PJ of 3P Reserves as at 30 June 2025 (refer to ASX announcement dated 25 July 2025), based on a successful pilot production test during the financial year. Capitalised exploration and evaluation expenditure at 30 June 2025 totals \$4,427,000 (2024: \$901,000), relating to the cost of appraisal drilling and production testing, office-based geological and geophysical interpretation and analysis. The Mahalo East appraisal drilling and production testing was supported by the Queensland Government's Frontier Gas Exploration Grants Program, under which Comet Ridge was allocated \$5,000,000 of funding, which has been offset against the capitalised exploration and evaluation balance for this project.

ATP 2063 (Mahalo Far East project) was awarded to Comet Ridge in May 2021 while a new block ATP 2072 (Mahalo Far East Extension project) was awarded in July 2024. Both Mahalo Far East blocks contain coals that are generally deeper and have notably higher gas content than the main Mahalo high production fairway, adding a significant additional gas-in-place volume to Comet Ridge's portfolio. Capitalised exploration and evaluation expenditure at 30 June 2025 totals \$599,000 (2024: \$536,000), relating to native title negotiations and office-based geological and geophysical interpretation and analysis. Mahalo Far East and Mahalo Far East Extension have not yet reached a stage to allow a reasonable assessment to be made regarding the existence of economically recoverable reserves.

ATP 743, ATP 744 and ATP 1015 are still under evaluation for both "Shallow" CSG and Conventional "Deep" and have not yet reached a stage to allow a reasonable assessment to be made regarding the existence of economically recoverable reserves. The Company has secured the long-term tenure on these permits via the award of Potential Commercial Areas (PCAs) and renewal of ATP 743, ATP 744 and ATP 1015 by the Queensland Department of Resources. As part of the PCA award process within the Galilee permits, Comet Ridge relinquished acreage where Contingent Resources do not exist and in the 2022 financial year wrote off \$0.24 million of capitalised seismic costs in the relinquished areas of ATP 743. Capitalised exploration and evaluation expenditure at 30 June 2025 totals \$34,420,000 (2024: \$34,267,000). Comet Ridge has reviewed the carrying value of capitalised exploration and evaluation expenditure in the Galilee permits at 30 June 2025 and no impairment has been made during this financial year.

The remaining Gunnedah Basin permit (PEL 427) was renewed in May 2022 for only 12 of 57 blocks and has been fully impaired because of the current uncertainty around the CSG industry in NSW which has created significant limitations on the Company's ability to undertake any exploration or development activity. No activity relating to this permit occurred during the 2025 financial year and therefore no write-off of exploration and evaluation expenditure was required (2024: \$8,900 written off).

Permit	Consolidated	
	June 2025 \$000's	June 2024 \$000's
PEL 427	-	9
Total	-	9

The New Zealand permit PMP 50100 has been surrendered and the carrying value of its exploration and evaluation assets has been written off in previous years. Comet Ridge does no longer holds an interest in any New Zealand permits.

Interest in joint operations

The Group's exploration activities are often conducted through joint arrangements. Joint arrangements are classified as joint operations or joint ventures depending on the contractual rights and obligations that each investor has, rather than the legal structure of the joint arrangement.

In accordance with AASB 11 *Joint Arrangements*, all of the Group's interests in joint arrangements are classified as joint operations. A joint operation involves joint control of the assets contributed or acquired for the purpose of the joint operation. Each party may take their share of the output of the joint operation and each bears its share of the expenses incurred. The interests of the Group in joint operations are brought to account by recognising the Group's share of jointly controlled assets, liabilities, revenue and expenses.

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Note 11 Exploration and evaluation assets (continued)

The carrying amount of exploration and evaluation expenditure includes the Group's interest in the exploration and evaluation expenditure of a number of joint operations. Comet Ridge's share of the respective joint operations is as follows:

	GDJV 70.0% \$000's	Mahalo JV 57.14% \$000's	PEL 427 59.1% \$000's	PEL 428* 68.4% \$000's	PEL 6* 29.6% \$000's	Total \$000's
30 June 2025						
Current assets						
Cash and cash equivalents	46	-	9	-	-	55
Trade and other receivables	-	-	-	-	-	-
Total current assets	46	-	9	-	-	55
Non-current assets						
Exploration and evaluation expenditure	19,286	43,691	816	-	-	63,793
Provision for impairment	-	-	(816)	-	-	(816)
Total non-current assets	19,286	43,691	-	-	-	62,977
Total assets	19,332	43,691	9	-	-	63,032
Current liabilities						
Trade and other payables	304	425	11	-	-	740
Total current liabilities	304	425	11	-	-	740
Share of joint venture net assets	19,028	43,266	(2)	-	-	62,292

	GDJV 70.0% \$000's	Mahalo JV 70.0% \$000's	PEL 427 59.1% \$000's	PEL 428 68.4% \$000's	PEL 6 29.6% \$000's	Total \$000's
30 June 2024						
Current assets						
Cash and cash equivalents	16	-	9	9	2	36
Trade and other receivables	-	-	-	-	-	-
Total current assets	16	-	9	9	2	36
Non-current assets						
Exploration and evaluation expenditure	19,157	39,552	816	752	448	60,725
Provision for impairment	-	-	(816)	(752)	(448)	(2,016)
Total non-current assets	19,157	39,552	-	-	-	58,709
Total assets	19,173	39,552	9	9	2	58,745
Current liabilities						
Trade and other payables	228	1,387	11	7	4	1,637
Total current liabilities	228	1,387	11	7	4	1,637
Share of joint venture net assets	18,945	38,165	(2)	2	(2)	57,108

*PEL 428 was relinquished in May 2021 and the renewal application for PEL 6 was declined by the NSW Government in April 2022.

As at 30 June 2025, the principal place of business for PEL 427 is c/- Santos Limited, Level 5, 60 Flinders Street, Adelaide SA 5000. For Mahalo JV, the principal place of business is c/- Santos Limited, Level 5, 60 Flinders Street, Adelaide SA 5000. For GDJV, the principal place of business is c/- Comet Ridge Ltd, Level 12, 410 Queen Street, Brisbane QLD 4000.

The Group has fully impaired its interest in the Gunnedah Basin Licences PEL 427.

The Group's minimum expenditure obligations with respect to its interests in joint operations are as follows:

	Consolidated	
	June 2025 \$000's	June 2024 \$000's
Minimum expenditure requirements		
• not later than 12 months	5,983	1,888
• between 12 months and 5 years	4,507	4,525
	10,490	6,413

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Note 12 Trade and other payables

	Consolidated	
	June 2025	June 2024
Current	\$000's	\$000's
Trade payables	1,195	2,486
Payroll tax and other statutory liabilities	162	229
Other payables	74	37
	1,431	2,752

Trade payables include \$740,000 (2024: \$1,637,000) for the Group's share of joint operation liabilities (refer Note 11).

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from reporting date. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Note 13 Borrowings

	Consolidated	
	June 2025	June 2024
Non-current	\$000's	\$000's
Loan payable to PURE Asset Management Pty Ltd	6,661	7,367
	6,661	7,367

PURE Asset Management loan

Comet Ridge entered into a binding facility agreement with PURE Asset Management Pty Ltd (PURE) on 9 September 2021 to provide the Company access to a term loan facility for \$10,000,000 provided in two tranches of \$6,500,000 and \$3,500,000 respectively. The facility provides funding to progress appraisal activities for the Mahalo Gas Hub area and other corporate activities. Both tranches have been drawn with a maturity date of 17 September 2025.

On drawdown of the respective tranches, Comet Ridge issued warrant shares that entitle PURE to acquire one Comet Ridge share per warrant share at the exercise prices outlined in the facility terms below. The warrant shares are exercisable by PURE at any point in time prior to the maturity date outlined in the Warrant Deeds. The fair value of the warrant shares and loan establishment costs have been deducted from the gross proceeds of the loan on the date of drawdown reflecting the fair value of the loan on that date as set out in the table below.

The warrant shares are separately recognised as a financial liability at fair value through the Consolidated Statement of Profit or Loss and Other Comprehensive Income as disclosed in Note 15. The difference between the face value of the loan (repayment amount) and determined fair value is recognised in the profit and loss over the loan period using the effective interest rate method.

