



27 October 2026

Mahalo Gas Hub — development optimisation and gas market update

HIGHLIGHTS

- **100% ownership.** Comet Ridge holds all of the Mahalo Gas Hub across 1,847 square kilometres following completion of the acquisition of Santos' 42.86% interest in the Mahalo Joint Venture.
- **Marketable Reserves.** 2P Reserves of 361 PJ and 3P Reserves of 725 PJ across the Hub. Comet Ridge now owns 100% of PL 1082 and PL 1083, which hold 74% of its 2P Reserves and carry no Queensland domestic supply condition.
- **Upstream FEED being optimised.** The FEED work completed by Santos as JV Operator is being revised to a configuration optimised for the Mahalo Gas Hub development expanding to the northwest and northeast.
- **Integrated development.** Mahalo Gas Project, Mahalo North and Mahalo East areas are being brought into a single staged development plan for the Hub.
- **Pipeline FEED complete.** Jemena holds Pipeline Licence PPL 2085 and an Environmental Authority for the Mahalo lateral pipeline.
- **Reservation scheme.** The proposed Domestic Gas Reservation Scheme (DGRS) places the domestic supply obligation on holders of an LNG export licence, not on upstream producers (such as Comet Ridge). The scheme allows “additional gas” (which Mahalo Gas appears to be) to be purchased by the Gladstone LNG projects for export sales or to satisfy domestic market obligations.
- **Gas marketing.** Mahalo gas is likely to be considered “additional gas” under the DGRS and therefore available to be sold to LNG export licence holders. Given this and the very strong international LNG market, Comet Ridge is focusing on marketing its uncontracted Mahalo Gas Hub gas to the LNG projects at Gladstone and other large gas buyers.
- **Final investment decision.** Targeted for mid-2027.

Comet Ridge Limited (ASX: COI) (**Comet Ridge** or the **Company**) is pleased to provide an update on the Mahalo Gas Hub (the Hub), covering progress on project development and optimisation work, the proposed Domestic Gas Reservation Scheme (DGRS) and Comet Ridge's gas marketing strategy.

PATH TO FINAL INVESTMENT DECISION

Comet Ridge is following a defined path towards a final investment decision. The Company is targeting first gas to align with the Australian Energy Market Operator's (AEMO) forecast need for new supply and the expiry of the initial terms of long-term supply agreements with the Gladstone LNG projects.

Upstream FEED	Pipeline FEED	Optimisation study	Commercial agreements	Gas sales agreements	Stage 1A approvals	Stage 1A financing	Final investment decision
Updating Santos JV FEED for Hub strategy	Completed	In progress	In progress	In progress	Part complete	To be completed	Target mid-2027

1. Project development update

100%

OWNERSHIP OF THE
MAHALO GAS HUB

1,847 km²

ACROSS FIVE
PERMIT GROUPS

361 PJ

2P RESERVES

Mid-2027

FINAL INVESTMENT
DECISION TARGET

2029

FIRST GAS
TARGET

PROJECT OPTIMISATION

The Upstream Front End Engineering Design (FEED) for the Mahalo Gas Project was undertaken by Santos while the project was held in joint venture and the scope was limited to the joint venture Operator's plan for PL 1082 and PL 1083. Expanding the scope of the project across the broader Mahalo Gas Hub, particularly to the northwest and northeast, creates an opportunity for Comet Ridge to optimise development based on its own dataset and geological experience and knowledge across the wider permit position.

Comet Ridge's extensive subsurface dataset across the Mahalo Gas Hub, built from appraisal and historical data and successful production pilots, underpins the geological model, well designs and production type curves used in development planning.

The optimisation for the development spans the compression facility configuration, the gas and water field gathering pipeline network and the wells. The compression design completed under the joint venture is being revised to a configuration fit for purpose for a larger development area and more gas volume with Comet Ridge as a standalone operator, and to optimise for lower inlet pressure and higher unit well production whilst considering compression horsepower requirements and fuel gas use. Well locations, well design and pipeline gathering design are being optimised for the broader development area and ultimately much greater gas recovery and sales.

