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Comet Ridge

CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE HALF-YEAR ENDED  
31 DECEMBER **2025**

Comet Ridge Ltd  
ABN: 47 106 092 577

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## **Corporate Directory**

### **Directors**

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

### **Company Secretary**

Stephen Rodgers

### **Share Registry**

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### **Auditors**

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Telephone: +61 7 3222 8444

### **Registered Office**

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### **Securities Exchange Listing**

Australian Securities Exchange Ltd  
Home Exchange: Brisbane  
ASX Code: COI

## COMET RIDGE LIMITED DIRECTORS' REPORT

The Directors present their report on the consolidated group ("the Group") consisting of Comet Ridge Limited ("Comet Ridge" or "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

### DIRECTORS

The names of the Directors who held office at any time during the half-year and up to the date of this report are:

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

All Directors have been in office since the start of the half-year to the date of this report except for Gillian Swaby who did not stand for re-election to the board at the AGM held on 14 November 2025.

### PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year were to carry out exploration, appraisal and development activities for natural gas. The Group has permit interests and exploration, evaluation and development activities in eastern Australia.

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

### REVIEW OF OPERATIONS AND RESULTS

The comprehensive loss for the half-year to 31 December 2025 after providing for income tax amounted to \$2,100,000 (December 2024: loss \$1,203,000). The increased loss was predominantly due to non-cash movements of financial liabilities at fair value.

### OPERATING ACTIVITIES

#### Highlights

- **Comet Ridge to take 100% ownership of Mahalo Gas Project:**
  - Comet Ridge entered into a binding, conditional agreement in December 2025 to acquire Santos QNT Pty Ltd's 42.86% interest in the Mahalo Gas Project.
  - Upon completion, Comet Ridge will hold and operate the entire Mahalo Gas Hub of approximately 1,850 km<sup>2</sup>.
- **Mahalo Gas Project FEED progress:**
  - Santos (Development Operator) has continued to progress Front End Engineering Design (FEED) for the gas field, gathering system, gas compression and water handling facilities (Upstream FEED).
  - Jemena has continued to progress the FEED for construction of a new 10-inch diameter high pressure natural gas pipeline (Pipeline FEED) with the majority of preliminary fieldwork studies complete, including ecology, constructability, survey and geotechnical soil sampling.
- **EPBC approval for Mahalo North natural gas development received:**
  - Comet Ridge received approval in late December under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act or EPBC) for the wholly owned Mahalo North (PLA 1128) natural gas development in Queensland's Bowen Basin.
  - This environmental approval allows Comet Ridge to construct, operate, decommission and rehabilitate up to 68 coal seam gas wells, associated gas compression facilities and gathering lines. In conjunction with the existing development approval for the Mahalo Gas Project, this is a key approval step for a larger development area.
- **Northern Australia Infrastructure Facility (NAIF) debt funding progresses:** NAIF successfully completed its Strategic Assessment Phase and Comet Ridge received NAIF Board approval in November to proceed to the Due Diligence stage of the process to provide debt funding for the Mahalo Gas Project.
- **Mahalo East potential confirmed:** Comet Ridge received independent reserves certification of 51.8 Petajoules (PJ) of 2P Reserves and 118.5 PJ of 3P Reserves for Mahalo East (ATP 2061) in July 2025.
- **Data Room process:** Engagement on project and corporate level transactions continued while GSA and funding arrangements are also being progressed.
- **New CFO appointed:** Mr. Robin Polson was appointed Chief Financial Officer for the Company in November. Mr. Polson is an experienced accountant and seasoned corporate finance professional with well over three decades experience, most recently

**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

in the ASX listed natural gas space where he has held both Chief Commercial Officer and Chief Financial Officer roles over the past decade.

- **Cash position** at the end of the half year was \$7,046,000.