On 26 March 2024, PURE exercised 3,787,879 Tranche 2 warrant shares at \$0.132 per share for cash consideration received by the Company of \$500,000. The funds received by Comet Ridge were used to make a partial prepayment on the loan, reducing the face value of the loan balance to \$9,500,000.

On 21 May 2025, the \$9,500,000 loan was refinanced and extended to 30 June 2027 at an interest rate of 12% per annum. At the same date, the existing 39,393,939 Tranche 1 warrant shares were cancelled, and 55,000,000 million new warrant shares were issued. Tranche 2 warrant shares remain unchanged. Refer to Note 15 for further information regarding the warrant shares.

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Opening balance	7,367	7,018
Partial repayment of loan – exercised warrant shares	-	(500)
Fair value remeasurement on refinancing of loan	(2,392)	-
Loan establishment costs amortised	133	110
Interest charge on financial liability	1,553	739
Fair value of loan payable	6,661	7,367

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Note 13 Borrowings (continued)

Should PURE exercise all of their warrant shares on issue being 77,727,273 warrant shares (2024: 62,121,212 warrant shares), Comet Ridge would receive cash consideration of \$11,800,000 (2024: \$9,500,000) which can be used to repay the remaining loan amount.

Facility terms and security

Lender:	PURE Asset Management Pty Ltd
Structure:	Term loan with detached warrant shares
Interest:	12% per annum Interest-only payment in quarterly instalments
Term:	30 June 2027
Repayment:	Non-amortising bullet repayment Voluntary repayment(s) subject to cascading fees
Warrant shares:	55,000,000 warrant shares issued on 26 May 2025 with an exercise price of 16.0 cents per warrant share 22,727,273 warrant shares (after exercise of 3,787,879 in March 2024) issued on 31 March 2022 with an exercise price of 13.2 cents per warrant share
Financial Covenant:	Minimum \$2 million cash balance at all times
Security:	First ranking general security over all present and after-acquired property of the Company and subsidiaries

Accounting Policy

Borrowings are interest bearing and are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Consolidated Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. When an existing borrowing is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Note 14 Provisions

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Current		
Employee benefits	489	538
Restoration & rehabilitation	207	330
	696	868
Non-current		
Employee benefits	59	52
Restoration & rehabilitation	3,009	2,422
	3,068	2,474
	3,764	3,342
	June 2025	June 2024
	\$000's	\$000's
Movements in carrying amounts of restoration and rehabilitation		
Balance at the beginning of the year	2,752	2,960
Additions/(Reductions) added/(subtracted) to/(from) exploration and evaluation expenditure	485	(298)
(Write-off) / Increase of New Zealand provision	(132)	20
Unwind of discount - finance charges	111	70
Balance at the end of the year	3,216	2,752

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Note 14 Provisions (continued)

Accounting Policy

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Rehabilitation provision

The Group records the present value of the estimated cost of legal and constructive obligations to restore disturbances in the period in which the obligation arises. The nature of rehabilitation activities includes the abandonment of wells, removal of facilities and restoration of affected areas. Typically, the obligation arises when the well is spudded (commences drilling) or the infrastructure is installed.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related asset. Over time, the liability is increased for the change in the present value based on a risk adjusted pre-tax discount rate appropriate to the risks inherent in the liability. The unwinding of the discount is recorded as an expense within finance costs.

The carrying amount capitalised will be amortised over the useful life of the related asset once production commences. The assets' useful lives are currently estimated at between one and fifteen years. Costs incurred which relate to an existing condition caused by past operations, and which do not give rise to a future economic benefit, are expensed.

Where the underlying cost to rehabilitate has increased, this is capitalised to the asset and amortised over the remaining life of the asset once in production.

Critical accounting estimates and judgements

The Group estimates the future rehabilitation costs of gas wells and associated infrastructure at the time of installation. In most instances, rehabilitation of assets occurs many years into the future. This requires assumptions to be made on the rehabilitation date, the extent of rehabilitation activities required, requirements of future environmental legislation, methodology and technologies used to determine the future rehabilitation cost.

The rehabilitation obligation is discounted to present value using a ten-year government bond discount rate as this is reflective of the risk-free rate over the period to rehabilitation of the assets. These estimates require significant management judgement, in particular to the estimated future timing and cost of well rehabilitation and are subject to risk and uncertainty that may be beyond the control of the Group; hence, there is a possibility that changes in circumstances will materially alter projections, which may impact the recoverable amount of assets and the value of rehabilitation obligations at each reporting date.

Note 15 Financial liabilities at fair value

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Current		
CleanCo - financial liability	27,564	26,742
PURE Asset Management - warrant shares	3,221	4,250
APLNG - deferred consideration payable	1,745	1,745
	32,530	32,737
Non-current		
APLNG - deferred consideration payable	-	1,521
	-	1,521
	32,530	34,258

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Note 15 Financial liabilities at fair value (continued)

Critical accounting estimates and judgements

CleanCo liability

On 18 September 2023, Comet Ridge Mahalo Pty Ltd (CML) executed a seven-year Gas Sales Agreement (GSA) with CleanCo, subject to approval by CleanCo's shareholding Ministers within 90 days. Approval by the shareholding Ministers approvals was subsequently confirmed by CleanCo on 15 December 2023.

On 12 May 2025, a GSA amendment letter was signed by both parties amending the satisfaction dates for the financing and gas transportation conditions precedent to 31 March 2026, confirming the Commencement Date of the GSA to 1 January 2027 and adjusting the Daily Contract Quantity for gas supply via a staged ramp-up.

A summary of the key GSA terms resulting from the amendment letter dated 12 May 2025 are as follows:

Commencement Date	1 January 2027 The GSA also has provisions which provide for a Commencement Date after 1 January 2027.
Volume	2 TJ/day in the first period (being the first nine months of the contract term commencing on and from the Commencement Date); then 8.96 TJ/day in the second period (being the remainder of the contract term).
Delivery Point	Wallumbilla
Contract Period	The contract is for a seven-year period, with CleanCo having the option to reduce this to five years, and both parties having the option to agree to extend for up to a further five years.
Price	Pricing is market-based, with CPI escalation in Australian dollars from 1 July 2022.
Monthly Repayments	CML to make monthly loan repayments during the GSA term to account for previous investment made in CML and the Mahalo JV by Stanwell Limited, prior to the arrangement being assigned to CleanCo.
Conditions	CML obtaining finance to satisfy the supply requirements under the GSA; and CML entering into gas transportation agreements to provide gas to the Delivery Point.

If CML is unable to secure finance on terms acceptable to CleanCo or have the condition extended (if required) or waived by 31 March 2026, then the GSA may be terminated, and a cash settlement would be triggered on or before 30 April 2026. As the gas transportation agreement condition will most likely form part of the Mahalo Gas Hub infrastructure process and can be waived by CML, CML's view is that this condition will not trigger an earlier possible cash settlement. The amount owing to CleanCo has been recognised as a current liability as the Group does not have a right to defer settlement for at least twelve months due to the condition's satisfaction date of 31 March 2026.

Based on the longstanding relationship between the parties and the progress Comet Ridge has made with development of the Mahalo Gas Hub permits and its dataroom funding process, Comet Ridge believes it will be able to meet these timelines or agree extensions (if required), noting the window for gas supply under the GSA is 1 January 2027.

Fair value measurement

In considering the above, Comet Ridge has determined that a cash settlement continues to represent the maximum liability under the GSA and has therefore continued to recognise the liability as a "financial liability at fair value through profit or loss". An expense of \$822,000 (2024: \$1,086,000) has been recorded in the 2025 financial year.

Valuation techniques and process used to determine fair value at 30 June 2025

The fair value of the CleanCo liability is based on the anticipated financial liability arising from the GSA executed on 18 September 2023. The CleanCo liability is classified as Level 3 in the fair value hierarchy due to the use of unobservable inputs. The inputs used in the calculation of the fair value of the financial liability at fair value are as follows:

1. The option with the greatest liability that a market participant would want to be compensated for is a cash settlement based on the remaining condition precedent contained within the executed GSA not being met or waived, representing the maximum liability under the GSA. As a result, the \$20,000,000, indexed for CPI, is the basis for determining the liability.
2. The earliest date for the cash payment under point 1 is 30 April 2026 (2024: 20 January 2025), giving a period of indexation of 12.2 years (2024: 10.9 years) from March 2014.