The optimised Mahalo Gas Hub project incorporates 2P and 3P Reserves from the Mahalo Gas Project (originally the JV), Mahalo North and Mahalo East into a logical, staged development plan.

OWNERSHIP AND TENURE

Comet Ridge holds 100% of the Mahalo Gas Project following completion of the acquisition of Santos' 42.86% interest. The Mahalo Gas Hub comprises 1,847 km² across a number of permit areas, each held by Comet Ridge at 100% equity:

Mahalo Gas Project

PL 1082, PL 1083, PCA 338

Mahalo North

PLA 1128, PLA 1132

Mahalo East

PLA 1179

Mahalo Far East

ATP 2063

Mahalo Far East Extension

ATP 2072

TENURE AT A GLANCE

Granted Production Licences

PL 1082, PL 1083

Production Licence applications

PLA 1128 (EPBC awarded) & PLA 1132 (within ATP 2048),
PLA 1179 (within ATP 2061)

Potential Commercial Area

PCA 338 (within ATP 1191)

Exploration permits

ATP 2063, ATP 2072

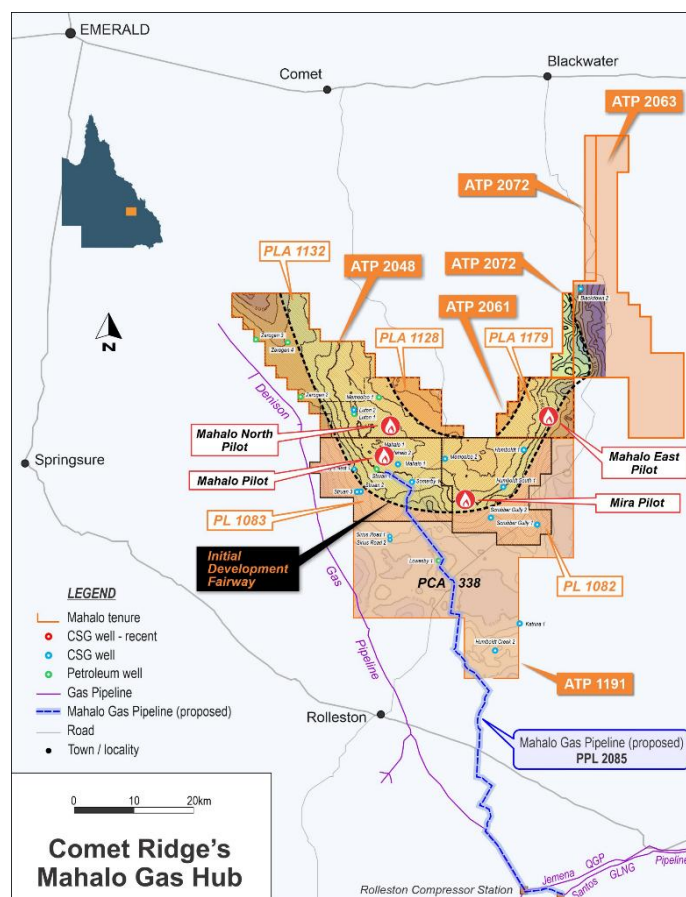


Figure 1: Comet Ridge's 100% held Mahalo Gas Hub position and permits

RESERVES AND CONTINGENT RESOURCES

The Mahalo Gas Project Reserves and Contingent Resources are now on a 100% interest basis following completion of the acquisition of Santos' 42.86% interest in Mahalo Gas Project on 21 August 2026. The underlying gross project estimates are unchanged.