**Development activities**

During the half-year, Comet Ridge continued to prioritise its activities on the development of its Mahalo Gas Hub assets in the Bowen Basin (Central Queensland) to provide significant short to medium term gas supplies that are vital for Australia's east coast energy needs.

**Mahalo Gas Hub overview**

Comet Ridge has established a significant coal seam gas asset position (see Figure 1) over a very large footprint in the Mahalo Gas Hub area, comprising:

- Mahalo Gas Project (PLs 1082 and 1083; PCAs 302, 303 and 304) – Comet Ridge 57.14% equity interest (Santos 42.86% and Operator). Comet Ridge entered into a binding, conditional agreement to acquire Santos QNT Pty Ltd's 42.86% interest in the Mahalo Gas Project in December 2025;
- Mahalo North (ATP 2048, divided into PLAs 1128 and 1132 which are being progressed) – Comet Ridge 100% equity interest and Operator;
- Mahalo East (ATP 2061) – Comet Ridge 100% equity interest and Operator;
- Mahalo Far East (ATP 2063) – Comet Ridge 100% equity interest and Operator; and
- Mahalo Far East Extension (ATP 2072) – Comet Ridge 100% equity interest and Operator.

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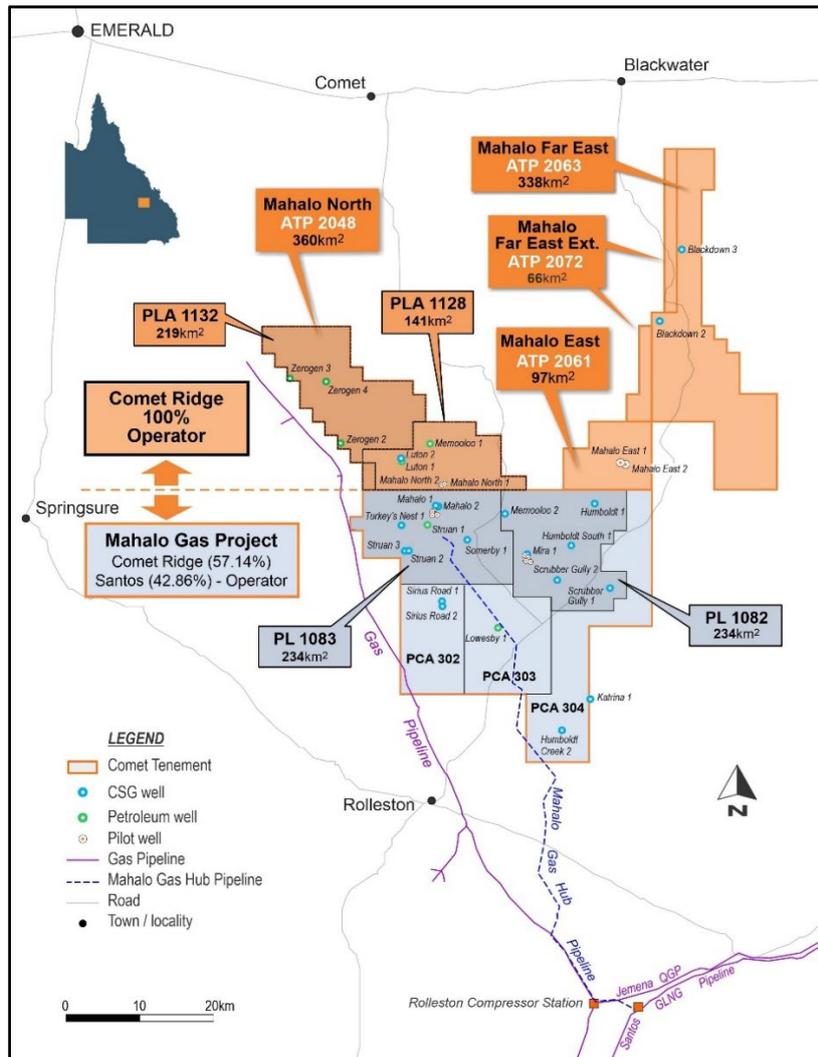


Figure 1: Mahalo Gas Hub (north of Rolleston) near pipeline infrastructure and gas market access. Mahalo Gas Project in grey and Comet Ridge 100% assets in orange.

