




Comet Ridge Limited

2 June 2017

Comet Ridge Completes Institutional Placement to raise \$5.3 million

- Comet sought up to \$5.3 million in funds, with placement significantly oversubscribed
- Cornerstoned by small number of new institutional investors from Australia and overseas
- Funding will be used for the 2017 2P Reserves Program, operated by Comet Ridge

Comet Ridge Limited (**ASX:COI**) is pleased to announce the successful completion of a \$5.3 million Placement to institutional investors of 42.4 million new ordinary shares (New Shares) at \$0.125 per share ("Placement"). The New Shares represent 7.36 % of the current issued capital of the Company.

The Placement was significantly oversubscribed with strong support from new institutional investors. Net proceeds of the Placement will be used to fund the approved Mahalo 2017 Joint Venture Exploration Work Program designed to deliver a material upgrade to 2P Reserves (2P Reserves Work Program) announced on 13 April 2017, as well as general permit management, corporate overheads and working capital.

Table 1 – 2P Reserves Work Program CY2017

Sources of Funds	A\$m	Uses of Funds	A\$m
Existing cash (31 May 17)	1.59	COI operated Mahalo 2P Reserves Program	3.25
Net Placement proceeds	5.05	APLNG operated Mahalo & Mira Pilots	0.15
Mahalo JV cash call (Q4 2017) *	1.39	Corporate office and other projects	1.75
		Closing cash	2.88
Total Sources	8.03	Total Uses	8.03

* Following satisfaction of 2P Reserves threshold

The Placement follows the announcement on 3 April 2017 that Comet Ridge has been appointed agent on behalf of the Exploration Operator to manage the field subsurface work in respect of the Mahalo 2017 Joint Venture Exploration Work Program and Budget until 31 December 2018.

Comet Ridge's non-executive Chairman, James McKay, welcomed the new institutions to the Company's register.

Commenting on the outcome of the Placement, Managing Director Tor McCaul said, "This Placement, along with the unanimously approved Mahalo JV Work Program and Budget, and Comet's appointment as agent for the Exploration Operator, has given the Company the long-awaited momentum to now focus on moving 3P Reserves over into the 2P Reserves category as quickly as possible. This Placement was cornerstoned by a small number of new institutional investors which will position the Company well for development funding requirements as we progress beyond the current 2P Reserves Work Program."

Field planning and technical work have been underway since Work Program approval in April. Field operations are currently expected to commence before the end of July.

The Company entered into a trading halt prior to the commencement of trading on the ASX on 1 June 2017, pending announcement of the Placement. Trading of the shares of the Company is expected to re-commence on the ASX prior to 10.00am AEST on Friday, 2 June 2017. The Company knows of no reason why the trading halt should not be lifted.

The Placement price of \$0.125 per share represents a discount of 15% to the 30 day volume weighted average price of COI shares traded on the ASX prior to 31 May 2017. Settlement of the Placement is expected to occur on 9 June 2017 with Placement shares expected to be allotted and to commence trading on the ASX on 13 June 2017. The New Shares will rank equally with the Company's existing securities.

The Placement was managed by Taylor Collison Limited.



Stephen Rodgers
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Comet Ridge Limited

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COMET RIDGE LIMITED – OVERVIEW

Comet Ridge Limited has significant Coal Seam Gas (CSG) projects in key regions of Queensland and northern New South Wales. Gas resources have been certified, by independent professional certifiers, at several projects and gas reserves were certified in 2014 and expanded in 2015, at the Mahalo project in Queensland. The company is listed on the Australian Securities Exchange (ASX Code: COI) and is based in Brisbane. The Board and Management are experienced in establishing and developing energy projects.

Corporate Strategy

Comet Ridge's early entry into well-located exploration areas, has allowed shareholders to gain substantial leverage into the considerable upside value potential associated with exploration success.

Comet Ridge conducts CSG exploration and appraisal, with the aim of maturing exploration acreage from Gas Resources into Proven and Probable Gas Reserves. This process initially involves drilling wells in order to certify Prospective and Contingent Resources and then through further appraisal via Pilot Projects, with the intention of progressing into certified Reserves.

Where possible, Comet Ridge takes high equity positions in its large exploration permits, including a 100% interest in three blocks in the Galilee Basin. Comet Ridge has 40% equity in the ATP 1191 Mahalo Block in the Bowen Basin and is now acting as agent for the Exploration Operator in order to manage work on the block. The Company also has CSG equity of 29.55%, 59.09% and 68.42% respectively in PEL 6, PEL 427 and PEL 428 in the Gunnedah Basin in New South Wales.

Work Programme

Comet Ridge has an active exploration and appraisal work plan for CSG projects in eastern Australia, focused on the conversion of contingent resources to reserves.