TENURE NAME	COI INTEREST	AREA KM ²	2P (PJ)	3P (PJ)	2C (PJ)	3C (PJ)
Mahalo Gas Project	100%	989	266	458	315	515
Mahalo North	100%	360	43	149	–	–
Mahalo East [^]	100%	94	52	118	–	–
Mahalo Far East	100%	338	–	–	evaluating	
Mahalo Far East Extension	100%	66	–	–	evaluating	
Total		1,847	361	725	315	515

See Listing Rule 5.43 disclosure on page 8.

[^] ATP 2061 (Mahalo East) area has reduced from 97 to 94 km² as part of the application process for a new PL over the top (numbered PLA 1179).

DEVELOPMENT PHASING

The Mahalo Gas Hub is now being planned as an optimised, multi-staged development, expanding over a very large area. The stages will be informed by the timing and quantum of gas sales arrangements, with the current plan summarised below and shown on the map following.

Stage 1A — Initial Development. Stage 1A is the basis for the final investment decision. It comprises approximately 50 well sets within the Mahalo Gas Project production licences (PL 1082 and PL 1083) and the Mahalo North production licence application area (PLA 1128), supplying an initial plant capacity of 50 TJ/d from three reciprocating compression units of approximately 17.5 TJ/d each. Tenure for PL 1082 and PL 1083 is in place and PLA 1128 is to be granted before a final investment decision.

Stage 1B — Expand. Stage 1B plans to step plant capacity up to 70 TJ/d with the addition of a fourth compression unit, and a similar number of additional well sets as Stage 1A across the Mahalo Gas Project. This stage effectively doubles the project area.

Stage 1C — Extend. Stage 1C plans to develop the Mahalo Gas Hub's current 2P Reserves, adding additional well sets in the northwest part of Mahalo North "Comet River" (PLA 1132) and Mahalo East (PLA 1179) following EPBC referral, while maintaining plant capacity at the expanded 70 TJ/d.

Stage 2 — Full Field Development. Stage 2 considers development of existing 3P Reserves areas, stepping out from the Stage 1 development area. Depending on market requirements, this stage would either extend the production plateau at 70 TJ/d or expand compression further towards an increased pipeline capacity of up to 100 TJ/d, with appraisal and build-out during development informing the plan.

A final stage will consider extending development into the Mahalo Gas Project's Contingent Resource areas (within the existing PCA to the south) and deeper areas within the Company's tenure, informed by targeted appraisal and build-out during development. The scope of this stage is not yet fully defined. Taken together, the Reserves and Contingent Resources that could ultimately be incorporated into the development plan exceed 1,000 PJ, comprising 3P Reserves of 725 PJ and 3C Contingent Resources of 515 PJ as set out above, before any contribution from areas still being evaluated.