**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

The Mahalo Gas Hub area is close to existing pipeline infrastructure and the main natural gas demand centres in Queensland, with Gladstone to the east and Wallumbilla to the south. There is a lack of material, green-fields gas developments on the east coast to help support a market that is forecast to continue to be structurally short due to the decline of southern offshore fields, pipeline constraints and ongoing demand for gas for manufacturing and a very large power generation requirement to support renewables.

Comet Ridge's share of 2P Gas Reserves (2P) and 2C Contingent Gas Resources (2C) at the Mahalo Gas Hub is currently a very material 427 Petajoules (see table below). These figures would increase to 677 PJ 2P Reserves and 2C Resources across the Mahalo Gas Hub when the acquisition Santos QNT Pty Ltd's 42.86% interest in the Mahalo Gas Project is completed.

Gas Reserves and Resources with a clear pathway to development are keenly sought after in eastern Australia as a valuable feed source for use in domestic manufacturing and mining, power generation and for export as LNG to reduce emissions in a number of Asian countries. Comet Ridge has contracted only 6% of its certified 2P+2C Gas Reserves and Resources (or 3.7% on the completion of the acquisition of Santos QNT Pty Ltd's 42.86% interest in the Mahalo Gas Project), leaving a very material position to be contracted on favourable terms or to provide for project funding via farmout, selldown or prepayment arrangements.

Mahalo Gas Hub permits	COI Interest	Net Reserves (PJ)			Net Contingent Resources (PJ)			Totals (COI net share)	
	%	1P	2P	3P	1C	2C	3C	2P+2C	3P+3C
<b>Mahalo Gas Project</b> (PL 1082, 1083) (PCA 302, 303, 304)	57.14	-	152	262	109	180	294	332	556
<b>Mahalo North</b> (PLA 1128, PLA 1132, ATP 2048)	100	12	43	149	-	-	-	43	149
<b>Mahalo East</b> (ATP 2061)	100	-	52	118	-	-	-	52	118
<b>Mahalo Far East</b> (ATP 2063)	100	-	-	-	-	-	-	-	-
<b>Mahalo Far East Ext.</b> (ATP 2072)	100	-	-	-	-	-	-	-	-
<b>Totals</b>		<b>12</b>	<b>247</b>	<b>529</b>	<b>109</b>	<b>180</b>	<b>294</b>	<b>427</b>	<b>823</b>

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**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

**Mahalo Gas Project (PLs 1082 and 1083; PCAs 302, 303 and 304) undertaking FEED as precursor to an investment decision**

The Mahalo Gas Project is well positioned to commence development having key environmental and permitting milestones in place and recently finalised development plans during the half year. Key development milestones are noted below:

- Queensland and Federal environmental approvals in place for upstream development with a site-specific amendment submitted;
- Two Petroleum Leases (PL) are previously awarded;
- Upstream FEED and Pipeline FEED nearing completion.

Comet Ridge's current share of the independently certified Gas Reserves and Contingent Resources for the Mahalo Gas Project are set out in the table below.

Mahalo Gas Project	Gas Reserves (PJ)			Contingent Gas Resources (PJ)		
	1P	2P	3P	1C	2C	3C
Comet Ridge – 57.14% interest	-	152	262	109	180	294

Notes:

- 1P Reserves = Proved Reserves; 2P Reserves = Proved + Probable Reserves; 3P Reserves = Proved + Probable + Possible Reserves.
- Refer to Comet Ridge's ASX announcement dated 26 September 2022 for additional information on this independent Reserves certification required by ASX Listing Rules.
- Gas Reserves stated in the table above assumed no fuel or shrinkage losses as production activities, such as wellsite pumping, compression and water treatment, for the Reserves calculation purposes are assumed to be powered using electricity from the local grid and have been calculated at the wellhead (which is the reference point for the purposes of Listing Rule 5.26.5).