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Note 15 Financial liabilities at fair value (continued)

3. The CPI rate used to index the \$20,000,000 cash payment from March 2014 is based on actual quarterly CPI rates from March 2014 to 30 June 2025 and forecast at 1.37% (2024: 1.33%) per quarter for the remaining period to 30 April 2026 (2024: 20 January 2025).

The relationships between the unobservable inputs and the fair value of the financial liability at fair value are as follows:

Unobservable input	Relationship to fair value
Agreement term	If CML is unsuccessful in satisfying the remaining condition precedent (No. 4) specified in the GSA, or have it extended or waived by 31 March 2026 the cash payment would be payable no earlier than 30 April 2026 (2024: 20 January 2025).
CPI rate	If the 1.37% (2024: 1.33%) per quarter forecast CPI rate reduces/increases to a low of 0.87% per quarter or a high of 1.87% per quarter (2024: low of 0.83% and high of 1.83% per quarter), the indexed liability will reduce or increase by approximately 0.9% or \$246,580 (2024: 1.9% or \$515,759) respectively.

Parent Entity Guarantee

Comet Ridge Limited has provided a parent company financial guarantee to Comet Ridge Mahalo Pty Ltd (CML) in favour of Comet Ridge Mahalo's potential \$20,000,000 liability (indexed at CPI from 2014) to CleanCo.

The guarantee represents a contingent liability of the parent should CML not be able to settle the obligation if and when it falls due.

Deferred consideration payable – APLNG

On 28 June 2022, Comet Ridge acquired Australia Pacific LNG Pty Ltd's (APLNG) 30% interest in the Mahalo Joint Venture Project for a total consideration of \$20,000,000 payable in staged payments. Comet Ridge paid a \$1,000,000 deposit on 5 August 2021 and the upfront payment balance of \$11,000,000 was paid to APLNG on 28 June 2022. The remaining \$8,000,000 of deferred consideration is payable in four annual instalments of \$2,000,000 each commencing from June 2023, unless a post completion trigger event occurs requiring earlier payment. The trigger events that require earlier repayment are any of the following:

- a final investment decision is made for development of gas from the Mahalo Joint Venture Project;
- gas production from the Mahalo Joint Venture Project equalling or exceeding 10 Terajoules per day,
- a change in control of the Group;
- Comet Ridge disposing of more than a 15% interest in the Mahalo Joint Venture Project; or
- Comet Ridge is subject to an insolvency event.

Comet Ridge paid the third-year post completion deferred consideration payment of \$2,000,000 to APLNG on 30 June 2025. The final balance of \$2,000,000 (\$1,143,000 net to Comet Ridge) is payable in June 2026.

Fair value measurement

The fair value of the deferred consideration payable is initially recognised as the present value of the \$8,000,000 payable in 4 equal annual instalments and has been capitalised to the Mahalo Joint Venture Project exploration and evaluation asset. For subsequent measurements, the present value is adjusted for yearly instalments paid and the unwinding of the discount applied expensed to profit and loss. An expense of \$479,000 (2024: \$675,000) has been recorded in the 2025 financial year.

The APLNG liability is classified as Level 3 in the fair value hierarchy due to the use of unobservable inputs. The inputs used in the calculation of the financial liability at fair value as at 30 June 2025 are as follows:

- The remaining agreed cash settlement of \$2,000,000 payable in one final instalment due in June 2026 (2024: \$4,000,000 over 2 years commencing June 2025)
- The pre-tax discount rate applied being 14.7% (2023: 14.7%)

The relationships between the unobservable inputs and the fair value of the financial liability at fair value are as follows:

Unobservable input	Relationship to fair value
Risk-adjusted discount rate	The discount rate used is adjusted for the Group's own credit risk. A change in the discount rate by 200 basis points would increase/decrease the fair value by \$30,804 and \$29,758 (2024: \$85,137 and \$81,328) respectively.

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Note 15 Financial liabilities at fair value (continued)

Warrant shares – PURE Asset Management Pty Ltd

On 21 May 2025, Comet Ridge refinanced a \$9,500,000 secured loan with PURE Asset Management Pty Ltd (PURE) to 30 June 2027.

The PURE loan also contains two tranches of detached warrant shares. As part of the loan refinance, the original 39,393,939 Tranche 1 warrant shares were cancelled, and 55,000,000 new warrant shares (New Warrants) were issued on 26 May 2025. The warrant shares currently on issue are as follows:

- New Warrants: 55,000,000 new warrant shares issued on 26 May 2025 exercisable at \$0.16 per share and expiring on 30 June 2028; and
- Tranche 2: remaining 22,727,273* warrant shares issued on 31 March 2022 exercisable at \$0.132 per share and expiring on 31 March 2026.

*On 26 March 2024, PURE exercised 3,787,879 Tranche 2 warrant shares at \$0.132 per share reducing the original 26,515,152 warrant shares to 22,727,273 warrant shares on issue under Tranche 2.

	June 2025	June 2024
	\$000's	\$000's
Movements in carrying amounts of warrant shares		
Balance at the beginning of the year	4,250	4,900
Fair value movement	(3,145)	(650)
Adjustment to fair value on cancellation of existing 39.4 million Tranche 1 warrant shares and issue of 55,000,000 new warrant shares	2,116	-
Balance at the end of the year	3,221	4,250

Fair value measurement

The fair value of the warrant share financial liability is calculated using a Black-Scholes valuation methodology. The key inputs into the fair value calculation are:

- Exercise price of each tranche of warrant shares (New Warrants \$0.16 per share / Tranche 2 \$0.132 per share);
- Expected volatility of the Company's share price calculated at 51.8% for Tranche 1 and 47.7% for Tranche 2 (2024: 45.4% for both tranches), reflecting the assumption that historical volatility is indicative of future trends (which may not necessarily be the actual outcome);
- Share price of the Company on each balance date being \$0.14 (2024: \$0.20) (noting that no allowance has been made for discounting the share price to reflect the issue price of an alternate equity raising if the warrant shares had not been issued); and
- Expected remaining term of the warrant shares being 3.0 years for New Warrants and 0.73 years for Tranche 2 (2024: 1.21 years for both tranches).

The warrant share financial liability has been classified as Level 3 in the fair value hierarchy and is recognised as a "financial liability at fair value through profit or loss". A gain of \$1,029,000 (2024: gain \$650,000) has been recorded in the 2025 financial year to reflect the reduction in the fair value of the warrant shares due to share price fluctuations since 30 June 2024 and cancellation of the Tranche 1 warrant shares partly offset by the increase in the number of New Warrants on issue and the associated extended term.

Unobservable input	Relationship to fair value
Expected volatility	The expected volatility used is based on historical data and reflects the assumption that the historical volatility over a period is indicative of future trends, which may not necessarily be the actual outcome. A change in volatility by 1,000 basis points would decrease/increase the fair value by \$612,819 and \$566,181 (2024: \$345,406 and \$374,105) respectively.

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Note 16 Contributed equity

	Consolidated			
	June 2025		June 2024	
	Number of Shares		\$000's	
Ordinary shares - fully paid			196,573	184,835
Movements in ordinary shares	June 2025	June 2024	June 2025	June 2024
	Number of Shares	Number of Shares	\$000's	\$000's
Balance at the beginning of the period	1,107,801,434	1,010,373,085	184,835	169,542
Share placement @ 14 cents per share ¹	85,914,286	-	12,028	-
Share placement @ 17 cents per share ²	-	88,500,000	-	15,045
Exercise of warrant shares Management ³	-	3,787,879	-	500
Performance rights vested ⁵	2,723,000	5,140,470	356	703
Share issue costs	-	-	(646) ¹	(955) ^{2,4}
Balance at the end of the year	1,196,438,720	1,107,801,434	196,573	184,835

¹ On 12 December 2024, Comet Ridge announced a placement of new shares to institutional and sophisticated investors to raise \$12,028,000 (before share issue costs). The placement comprised the issue of 85,914,286 new shares at an issue price of \$0.14 per share. The placement shares were allotted to investors on 18 December 2024. Share costs of \$646,000 were payable by Comet Ridge in relation to the placement.