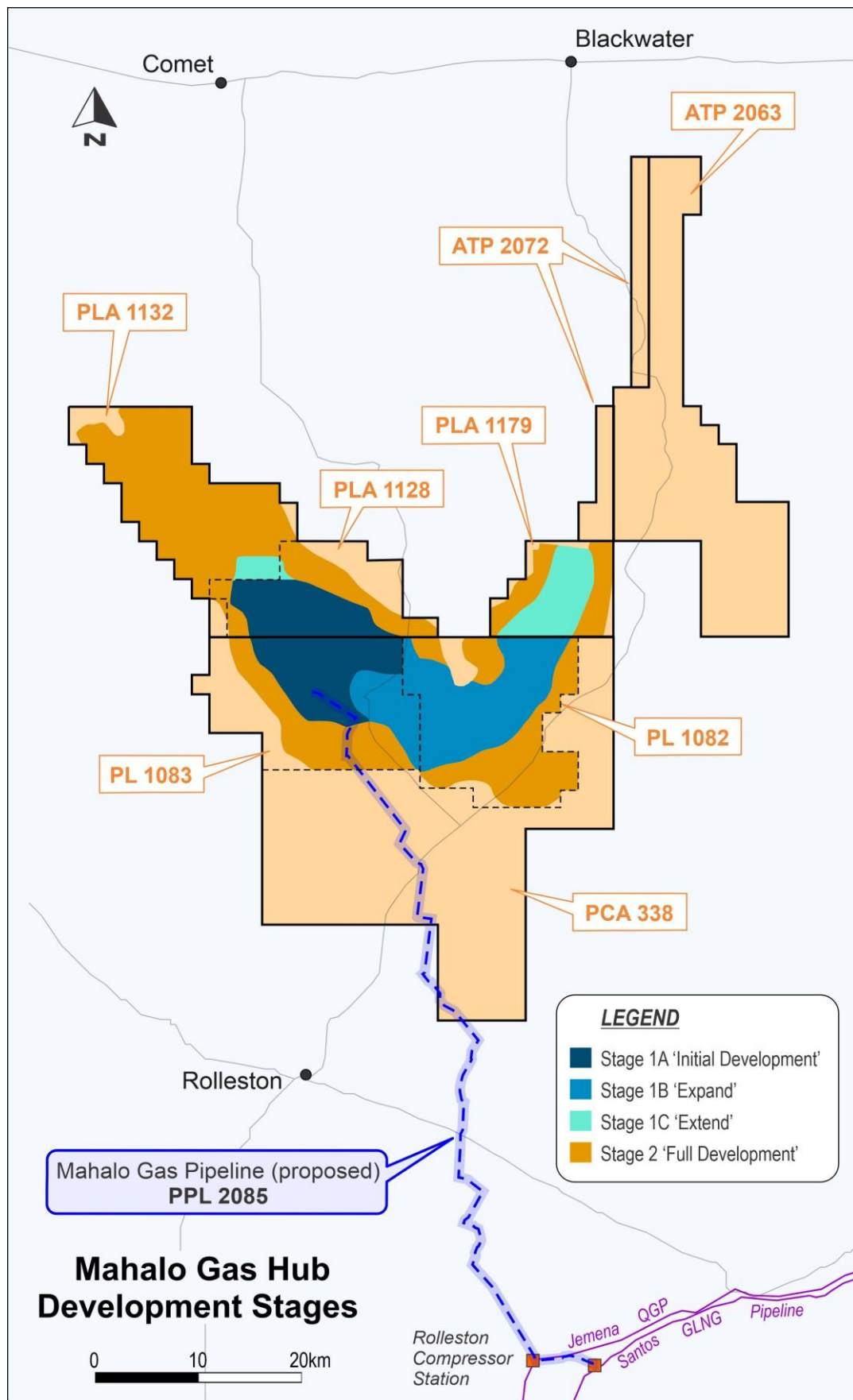


Figure 2: Mahalo Gas Hub staged development plan

PROJECT COMPONENTS

The table below sets out each element of the Stage 1 development, its current status and the work that remains to be completed.

UPSTREAM Front End Engineering Design FEED for the gas field, gathering system, compression and water handling was undertaken by Santos as joint venture Operator. The design is being adjusted and optimised to a configuration fit for purpose for Comet Ridge as a standalone operator, focusing on all Reserves and permit areas in the Mahalo Gas Hub. ● BEING OPTIMISED	SUBSURFACE Wells and development program Surface to in-seam well pairs, comprising approximately 1,500 metre lateral wells with vertical intercepts. The shallow fairway supports lateral development without hydraulic stimulation, consistent with four existing successful production pilots. ● PILOTS PROVEN
FACILITIES Compression and processing 50 TJ/d initially, expanding to 70 TJ/d - initially with three reciprocating units of approximately 17.5 TJ/d each, increasing to four. Facility includes gas engine drives, dehydration and flare package, gas metering and balance of plant. Delivery and ownership model under assessment, including build-own-operate. ● DELIVERY MODEL UNDER ASSESSMENT	MIDSTREAM Pipeline Approximately 80 km, 10-inch diameter (NB250) Class 900 high pressure line into the Queensland Gas Pipeline, with a proposed further 6 km lateral connection into the GLNG system (GTP). Jemena holds PPL 2085 and an Environmental Authority; land access being progressed. Build-own-operate by Jemena is the preferred delivery model, with commercials being negotiated. ● FEED COMPLETE
WATER Produced water handling Reverse osmosis planned at approximately 1.5 ML/d, with above ground tanks preferred to minimise surface impact and the need for regulated structure design and approval. Irrigation is the beneficial use offtake. Bowen Basin water production per unit of gas is materially lower than Surat Basin fields. ● CONCEPT SELECTED	APPROVALS Tenure PL 1082 and PL 1083 held for Stage 1, with EPBC approvals and Environmental Authorities in place and a site-specific amendment in progress. PLA 1128 to be granted before FID, with EPBC approval held. PLA 1132 and PLA 1179 follow for Stage 1C, subject to EPBC and Environmental Authority applications. ● IN PROGRESS