**Upstream FEED** which comprises subsurface (design and layout of production wells), gathering system, gas and water handling facilities, procurement and access and approvals:

- The Operator continued to optimise its subsurface modelling and planning.
- Gas and water facilities FEED work continued and is nearing completion.
- Bid requests issued for the project are in the final stages of receipt that will allow a Class 2 cost estimate to be generated as well as understanding delivery times on key components.
- This includes compressors, glycol dehydration and power generation. Development well location scouting continued.

**Pipeline FEED:**

- The pipeline licence application (PPL) was submitted in early December and Environmental Authority application submitted in mid-December.
- Landholder discussions continued along with other stakeholders including Transport and Main Roads (TMR), Aurizon and Central Highlands Regional Council.
- Route selection has been completed.
- Line pipe bids have been received.
- Construction Tender Package has been developed and is ready for issue in early 2026.

It is expected that Upstream FEED for the Mahalo Gas Project will be completed in the coming months. Pipeline FEED is being undertaken in parallel with Upstream FEED.

Combining all Mahalo Gas Hub gas into one large diameter pipeline provides economies of scale for the transportation of natural gas to the existing connection points for both domestic gas and LNG markets.

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**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

**Mahalo North (PLAs 1128 and 1132; ATP 2048) progressing towards development with permitting and environmental applications**

Comet Ridge received approval under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act or EPBC) for the wholly owned Mahalo North (PLA 1128) natural gas development in Queensland's Bowen Basin. This block sits to the northwest of, and directly adjacent to, the Mahalo Gas Project. The EPBC approval allows Comet Ridge to construct, operate, decommission and rehabilitate up to 68 coal seam gas wells, associated gas facilities and gathering lines. Figure 2 below shows the location of the PLA 1128 application area which covers 141 km<sup>2</sup>. In conjunction with the existing development approval for the Mahalo Gas Project, this is a key approval step for a larger development area.