² On 14 February 2024, Comet Ridge announced a placement of new shares to institutional and sophisticated investors to raise \$15,045,000 (before share issue costs). The placement comprised the issue of 88,500,000 new shares at an issue price of \$0.17 per share. The placement shares were allotted to investors on 21 February 2024. Share issue costs of \$945,000 were payable by Comet Ridge in relation to the placement.

³ On 26 March 2024, PURE Asset Management exercised 3,787,879 Tranche 2 warrant shares at an exercise price of \$0.132 per warrant share.

⁴ Share issue costs of \$10,000 were payable by Comet Ridge in relation to the 5,140,470 shares issued for vested performance rights during the year to 30 June 2024 and the exercise of 3,787,879 warrant shares by PURE Asset Management.

⁵ The fair value of vested performance rights at grant date is transferred from the Share-based Payments' Reserve.

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. In most situations, Comet Ridge will conduct voting procedures at General Meetings, including the Annual General Meeting, via a poll.

Note 17 Reserves

	Consolidated	
	June 2025	June 2024
	\$000's	
Foreign currency translation*	-	1,226
Share-based payments	-	335
	-	1,561

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Note 17 Reserves (continued)

	June 2025	June 2024
	\$000's	\$000's
The movements in the Share-based Payments' Reserve during the year are as follows:		
Balance at the beginning of the year	335	323
Transfer of value of performance rights on share issue	(356)	(703)
Transfer of previous performance rights to accumulated losses	(106)	(77)
Share-based payments during the year	127	792
Balance at the end of the year	-	335

* The Foreign Currency Translation Reserve has been reclassified to profit or loss upon the discontinuation of our New Zealand operations and the deregistration of Comet Ridge NZ Pty Ltd.

Accounting Policy

Foreign Currency Translation Reserve

The Foreign Currency Translation Reserve records exchange differences arising on translation of foreign controlled entities.

Share-based Payments' Reserve

The Share-based Payments' Reserve is used to record the expense associated with options and performance rights granted to employees under equity-settled share-based payment arrangements. It is also used to record fair value of options granted for other goods and services as well as acquisition of other assets.

Note 18 Cash flow information

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
(a) Reconciliation of cash flow from operations		
Loss for the year	(2,470)	(7,165)
Depreciation and amortisation of borrowing costs	269	238
Exploration and evaluation assets written-off	-	9
Share-based payments	127	792
Discount unwinding on rehabilitation provision and fair value liabilities	2,048	1,347
Net exchange differences	(1,226)	(24)
Movement in financial liability at fair value	(2,599)	436
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in trade and other receivables	71	(67)
Decrease/(increase) in prepayments and deposits paid	167	(1)
(Decrease)/increase in trade payables and accruals	(331)	230
Decrease in provisions	(175)	(14)
	(4,119)	(4,219)

(b) Non-cash financing and investing activities

Non-cash investing and financing activities disclosed in other notes are:

- \$94,000 gain on unwinding of discount on deferred consideration receivable from Santos – Note 9
- \$479,000 expense on unwinding of discount on deferred consideration payable to APLNG – Note 15
- Performance rights vested for no cash consideration – Note 20

Note 19 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, are the Board of Directors.

The principal operating activities of the Group are the exploration and evaluation of its tenements for gas reserves. The internal reports used by the Board of Directors in assessing performance and determining the allocations of resources is cash flow reporting of exploration and evaluation activities as one segment.

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Note 20 Share-based payments

Share-based payments

The share-based payments' expense included in the financial statements with respect to performance rights issued during the year and already issued in prior years is as follows:

	Consolidated	
	June 2025 \$000's	June 2024 \$000's
Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Share-based payments' expense included in employee benefits' expense	127	792

Employee Performance Rights

Employee performance rights are provided to certain employees via the Comet Ridge Employee Performance Rights Plan as approved by shareholders at the 2010 Annual General Meeting and refreshed at the 2016 Annual General Meeting. Performance rights are granted on terms determined by the Directors.

Performance rights are issued for no consideration and provide an equity-based reward for employees that is linked with the success of performance conditions determined when the performance rights are granted. The performance criteria are determined by the Board for each tranche and are likely to be matters such as continuation of employment, successful compliance and operational results (including safety results and no environmental impacts), increase in shareholder value on an absolute and relative performance basis linked to the share price of the Company and its relative peers, and in some cases on reserve targets.

The fair value of performance rights is determined at grant date. The value of performance rights that are issued subject only to non-market conditions such as a service condition or subject to a service condition and a performance condition e.g. reserves certification, is determined by reference to the quoted price of the Company's shares on the ASX. The fair value of performance rights at grant date issued subject to a market condition e.g. Total Shareholder Return performance is determined using generally accepted valuation techniques including Black-Scholes option pricing model and Monte Carlo simulation that take into account the term of the performance right, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the performance right and an appropriate probability weighting to factor the likelihood of the satisfaction of non-vesting conditions.

The following table shows the number and movements of performance rights during the 2025 and 2024 financial years:

	2025		2024	
	Average Exercise Price per Right	Number of Rights	Average Exercise Price per Right	Number of Rights
As at 1 July	\$0.00	3,890,000	\$0.00	9,018,750
Granted during the year	\$0.00	-	\$0.00	4,000,000
Vested during the year	\$0.00	(2,723,000)	\$0.00	(5,140,470)
Expired during the year	\$0.00	(1,167,000)	\$0.00	(3,988,280)
As at 30 June	\$0.00	-	\$0.00	3,890,000

The average weighted share price of vested rights during the 2025 financial year was \$0.16 (2024: \$0.167). The average weighted remaining contractual life of performance rights outstanding at the end of the 2025 financial year was 0 years (2024: 0.5 years).

The expected price volatility is based on the historic volatility (based on the remaining life of the rights), adjusted for any expected changes to future volatility due to publicly available information. The amount assessed as fair value at the grant date is allocated equally over the period from grant date to vesting date.

There are no outstanding performance rights or new performance rights granted as at 30 June 2025.

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Note 20 Share-based payments (continued)

2024				
Performance Rights	Grant Date	Vesting Conditions	Fair Value Inputs	Fair Value per Right
Market-based tranches	23 November 2023	Calculated by reference to Comet Ridge share price performance (absolute) and relative to peer group performance (relative) for the period September 2023 to September 2024	No. of rights granted: 500,000 (relative), 300,000 (absolute) Exercise price per share: Nil Expiry date: 31 Dec 2024 Share price at grant date: \$0.17 Expected price volatility: 49% Expected dividend yield: Nil Risk-free interest rate: 3.69% Relative peer volatility: various Relative peer group: ASX:CTP, ASX:GLL, ASX:BLU and ASX:GAS	Relative: \$0.116 Absolute: \$0.09
	23 November 2023	Calculated by reference to Comet Ridge share price performance (absolute) and relative to peer group performance (relative) for the period September 2023 to September 2024	No. of rights granted: 1,500,000 (relative), 900,000 (absolute) Exercise price per share: Nil Expiry date: 31 Dec 2024 Share price at grant date: \$0.17 Expected price volatility: 49% Expected dividend yield: Nil Risk-free interest rate: 3.69% Relative peer volatility: various Relative peer group: ASX:CTP, ASX:GLL, ASX:BLU, ASX:GAS, ASX:EEG and ASX:VEN	Relative: \$0.115 Absolute: \$0.09
Non-market based tranche	23 November 2023	Lost Time Injury Frequency Rate (LTIFR) measured from September 2023 to September 2024 to be in top quartile of peer performance and no environmental incidents or spills of any form.	No. of rights granted: 800,000 Based on share price at date of grant of \$0.17 with nil expected dividends. Fair value adjusted by a probability factor that vesting conditions will be met based on historical evidence and management judgement at the date of grant. Nil exercise price paid upon vesting. The maximum term of the rights is 1.1 years.	\$0.17

Note 21 Contingent liabilities

There are no contingent liabilities of the Group as at 30 June 2025 (2024: \$nil).