2. Domestic Gas Reservation Scheme

14 Oct 2026	Up to 20%	22 Dec 2025	ADGSM
LEGISLATION INTRODUCED TO PARLIAMENT	CEILING ON PRODUCTION RESERVED FOR THE DOMESTIC MARKET	EXPORT AGREEMENTS BEFORE THIS DATE RESPECTED	THE GAS MARKET CODE TO BE PHASED OUT

On 14 October 2026 the Commonwealth introduced legislation to establish a Domestic Gas Reservation Scheme (DGRS), following an exposure draft released on 10 September 2026 and the draft design framework of 25 May 2026. Under the framework as drafted, liquefied natural gas (LNG) exporters would be required to supply domestic customers, rather than merely offer gas to them, up to a ceiling of 20 per cent of exported volumes, with the applicable rate calibrated by the Australian Energy Regulator (AER) against domestic demand. The scheme is directed at the spot market and future contracts, with export agreements entered into on or before 22 December 2025 to be respected. Export licensing is intended to commence on 1 January 2027 and the domestic supply obligation on 1 January 2028. The Australian Domestic Gas Security Mechanism and the Gas Market Code are to be phased out in favour of a permanent legislative framework.

The DGRS responds to a supply position that AEMO has documented. In its 2026 Gas Statement of Opportunities, AEMO forecasts the risk of peak day shortfalls in southern regions from 2029, and supply gaps in most modelled weather conditions from 2030, indicating a need for new supply beyond that already classified as committed and anticipated. AEMO also notes that as Northern Territory gas increasingly meets demand at Mt Isa, more Queensland production can be sent to Moomba (SA) and on to southern customers.

Why this matters for Mahalo: an obligation on exporters increases, rather than reduces, the demand for third-party gas. A project that can deliver into both the export and the domestic systems is well placed to supply a counterparty managing that obligation.

Under the DGRS framework as drafted, the domestic supply obligation applies only to the holder of an LNG export licence and is calculated by reference to that licence holder's own LNG exports. Comet Ridge, as an upstream producer that does not export LNG would not itself carry a domestic supply obligation under the DGRS. Comet Ridge expects to sell its available volume at, or near to, the Mahalo gate, and the allocation of that gas between export and domestic supply, and its treatment under the scheme, would be a matter for the buyer.

The Bill distinguishes “additional gas” — broadly, gas produced in excess of a production baseline to be determined by the AER — from gas already being produced for the domestic market. Where an LNG licence holder acquires “additional gas” and exports it, its domestic supply obligation increases by 20 per cent of that volume. Where the gas acquired is not “additional gas”, the obligation increases by 120 per cent, being replacement of the volume taken out of the domestic market together with the 20 per cent reservation on the volume exported.