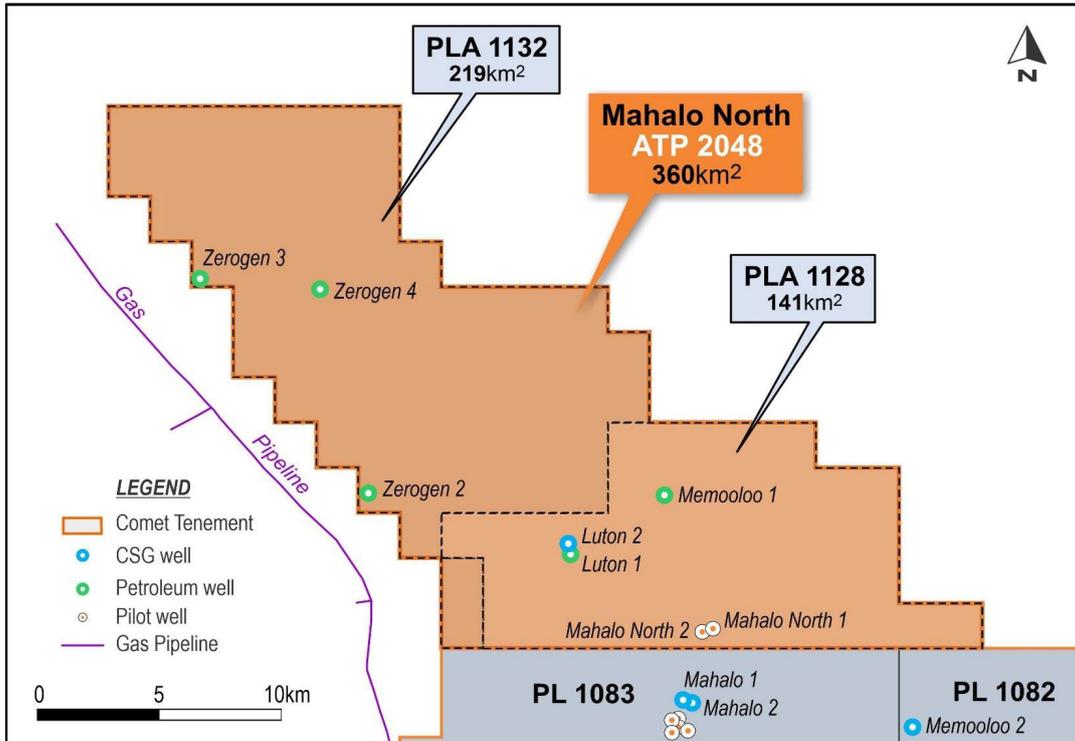


Figure 2: The EPBC approval applies to PLA 1128, part of the Mahalo North block.

The State Environmental Approval (EA) was granted to Comet Ridge by DESI for PLA 1128 in August 2024.

Sproule Incorporated, a global energy consulting and advisory firm, provided independent certification of Gas Reserves for Mahalo North (ATP 2048) as at 31 October 2022 with a further upgrade to 3P Reserves certified as at 30 November 2023.

	Independently Certified Gas Reserves (PJ)		
30 November 2023	1P	2P	3P
Mahalo North (ATP 2048) 100% equity interest	12	43	149

Notes:

- 1P Reserves = Proved Reserves; 2P Reserves = Proved + Probable Reserves; 3P Reserves = Proved + Probable + Possible Reserves.
- Refer to Comet Ridge's ASX announcements dated 2 November 2022 and 20 December 2023 for additional information on these independent Reserves certifications required by ASX Listing Rules.
- Gas Reserves stated in the table above assumed no fuel or shrinkage losses as production activities, such as wellsite pumping, compression and water treatment, for the Reserves calculation purposes are assumed to be powered using electricity from the local grid and have been calculated at the wellhead (which is the reference point for the purposes of Listing Rule 5.26.5).
- 1P Gas Reserves for Mahalo North 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 Petroleum Lease applications are concluded.

Comet Ridge has also undertaken FEED activities for the planned gas development within PLA 1128.

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**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

**Mahalo East (ATP 2061) potential on the high-quality fairway confirmed via pilot production testing**

Mahalo East is part of the Mahalo Gas Hub Area and is a natural northeast geologic extension of the gas accumulation in the Bandanna Formation coals of the Mahalo Gas Project and Mahalo North areas. It has very similar geological characteristics to the Mahalo Gas Project area, with the geological model confirmed by seismic data and many coal exploration bore wireline logs, as well as core and gas desorption data. Core data shows that gas contents are slightly higher in the eastern side of the Mahalo Gas Hub area.

Comet Ridge received an initial independent Gas Reserves certification for Mahalo East (ATP 2061) in July 2025. Sproule ERCE (Sproule), a global energy consulting and advisory firm, has provided the following independent certification of Gas Reserves for the Mahalo East (ATP 2061) as at 30 June 2025.

Independently Certified Gas Reserves (PJ)			
30 June 2025	1P	2P	3P
Mahalo East (ATP 2061) 100% equity interest	-	51.8	118.5

Notes:

- 1P Reserves = Proved Reserves; 2P Reserves = Proved + Probable Reserves; 3P Reserves = Proved + Probable + Possible Reserves.
- Gas Reserves stated in the table above 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).
- 1P Gas Reserves for Mahalo East have not been included in this Reserves certification until a development decision by Comet Ridge (as 100% owner and operator of the project) is made which will be actioned as development plans are finalised with Santos at the Mahalo Gas Project (thereby providing access to infrastructure facilities for the Mahalo Gas Hub region).