Note 22 Commitments

Exploration expenditure

In order to maintain an interest in the exploration tenements in which the parent is involved, the parent is committed to meet the conditions under the agreements. The timing and amount of exploration expenditure and obligations of the parent are subject to the minimum work or expenditure requirements of the permit conditions or farm-in agreements (where applicable) and may vary significantly from the forecast based on the results of the work performed which will determine the prospectivity of the relevant area of interest. The obligations are not provided for in the financial statements.

Minimum expenditure requirements

- not later than 12 months
- between 12 months and 5 years

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
	7,238	4,437
	9,790	12,542
	17,028	16,979

Bank guarantees

Westpac Banking Corporation have provided bank guarantees totalling \$519,380 (2024: \$398,700) as follows:

- \$398,700 (2024: \$398,700) to the State of Queensland - Group's exploration permits and environmental guarantees; and
- \$120,680 (2024: \$nil) to P.G.A. (Queen) Pty Ltd – office premises' rental bond

The bank guarantees are secured by term deposits as disclosed in Note 10.

Note 23 Risk management

Overview

The Group's principal financial instruments comprise receivables, payables, cash, term deposits and financial liabilities at fair value. The main risks arising from the Group's financial assets and liabilities are interest rate risk, foreign currency risk, credit risk and liquidity risk. This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk.

Key risks are monitored and reviewed as circumstances change (e.g. acquisition of new entity or project) and policies are created or revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purpose of making speculative gains. As the Group's operations change, the Directors will review this policy.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

The Group holds the following financial instruments which are carried at amortised cost unless otherwise stated:

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Financial Assets		
Cash and cash equivalents	13,299	16,776
Trade and other receivables	166	125
Restricted cash	519	399
Financial asset at fair value – Santos deferred consideration receivable	809	1,572
	14,793	18,872
Financial Liabilities		
Trade and other payables	1,431	2,752
Lease liabilities	290	77
Borrowings	6,661	7,367
Financial liability at fair value – PURE warrant shares	3,221	4,250
Financial liability at fair value – APLNG deferred consideration payable	1,745	3,266
Financial liability at fair value – CleanCo	27,564	26,742
	40,912	44,454

Interest rate risk

Exposure to interest rate risk arises on cash and term deposits recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Borrowings are fixed rate borrowings and not exposed to fluctuations in interest rates.

A forward business cash requirement estimate is made, identifying cash requirements for the following period (generally up to one year) and interest rate term deposit information is obtained from a variety of banks over a variety of periods (usually one month up to six-month term deposits) accordingly. The funds to invest are then scheduled in an optimised fashion to maximise interest returns whilst preserving liquidity.

Interest rate sensitivity

A sensitivity of 1% interest rate has been selected as this is considered reasonable given the current market conditions. A 1% movement in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or Loss		Equity	
	1% increase	1% decrease	1% increase	1% decrease
	\$000's	\$000's	\$000's	\$000's
2025 – Consolidated				
Cash and cash equivalents and restricted cash	138	(138)	138	(138)
2024 – Consolidated				
Cash and cash equivalents and restricted cash	172	(172)	172	(172)

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Note 23 Risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient resources to meet its obligations when due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. This is based on the undiscounted cash flows of the financial liabilities based on the earliest date on which they are required to be paid. With respect to the liability to CleanCo, the Group is managing this liquidity risk via an executed Gas Supply Agreement (GSA) with CleanCo. In the event the final condition precedent is not met, extended or waived, then a cash payment of \$20 million escalated by CPI until the date of payment will be required and has been disclosed in the below table.

The following are the contractual maturity for non-derivative financial assets and liabilities.

	<1 year \$000's	Between 1 to 3 years \$000's	Between 3 to 5 years \$000's	Total Contractual Cash Flows \$000's	Carrying Amount \$000's
Consolidated - 30 June 2025					
Financial Assets					
Cash and cash equivalents	13,299	-	-	13,299	13,299
Deferred consideration receivable - Santos	857	-	-	857	809
	14,156	-	-	14,156	14,108
Financial Liabilities					
Trade and other payables	(1,431)	-	-	(1,431)	(1,431)
Lease liabilities	(151)	(173)	-	(324)	(290)
Borrowings	(1,140)	(10,640)	-	(11,780)	(6,661)
Deferred consideration payable – APLNG	(2,000)	-	-	(2,000)	(1,745)
Financial liability at fair value – CleanCo	(27,564)	-	-	(27,564)	(27,564)
	(32,286)	(10,813)	-	(43,098)	(37,691)
Consolidated - 30 June 2024					
Financial Assets					
Cash and cash equivalents	16,776	-	-	16,776	16,776
Deferred consideration receivable - Santos	857	858	-	1,715	1,572
	17,633	858	-	18,491	18,348
Financial Liabilities					
Trade and other payables	(2,752)	-	-	(2,752)	(2,752)
Lease liabilities	(80)	-	-	(80)	(77)
Borrowings	(1,140)	(9,744)	-	(10,884)	(7,367)
Deferred consideration payable – APLNG	(2,000)	(2,000)	-	(4,000)	(3,266)
Financial liability at fair value – CleanCo	(26,742)	-	-	(26,742)	(26,742)
	(32,714)	(11,744)	-	(44,458)	(40,204)

Foreign exchange risk

The Group's Consolidated Statement of Financial Position can be affected by movements in exchange rates primarily through transactional currency exposures. Such exposures arise from transactions denominated in currencies other than the functional currency of the Group. The Group currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

Based on financial instruments held at 30 June 2025 and 30 June 2024, had the Australian dollar strengthened/weakened by 10%, there would be an immaterial impact on the Group's profit or loss and equity.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents, restricted cash, and trade and other receivables. The Group exposure and the credit ratings of its counterparties are continuously monitored by the Board of Directors. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised in the table above.

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Note 23 Risk management (continued)

Credit risk exposures

Trade and other receivables

Trade and other receivables comprise primarily of charges to joint operations. Where possible the Group trades with recognised, creditworthy third parties. The receivable balances are monitored on an ongoing basis. The Group's exposure to bad debts is not significant. At 30 June 2025 \$nil (2024: \$nil) of the Group's receivables were past due. The Group has no other significant concentration of credit risk.

Cash and cash equivalents, restricted cash and term deposits

The Group has a significant concentration of credit risk with respect to cash deposits with banks. AAA rated banks are mostly used and non-AAA banks are utilised where commercially attractive returns are available.

Capital risk management

When managing capital, management's objective is to ensure the Group continues as a going concern and to maintain a structure that ensures the lowest cost of capital available and to ensure adequate capital is available for exploration and evaluation of tenements. In order to maintain or adjust the capital structure, the Group may seek to issue new shares.

Consistent with others in the industry, the Group monitors capital on the basis of forecast exploration and evaluation expenditure required to reach a stage which permits a reasonable assessment of the existence or otherwise of an economically recoverable reserve. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position. There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement and for disclosure purposes.

Fair value hierarchy

AASB 7 *Financial Instruments: Disclosures* requires disclosure of fair value measurements by level as determined by the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the fair value classification of the Group's assets and liabilities measured and recognised at fair value at 30 June 2025.

	Consolidated	
	June 2025	June 2024
	\$000's	\$000's
Financial Assets - Level 3 (Note 9)		
Santos deferred consideration receivable	809	1,572
	809	1,572
Balance at the beginning of the year	1,572	2,292
Unwinding of discount	94	137
Deferred consideration payment received	(857)	(857)
Balance at the end of the year	809	1,572
Financial Liabilities - Level 3 (Note 15)		
CleanCo financial liability	27,564	26,742
APLNG deferred consideration payable	1,745	3,266
PURE warrant shares	3,221	4,250
	32,530	34,258
Balance at the beginning of the year	34,258	35,147
Unwinding of discount	479	675
Movement in financial liabilities at fair value	(207)	436
Deferred consideration payment made	(2,000)	(2,000)
Balance at the end of the year	32,530	34,258

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Note 23 Risk management (continued)

Other fair value disclosures

The Directors consider that the carrying amount of trade receivables and payables recorded in the financial statements approximates their fair values due to their short-term nature.