The Bill is before Parliament. The Senate Economics Legislation Committee is due to report by 11 November 2026, and the final form of the legislation, its commencement, and the exercise of any ministerial or regulatory discretion under it are not yet settled. Whilst Comet Ridge is assessing the Bill and will update the market on any material implications for the Mahalo Gas Hub, its initial view, supported by legal advice, is that gas produced by Comet Ridge at the Mahalo Gas Hub would be “additional gas” and can be sold to the Gladstone LNG facilities for export.

Gas produced from three of the four Mahalo Gas Hub northern blocks is currently subject to Queensland domestic supply conditions. Those conditions do not apply to PL 1082 and PL 1083, which together hold 266 PJ or 74% of the Hub's 2P Reserves, nor to the 2C Contingent Resources in PCA 338 for southerly expansion. Gas subject to Queensland domestic supply obligations can still be acquired by an exporter and applied towards its domestic supply obligation.

3. Gas marketing and liquefied natural gas strategy

21–25 PJ*

CONTRACTED TO CLEANCO
OVER SEVEN YEARS

336* PJ

2P RESERVES NOT
YET CONTRACTED

Mahalo gate

DELIVERY POINT FOR
AVAILABLE VOLUME

LNG netback

PRICING REFERENCE
UNDER DISCUSSION

** CleanCo has reconfirmed 21 to 25 PJ over a seven-year term, with an option to reduce the term to five years. The 336 PJ yet to be contracted figure assumes the maximum volume of 25 PJ is supplied to CleanCo.*

With the DGRS likely to increase demand for third-party gas, particularly “additional gas”, Comet Ridge is marketing Mahalo Gas Hub gas, principally targeting LNG projects at Gladstone.

Comet Ridge has a gas sales agreement with CleanCo Queensland Limited (CleanCo) for 21 to 25 petajoules over a seven-year term, with CleanCo holding an option to reduce that term to five years. Conditions precedent are progressing. Comet Ridge is also in active discussions with participants in the Gladstone LNG projects and other large gas buyers in relation to further gas sales agreements.

In aggregate, Gladstone LNG projects purchase substantial third-party volumes to meet contracted export commitments, and the operator of one of those projects has publicly stated that it has no uncontracted gas and requires all of its reserves to service its minimum LNG contract commitments.

The timing of the Mahalo Gas Hub development coincides with a period in which a number of the long-dated supply arrangements underpinning those projects start to reach the end of their terms. In its announcement of 29 June 2026, Santos disclosed the execution of a gas sale agreement to supply 200 petajoules of gas to the South Australian Strategic Gas Reserve. The GSA is over ten years, with 20 petajoules per annum delivered ex-Moomba and first gas on 1 March 2030. This coincides with expiry of Santos’ Horizon contract with the GLNG joint venture, under which Cooper Basin gas has been supplied into the GLNG project.

Replacement volumes will need to be contracted in advance of those expiries, and gas capable of delivery prior to 2030 is being sought accordingly. The relationship between the Mahalo Gas Hub delivery schedule and those dates is set out in Figure 3 below.