These 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.

**Galilee Basin (ATP 743, 744 and 1015) permits have long-term tenure**

Comet Ridge has six Potential Commercial Areas (PCAs) in the Galilee Basin, numbered PCA 319 to 324 (see Figure 3 below). These PCAs are for a term of 15 years ending September 2037. The underlying permits, ATPs 743, 744 and 1015, have a term of 12 years, ending 3 September 2033, 31 October 2033 and 30 November 2034 respectively.

The Galilee Basin permits contain two play types:

- A sandstone or "Deeps" project comprising a joint venture between Comet Ridge (70% equity interest and Operator) and Vintage Energy Limited (30% equity interest – ASX:VEN) centred from the Albany Structure and further south onto the Tomahawk Structure across ATPs 744 and 1015; and
- A coal seam gas or "Shallows" project held 100% by Comet Ridge and focused on the Gunn CSG Project Area.

With Galilee Basin tenure having long-term security, Comet Ridge is working through the next phase of appraisal with its joint venture partner in the Deeps, Vintage Energy. Comet Ridge and Vintage Energy have agreed a work program focused on several studies to help progress the PCA areas towards commerciality.

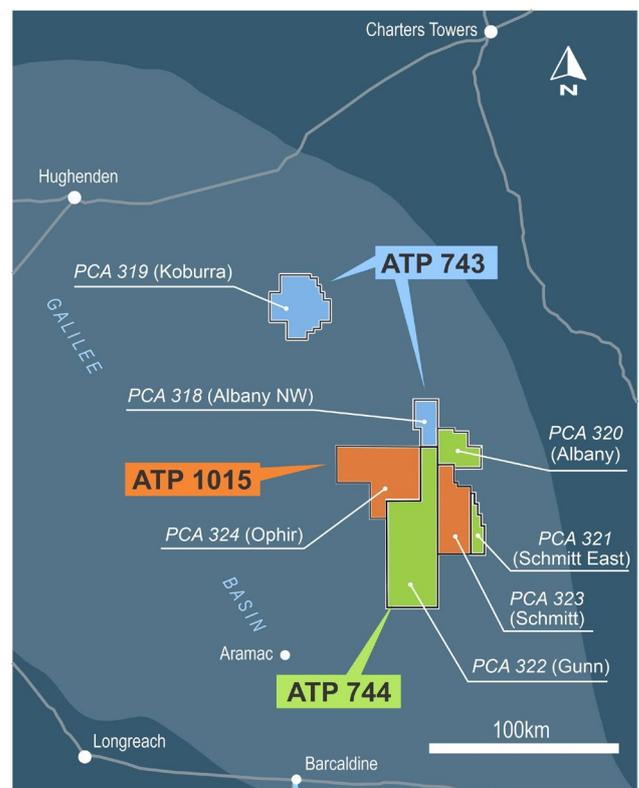


Figure 3 – Galilee permits showing the awarded PCAs within permits ATP 743, ATP 744 and ATP 1015

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## COMET RIDGE LIMITED DIRECTORS' REPORT Continued

### People, environment and community

In respect to safety of people, Comet Ridge has undertaken all of the Company's activities during the half-year, incident and accident free. Our strong corporate and team focus on health, safety, environment, security and indigenous outcomes continued through executive staff site visits, and via our formal Risk Committee processes. This includes close supervision and support of all contractor activities.

Comet Ridge continued its commitment to high standards of environmental performance during the half-year, with no incidents occurring or reported. Over the past 36 months, Comet Ridge has acquired extensive knowledge of the receiving environment in Mahalo North, and the Company has prepared very detailed and high-quality application submissions and responses to support environmental approval applications for PLA 1128 to be granted at Mahalo North. This was reflected in Comet Ridge being granted an Environmental Authority (EA) in August 2024 by the Queensland Government and an Environment Protection and Biodiversity Conservation (EPBC) approval by the Federal Government during the current half-year, both for Mahalo North PLA 1128 development area.