Note 24 Discontinued operations

The New Zealand Petroleum and Minerals (the NZ Government petroleum authority) confirmed the surrender of the Comet Ridge interest in PMP 50100 in New Zealand as of 7 August 2024. The Company has since that time held no permit, licence or other exploration interest in New Zealand. This position was confirmed by New Zealand Petroleum and Minerals after Comet Ridge completed a work program to plug and abandon (make permanently safe) all the wells in its sole New Zealand permit. This was finalised in the first half of 2024 and all of the Company's obligations to make the permit safe and all required operations in that block have been concluded. The 100% owned subsidiary of Comet Ridge Limited which was the registered holder of PMP 5010, Comet Ridge NZ Pty Ltd (ACN 125 503 497), was deregistered by ASIC on 13 August 2025. Comet Ridge NZ Pty Ltd has also been removed from the New Zealand Company Register where it was recorded as an overseas ASIC Company.

Results of the discontinued operations in New Zealand for the financial year are presented below:

	June 2025	June 2024
	\$000's	\$000's
Financial performance information		
Gain on foreign exchange translation realised	1,212	-
Exploration expense	(46)	(203)
Other expense	(16)	(15)
Profit/(loss) from discontinued operations	1,150	(218)

Accounting Policy

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Note 25 Group structure

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of entity	Country of Incorporation	Class of Shares	Equity Holding %	
			2025	2024
Chartwell Energy Pty Ltd	Australia	Ordinary	100	100
Comet Ridge NZ Pty Ltd ¹	Australia	Ordinary	100	100
Davidson Prospecting Pty Ltd ²	Australia	Ordinary	N/A	100
Comet Ridge Mahalo Pty Ltd	Australia	Ordinary	100	100
Comet Ridge Gunnedah Pty Ltd	Australia	Ordinary	100	100
Comet Ridge Galilee Pty Ltd	Australia	Ordinary	100	100
Comet Ridge Mahalo North Pty Ltd	Australia	Ordinary	100	100
Comet Ridge Mahalo East Pty Ltd	Australia	Ordinary	100	100
Comet Ridge Mahalo Far East Pty Ltd	Australia	Ordinary	100	100

¹ A deregistration application for Comet Ridge NZ Pty Ltd was lodged with ASIC on 13 June 2025 and deregistration was confirmed by ASIC on 13 August 2025.

² Davidson Prospecting Pty Ltd was deregistered with ASIC on 15 December 2024.

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Note 25 Group structure (continued)

Joint arrangements

The Group has interests in the following Joint Arrangements:

	2025	2024	
ATP 1191 Mahalo Joint Venture ¹	57.14%	57.14%	¹ includes PLs 1082 and 1083, and PCAs 302, 303 and 304
ATP 743 Galilee Deeps Joint Venture	70.00%	70.00%	
ATP 744 Galilee Deeps Joint Venture	70.00%	70.00%	
ATP 1015 Galilee Deeps Joint Venture	70.00%	70.00%	
PEL 427 Gunnedah	59.09%	59.09%	

In accordance with AASB 11 *Joint Arrangements*, the accounting treatment adopted for these joint arrangements depends upon an assessment of the rights and obligations of the parties to the arrangement that are established in each of the joint operating agreements (JOAs) or the farm-in agreement as the case may be. The JOA or farm-in agreement sets out the voting rights of the parties to the agreement. The voting rights determine who has control i.e. the power to direct the operating activities of the joint arrangement.

Based on the analysis of each JOA and farm-in agreement, the Group has classified each of its joint arrangements as a “joint operation”.

As a result, the Group recognises in its financial statements its share of the revenue, expenses, assets and liabilities of each of the joint operations in which it has an interest.

Note 26 Related party transactions

Parent entity

The legal parent entity is Comet Ridge Limited. Details of controlled entities are set out in Note 25.

Key Management Personnel

There were no transactions with KMP during the year, other than those disclosed in Note 27.

Transactions with controlled entities

Transactions between Comet Ridge Limited and its subsidiaries during the year included:

- loans advanced to/repayments from subsidiaries; and
- investments in subsidiaries.

The loans and investments have been impaired as shown in the parent entity disclosures section of this note. The loans to subsidiaries are interest free, repayable in cash at call and are unsecured.

Loans to subsidiaries and investments in subsidiaries

The parent entity has recorded investments in subsidiaries at cost of \$44,081,000 (2024: \$44,252,000) less provisions for impairment \$44,081,000 (2024: \$44,081,000).

The parent entity has also loaned funds to its subsidiaries of net \$63,609,000 (2024: \$57,002,000) primarily to undertake exploration expenditure. The parent entity has impaired the carrying amount of the loans by \$18,532,000 (2024: \$22,310,000). The impairment of the investments and loans has been based on the underlying net assets of the subsidiaries.

In future periods, as the underlying exploration and evaluation activities progress on various tenements, and with changes in other market conditions, the carrying amounts of the investments and loans may need to be reassessed in line with the net asset position of the subsidiaries or as otherwise appropriate.

Note 27 Key Management Personnel

Details of Key Management Personnel

Key Management Personnel comprise all of the Directors of the Company.

James McKay	Non-executive Chairman
Tor McCaul	Managing Director
Christopher Pieters	Executive Director
Gillian Swaby	Non-executive Director
Martin Riley	Non-executive Director
Shaun Scott	Non-executive Director

Comet Ridge Limited — Annual Report for the Year Ended 30 June 2025

Note 27 Key Management Personnel (continued)

	Consolidated	
	June 2025	June 2024
	\$	\$
Short-term employee benefits	886,101	913,912
Post-employment benefits	80,987	78,834
Long-term employment benefits	8,739	9,413
Share-based payments	-	98,266
	975,827	1,100,425

Note 28 Parent entity disclosures

	June 2025	June 2024
	\$000's	\$000's
Current assets	12,941	17,414
Non-current assets	95,366	83,802
Total assets	108,307	101,216
Current liabilities	17,343	20,313
Non-current liabilities	10,645	8,397
Total liabilities	27,988	28,710
Net assets	80,319	72,506
Contributed equity	211,181	199,444
Share-based payments' reserve	-	4,097
Accumulated losses	(130,862)	(131,035)
Total equity	80,319	72,506
Loss for the period	3,697	7,198
Other comprehensive income	-	-
Total comprehensive loss	3,697	7,198

Bank guarantees

Bank guarantees are disclosed in Note 22.

Contingent liabilities

Contingent liabilities are disclosed in Note 21.

Parent Entity Guarantee

Comet Ridge Limited has provided a parent company financial guarantee for Comet Ridge Mahalo Pty Ltd (CRM) in favour of Comet Ridge Mahalo's potential \$20,000,000 liability (indexed at CPI from 2014) to CleanCo.

The guarantee represents a contingent liability of the parent should CRM not be able to settle the obligation if and when it falls due.

Note 29 Post balance date events

An application to deregister Comet Ridge NZ Pty Ltd was lodged with ASIC on 13 June 2025 and ASIC subsequently confirmed the deregistration on 13 August 2025.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Consolidated Entity Disclosure Statement

As at 30 June 2025

Comet Ridge Limited is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the company and its controlled entities (the consolidated entity).

In accordance with subsection 295(3A) of the *Corporations Act 2001*, this consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of the financial year.

Name of Entity	Type of entity	Place formed or incorporated	Percentage of share capital held (if applicable)	Australian tax resident or foreign tax resident	Foreign tax jurisdiction (if applicable)
Comet Ridge Limited	Body corporate	Australia	n/a	Australian	n/a
Comet Ridge Mahalo Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge Gunnedah Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge Galilee Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge Mahalo North Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge Mahalo East Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge Mahalo Far East Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Comet Ridge NZ Pty Ltd ¹	Body corporate	Australia	100%	Australian	New Zealand
Chartwell Energy Pty Ltd	Body corporate	Australia	100%	Australian	n/a

¹ A deregistration application for Comet Ridge NZ Pty Ltd was lodged with ASIC on 13 June 2025 and deregistration was confirmed by ASIC on 13 August 2025.