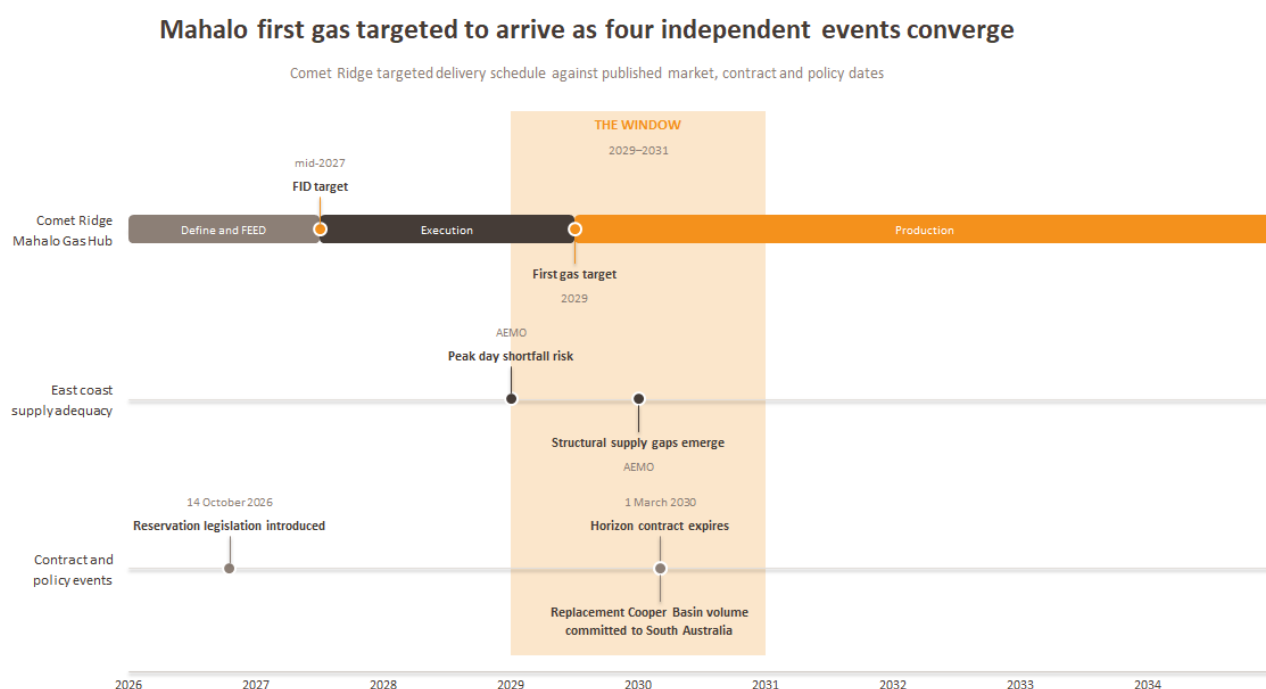


Figure 3. Mahalo planned delivery schedule against published market, contract and policy dates. Comet Ridge dates are target dates, not forecasts of production and subject to change.

Mahalo is well positioned to support these requirements: Mahalo is designed to deliver into both the export and the domestic systems and is planned to be producing when replacement volumes are required. Comet Ridge intends to be a long-term supplier to the Gladstone LNG projects.

Comet Ridge intends to market its available volume either in parcels or as a single parcel, delivered at the Mahalo gate. Buyer(s), rather than Comet Ridge, can then decide how that gas is allocated between export and domestic supply. A counterparty balancing export commitments against a domestic supply obligation needs volume it can direct to either market, and Mahalo Gas Hub's connection to both the export and domestic systems makes it capable of serving either.

The DGRS provides two routes by which an LNG exporter can secure supply that is not already committed to the domestic market: (i) contracting for “additional gas”, or (ii) participating in the project that produces it. An exporter that participates lifts its equity share as its “own gas” under the scheme. That gas is not acquired from a third party, so no acquisition-based increase in the exporter’s domestic supply obligation arises, and the classification does not depend on a production baseline being determined. The 20 per cent reservation on LNG exported applies in either case (i.e. contracting or participation).

Comet Ridge is seeking pricing referenced to the international value of gas. Pricing by reference to an LNG netback links the price received to that international value, less the cost of delivering it to that market.

International LNG prices are currently elevated. The Japan/Korea Marker (JKM) Platts futures (December 2026) price is approximately US\$30 per million British thermal unit. A reservation scheme of the kind proposed is designed to direct volume to the domestic market and may therefore cause domestic and export pricing to diverge over the period in which the obligation takes effect.

That divergence is why LNG exporters are seeking new supply, and it is the basis on which Comet Ridge is marketing Mahalo gas. No binding agreement has been reached with any party and there is no certainty that the process will result in an agreement(s).