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

Directors' Declaration

The directors declare that:

- 1) In the director's opinion, the consolidated statements and notes thereto, as set out on pages 44 to 73, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
 - (b) as stated in Note 2, the consolidated financial statements also comply with International Financial Reporting Standards; and
 - (c) giving a true and fair view of the financial position of the Group as at 30 June 2025 and of its performance for the year ended on that date.
- 2) In the directors' opinion, the consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* is true and correct.
- 3) In the directors' opinion there are reasonable grounds, at the date of this declaration, to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the Managing Director and Chief Financial Officer required in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2025.

This declaration is made in accordance with a resolution of the Board of Directors.



Tor McCaul

Managing Director

Brisbane, Queensland, 22 September 2025

Independent Auditor's Report to the Members of Comet Ridge Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Comet Ridge Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(d) in the financial report, which describes that under an agreement with CleanCo Queensland Limited (CleanCo), contract terms exist whereby a cash payment of approximately \$27.6 million may become payable. In addition, the Group will require additional funding for its ongoing commitments to continue its normal business operations, including the progression of its Mahalo Gas Hub permits and Galilee permits.

The ability of the Group to continue as a going concern depends upon a number of matters, including successfully raising necessary funding through debt, equity, sell-down or farm-out of the Group's tenements to meet these commitments as they arise. These conditions, along with other matters set forth in Note 2(d), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>Carrying value of Exploration and Evaluation assets</p> <p><i>Refer to note 11, \$109.65 million</i></p> <hr/> <p>Exploration and Evaluation (E&E) assets represent the Mahalo and Galilee Deeps Joint Ventures (JVs), Mahalo North, Mahalo East, Mahalo Far East and the Gunnedah and Galilee Basin tenements.</p> <p>We considered the carrying value of the E&E assets to be a key audit matter given the significance of the E&E asset balance to the financial statements and judgements regarding future exploration plans in determining whether the exploration costs should continue to be capitalised as assets.</p>	<p>The following procedures, amongst others, were performed in relation to the carrying value of the E&E assets:</p> <ul style="list-style-type: none"> • Understood and evaluated the design and implementation of controls over the E&E assets. • Evaluated the Group's accounting position paper on the ability to continue to capitalise E&E assets for each area of interest. • Agreed the licence expiry date of the respective tenements to the official tenement documentation provided by the State Government Department, to confirm currency of tenure and the Group's right to explore. • Assessed the Group's financial year 2026 budget to determine if exploration expenditure had been included for the respective tenements to demonstrate continue exploration activity. • Discussed likely developments and future plans for the respective tenements with Management. • Evaluated the reasonableness of disclosures included in the financial report against the requirements of Australian Accounting Standards.

Key Audit Matter
How our audit addressed the key audit matter

Valuation of CleanCo financial liability

Refer to note 15, \$27.56 million

The CleanCo arrangement originated in 2014 and reflects the Group's obligation to settle the acquisition of a 5% interest in the Mahalo Gas Project.

On 18 September 2023, the Group executed a seven-year Gas Sales Agreement (GSA) with CleanCo, subject to various contract conditions being satisfied. On 12 May 2025, a GSA amendment letter was entered to extend the satisfaction dates for the remaining two conditions to 31 March 2026.

In estimating the fair value of the financial liability under the arrangement, the Group have made judgements including the:

- Timing of any cash payments under the arrangement
- Discount rate to be applied
- Forecast inflation rates

Given the magnitude of the liability and judgements made in determining the fair value of the liability, the complexities of the CleanCo arrangement, and the significance of the arrangement to the financial report, we consider the accounting for the CleanCo arrangement to be a key audit matter.

The following procedures, amongst others, were performed in relation to the valuation and presentation of the CleanCo financial liability:

- Understood and evaluated the design and implementation of controls over the CleanCo financial liability.
- Read the relevant terms of the CleanCo agreements, to develop an understanding of the arrangement.
- Agreed the extension of the GSA negotiating period to the Notification Notice agreed between CleanCo and the Group.
- Evaluated the reasonableness of the timing of any potential cash outflow with reference to the conditions in the agreements.
- Evaluated the reasonableness of the forecast inflation rates over the remaining timeframe of the arrangement.
- Tested the mathematical accuracy of the calculations of the financial liability through recalculation.
- Evaluated the reasonableness of disclosures included in the financial report against the requirements of Australian Accounting Standards.

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Key Audit Matter
How our audit addressed the key audit matter

PURE Asset Management Financing Facility, including the valuation of warrants issued

Refer to note 13 and 15

The Group originally executed a binding agreement with PURE Asset Management Pty Ltd ("PURE") on 9 September 2021, to provide a term loan facility of up to \$10 million with attaching Tranche 1 (39,393,939) and Tranche 2 (26,515,152) warrant shares.

On 21 May 2025, the remaining \$9,500,000 loan was refinanced and extended to 30 June 2027. On the same date, the existing 39,393,939 Tranche 1 warrant shares were cancelled, and 55,000,000 new warrant shares were issued (expiring 30 June 2028). The terms and remaining number of the Tranche 2 warrant shares remained unchanged.

Management engaged an external valuation expert to calculate the fair value of the Tranche 1 warrant shares (derivative liability) and the remaining value attributable to the host debt liability considering market-based inputs, contract terms, and judgemental factors such as volatility and expected term.

We considered the accounting for the PURE loan and warrants to be a key audit matter due to the complexity of fair value measurement, the use of unobservable inputs, and the reliance on management's expert, and whether the cancellation and issuance of replacement warrants represented a substantial modification to the financial liability under Australian Accounting Standards.

The following procedures, amongst others, were performed in relation to the PURE Financing Facility and the valuation of the PURE Warrants:

- Understood and evaluated the design and implementation of controls over the PURE loan and PURE warrants.
- Read the relevant terms of the PURE Financing Facility and Warrant Deed (as amended) to develop an understanding.
- Assessed whether the amendment to the Facility Agreement and associated Warrant Deed should be accounted for as a substantial modification in accordance with Australian Accounting Standards.
- Agreed the number of warrants, exercise price and relevant terms of the warrants issued to the PURE warrant agreements.
- Agreed the face value of the loan and relevant terms of the loan to the PURE Financing Facility Agreement.
- Assessed the competence and independence of the valuation expert used by management.
- Engaged internal audit expert to challenge the valuation model methodology, assumptions, and appropriateness of key inputs selected by the expert (including volatility, risk-free rates, and expected warrant life).
- Independently recalculated the fair value of warrants using a binomial option pricing valuation methodology to test the reasonableness of the results.
- Evaluated the reasonableness of disclosures included in the financial report against the requirements of Australian Accounting Standards.

Key Audit Matter
How our audit addressed the key audit matter

Discontinued Operations – Comet Ridge NZ Pty Ltd

Refer to note 24

On 7 August 2024, the New Zealand Petroleum and Minerals authority confirmed the surrender of the New Zealand permit PMP50100. On 5 June 2025, an application was made to ASIC for the deregistration of Comet Ridge NZ Pty Ltd. The company's deregistration was completed by ASIC on 13 August 2025.

The cessation of all New Zealand operations would likely qualify as a discontinued operation under AASB 5 paragraph 32(a) provided:

- **Complete Geographical Exit:** The discontinuation of operations represents cessation of operations across the entire New Zealand jurisdiction (not merely individual projects).
- **Component Definition:** The New Zealand operations constitute operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.
- **Major Component Test:** The operations represent a separate major geographical area of operations as required by AASB 5 paragraph 32(a).

We considered this to be a key audit matter due to subjectivity in applying the above tests, the significance of the transaction to the Group, and the nature of disclosures required in accordance with AASB5 – *Non-current Assets Held for Sale and Discontinued Operations*.