Comet Ridge will keep the market informed of developments across the project, the proposed DGRS and its gas marketing process in accordance with its continuous disclosure obligations.

AUTHORISATION

By authority of the Board per: Tor McCaul, Managing Director.

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ABOUT COMET RIDGE

Comet Ridge Limited (ASX: COI) is a publicly listed Australian energy company focused on the development of natural gas resources for the strained east coast Australian market. The company has tenement interests and a suite of prospective projects in Queensland and holds one block in NSW with Santos, just north of the main Narrabri project. Our flagship Mahalo Gas Hub project consists of low cost, sales spec natural gas blocks, close to Gladstone, containing very low CO₂ Gas Reserves. Our exploration assets include a large position in the Galilee Basin and offer further upside amid increasing domestic and international demand for natural gas as a source for cleaner energy and as a key manufacturing feedstock that makes thousands of products, used daily.

Comet Ridge plans to transition its Mahalo Gas Hub assets into meaningful gas supply into the east coast gas market. The initial development of the Mahalo Gas Project and the Mahalo North block can be further supplemented by sequential development of gas resources from Comet Ridge's other 100% held permits, Mahalo East, Mahalo Far East and Mahalo Far East Extension. More information regarding Comet Ridge is available at www.cometridge.com.au.

COMPETENT PERSON STATEMENT AND ASX LISTING RULES CHAPTER 5 DISCLOSURE

The details of the Reserves and Contingent Resources referenced in this announcement in respect of the Mahalo Gas Hub were announced to the market on 27 August 2014, 30 October 2019, 26 September 2022, 2 November 2022, 19 December 2022, 20 December 2023 and 25 July 2025. The estimates for the Mahalo Gas Project, Mahalo North and Mahalo East were determined by, or under the supervision of, Mr. Timothy L. Hower of Sproule (formerly MHA Petroleum Consultants LLC), a qualified petroleum reserves and resources evaluator as defined in ASX Listing Rule 5.42. Comet Ridge confirms that it is not aware of any new information or data that materially affects the information in those announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements. Forward-looking statements can generally be identified by the use of words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “target”, “outlook”, “forecast”, “continue” and similar expressions.

Forward-looking statements in this announcement include, but are not limited to, statements regarding the staged development of the Mahalo Gas Hub, the outcome and effect of optimisation work, the timing and outcome of front end engineering design, the timing of a final investment decision and of first gas, the grant of tenure and other approvals, the negotiation and execution of commercial agreements including gas sales and transportation agreements, the outcome of the Company's gas marketing process, the funding of the project, and the design, timing, operation and effect of the proposed Domestic Gas Reservation Scheme and related Queensland regulatory requirements.

Forward-looking statements are not statements of historical fact. They are based on assumptions and estimates and involve known and unknown risks, uncertainties and other factors, many of which are outside the Company's control and could cause actual results, performance or achievements to differ materially from those expressed or implied. Those factors include, without limitation, the results of further technical work and appraisal, gas and liquefied natural gas prices and foreign exchange rates, cost and availability of equipment, services and personnel, counterparty and contracting risk, the availability of funding on acceptable terms, weather and operating conditions, and changes in law, government policy or the exercise of ministerial or regulatory discretion.

Estimates of petroleum reserves and contingent resources referred to in this announcement are estimates only and may prove to be inaccurate. 3P reserves carry a lower degree of certainty than 2P reserves. Contingent resources are not reserves: there is no certainty that it will be commercially viable to produce any portion of the contingent resources referred to in this announcement, or that they will be converted to reserves.

This announcement refers to information published by third parties, including the Australian Energy Market Operator, the Australian Competition and Consumer Commission and Santos Limited. That information has not been independently verified by the Company. References to published price series are included as market references only and do not represent a price available to, or received by, the Company.

Readers should not place undue reliance on forward-looking statements, which reflect the Company's views only as at the date of this announcement. Except as required by law or the ASX Listing Rules, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.