Our procedures included, amongst other:

- Obtaining an understanding of and evaluating the design and implementation of the relevant process and controls associated with determining the appropriate accounting treatment of the discontinued operations identified during the year.
- Reading and considering the relevant legislation to determine whether this is considered a discontinued operation under AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*.
- Checking the mathematical accuracy of the calculations performed for discontinued operations.
- Evaluated the reasonableness of disclosures included in the financial report against the requirements of Australian Accounting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- (b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and
- (c) for such internal control as the directors determine is necessary to enable the preparation of:
 - (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 34 to 38 of the directors' report for the year ended 30 June 2025. In our opinion, the Remuneration Report of Comet Ridge Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners
PITCHER PARTNERS

J. Evans
JASON EVANS
Partner

Brisbane, Queensland
22 September 2025

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Additional Information

The additional information set out below was applicable as at 1 September 2025:

1. Number of Equity Holders

Ordinary Share Capital

1,196,438,720 fully paid ordinary shares are held by 2,880 individual shareholders.

2. Voting Rights

In accordance with the Company's constitution, on a show of hands every shareholder present in person or by a proxy, attorney or representative of a shareholder has one vote and on a poll every shareholder present in person or by a proxy, attorney or representative has in respect of fully paid shares, one vote for every share held. No class of option holder has a right to vote, however the shares issued upon exercise of options will rank pari passu with the then existing issued fully paid ordinary shares.

3. Distribution of Shareholdings

Holdings	No. of Holders	Units	Percentage of Issued Capital*
1 - 1,000	196	8,547	0.001%
1,001 - 5,000	363	1,240,096	0.104%
5,001 - 10,000	382	3,071,839	0.257%
10,001 - 100,000	1,119	46,222,338	3.863%
100,001 - maximum	820	1,145,895,900	95.776%
	2,880	1,196,438,720	100.000%

* Percentages have been rounded to the nearest 1/1000 decimal place.

The numbers of shareholders holding less than a marketable parcel (being 4,167 units or less) were:

458 Holders (757,559 Shares)

4. Substantial Shareholders

The following information is extracted from the Company's Register of Substantial Shareholders:

Name	Number of Shares Held	Percentage of Issued Capital
Copia Investment Partners Ltd	234,025,000	19.56%

The above shareholding is disclosed pursuant to section 671B (3) of the *Corporations Act 2001* but the relevant interests shown do not necessarily represent the beneficial interest in the share capital of the Company or the parties concerned.

5. Unquoted Securities

Unlisted Performance Rights:

The Company has nil performance rights on issue, issued in accordance with the Comet Ridge Employee Performance Rights Plan last approved by shareholders at the Company's AGM on 24 November 2016.

Unlisted Warrant Shares:

The Company has 55,000,000 warrant shares on issue, exercisable at \$0.16 per share. These have been issued to PURE Asset Management Pty Ltd in connection with refinance and extension of the \$9.5 million loan on 21 May 2025. The warrant shares have a term of 37 months from the refinance date until expiry on 30 June 2028.

The Company has 22,727,273 warrant shares on issue, exercisable at \$0.132 per share. These have been issued to PURE Asset Management Pty Ltd in connection with the utilisation of the Tranche 2 loan of \$3.0 million. The Tranche 2 warrant shares have a term of 48 months from the initial issue date until expiry on 31 March 2026.

6. The 20 Largest Holders of Ordinary Shares

	Number of Ordinary Fully Paid Shares Held	Percentage of Issued Capital %
1. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	247,006,289	20.65%
2. CITICORP NOMINEES PTY LIMITED	92,987,101	7.77%
3. UBS NOMINEES PTY LTD	39,427,960	3.30%
4. BRAZIL FARMING PTY LTD	24,000,000	2.01%
5. MCKAY SUPER PTY LTD	20,253,129	1.69%
6. SIXTH ERRA PTY LTD	20,045,846	1.68%
7. BRIXIA INVESTMENTS LTD	19,355,501	1.62%
8. J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	17,919,790	1.50%
9. MR JOHN NAUGHTON	16,500,000	1.38%
10. ROOKHARP CAPITAL PTY LTD	15,939,587	1.33%
11. GILBY RESOURCES PTY LTD	15,000,000	1.25%
12. MICHAEL JOYCE PTY LTD	13,000,000	1.09%
13. BNP PARIBAS NOMS PTY LTD	12,792,918	1.07%
14. MRS KIRSTY ELLEN MCKAY	12,500,000	1.04%
15. KABILA INVESTMENTS PTY LIMITED	12,380,775	1.03%
16. NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	10,973,291	0.92%
17. WATERFORD ATLANTIC PTY LTD	10,673,146	0.89%
18. MR CHRISTOPHER JOHN BLAMEY + MRS ANNE MARGARET BLAMEY <ACB SUPER FUND A/C>	9,206,000	0.77%
19. NAUGHTON SUPER PTY LTD <NAUGHTON SUPER A/C>	9,000,000	0.75%
20. JAF SUPER PTY LTD <J&A FENNELL FAMILY SUPER A/C>	8,500,000	0.71%
TOTAL	627,461,333	52.44%

7. Restricted Securities

There were no restricted securities issued or held during the reporting period.

8. Interest in Petroleum Tenements - Authority to Prospect (ATP), Petroleum Lease (PL), Petroleum Commercial Area (PCA), Petroleum Exploration Lease (PEL) Interests

ATP / PL / PCA / PEL	Location	Interest ¹	Operator
PL 1082 ²	Bowen Basin	57.14%	Santos QNT Pty Ltd
PL 1083 ²	Bowen Basin	57.14%	Santos QNT Pty Ltd
PCA 302 ²	Bowen Basin	57.14%	Santos QNT Pty Ltd
PCA 303 ²	Bowen Basin	57.14%	Santos QNT Pty Ltd
PCA 304 ²	Bowen Basin	57.14%	Santos QNT Pty Ltd
ATP 2048	Bowen Basin	100%	Comet Ridge Mahalo North Pty Ltd
ATP 2061	Bowen Basin	100%	Comet Ridge Mahalo East Pty Ltd
ATP 2063	Bowen Basin	100%	Comet Ridge Mahalo Far East Pty Ltd
ATP 2072	Bowen Basin	100%	Comet Ridge Mahalo Far East Pty Ltd
ATP 743 ³	Galilee Basin	70% Conventional 100% CSG	Comet Ridge Limited
ATP 744 ³	Galilee Basin	70% Conventional 100% CSG	Comet Ridge Limited
ATP 1015 ³	Galilee Basin	70% Conventional 100% CSG	Comet Ridge Limited
PEL 427 ⁴	Gunnedah Basin	100% Conventional 59.09% CSG	Comet Ridge Limited (Conventional) Santos NSW (Betel) Pty Ltd (CSG)

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Comet Ridge Limited — Annual Report for the Year Ended 30 June 2025

- ¹ The interest is held either by Comet Ridge Limited or one of its wholly owned subsidiaries.
- ² Part of ATP 1191 Mahalo Joint Venture Permit has been converted to Petroleum Leases (PLs) 1082 and 1083 with the remaining Mahalo JV area covered by Potential Commercial Areas (PCAs) 302, 303 and 304.
- ³ The Authorities to Prospect (ATPs) located in the Galilee Basin have been divided by way of a farm-in to Vintage Energy Limited into the Conventional (Deeps) and Unconventional (Shallows) joint ventures. The percentages recorded show the interests that Comet Ridge (or a wholly owned subsidiary) holds in these respective ATPs. The Queensland Government has granted 6 PCAs numbered 319 to 324 totalling approximately 4742 km² for 15 years as well as renewing the underlying ATPs for a further 12 years.
- ⁴ PEL 427 located in the Gunnedah Basin is divided into Conventional oil and gas equity and CSG Joint Ventures. PEL 427 was renewed in May 2022. The approved area was reduced to 12 blocks over an area of 891 km².

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Corporate Directory

Directors

James McKay – Non-executive Chairman

Tor McCaul – Managing Director

Christopher Pieters – Executive Director

Gillian Swaby – Non-executive Director

Martin Riley – Non-executive Director

Shaun Scott – Non-executive Director

Company Secretary – Stephen Rodgers

Registered Office

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Facsimile: +61 7 3229 9860

Auditors

Pitcher Partners

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Telephone: +61 7 3222 8444

Securities Exchange Listing

Australian Securities Exchange Ltd Home

Exchange: Brisbane

ASX Code: **COI**

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