Comet Ridge is committed to high-quality engagement with our landholders, Traditional Owners and the local community, using local contractors and services wherever we can to support the areas where we operate.

### Corporate activities

#### **CleanCo GSA**

Comet Ridge and CleanCo Queensland Limited (CleanCo) executed a gas sales agreement (GSA) for supply of gas by Comet Ridge into CleanCo's Swanbank E gas-fired power station, which supports CleanCo's renewable projects. The GSA received approval from CleanCo's shareholding ministers in December 2023. This is Comet Ridge's first GSA and is an important milestone for the Company. The natural gas will be produced from the Mahalo Gas Hub in Central Queensland, where CleanCo will offtake 3 PJ per annum (with an option to increase to 3.6 PJ per annum at FID).

The GSA is subject to a number of conditions as disclosed in Note 9 of the accompanying financial statements, including Comet Ridge securing finance and gas transportation/processing agreements (both by 31 March 2026, per 12 May 2025 GSA amendment letter) to satisfy the supply requirements under the GSA. Failure to satisfy these conditions or negotiate an extension if required to do so, may result in the GSA being terminated which would trigger a cash payment to CleanCo. Based on the longstanding relationship between the parties and the progress Comet Ridge has made with development of the Mahalo Gas Hub permits and the data room funding process, Comet Ridge believes it will be able to meet these timelines or agree extensions (if required). The parties have been working cooperatively in recent months to agree a gas commencement date which matches the gas supply constraints and gas requirement profile of the parties and to amend the remaining conditions dates accordingly.

#### **Other GSA opportunities**

Comet Ridge continued to have active discussions with multiple gas buyers during the period for additional GSAs which will assist Comet Ridge with financing the Mahalo Gas Project development capex.

The Company is looking to expand the sales gas share of the project from approximately 28 TJ/d up to approximately 70 TJ/d, given the recent executed transaction with Santos and plans to bring the northern blocks into production sooner. The counterparties include industrial gas users, power generators and gas retailers. Comet Ridge plans to finalise these negotiations into new GSAs whilst FEED is wrapping up and prior to a Final Investment Decision.

#### **Data room process**

With the execution of the agreement to acquire Santos QNT Pty Ltd's 42.86% interest in the Mahalo Gas Project and the Mahalo Gas Project now in Upstream and Pipeline FEED processes, Comet Ridge has prioritised funding arrangements and the progression of GSAs.

Comet Ridge also continued to engage with third parties during the period in relation to a range of possible transactions including project equity and corporate level transactions.

Whilst activities continued during the period, the discussions are incomplete and confidential and there is no guarantee that a final proposal will be received, or received on commercially acceptable terms, or that any transaction will eventuate.

#### **Cash position**

At 31 December 2025, the Group had \$7,046,000 cash on hand.

#### **ROUNDING OF AMOUNTS**

Pursuant to ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 the amounts in the Directors' Report and financial report, have been rounded off to the nearest thousand dollars, unless otherwise indicated.

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**COMET RIDGE LIMITED**  
**DIRECTORS' REPORT Continued**

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration, as required under Section 307C of the *Corporations Act 2001*, accompanies this report.

Signed in accordance with a resolution of the Board of Directors.



Tor McCaul  
Managing Director

Brisbane, Queensland, 5 March 2026

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COMET RIDGE LIMITED  
AUDITOR'S INDEPENDENCE DECLARATION



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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 auditor's review for the half year ended 31 December 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 period.

*Pitcher Partners*  
PITCHER PARTNERS

*J. Evans*  
JASON EVANS  
Partner

Brisbane, Queensland  
5 March 2026

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Nigel Fischer	Jason Evans	Brett Heedrick	Simon Chun	James Field	Felicity Crimston	Murray Graham	Edward Fletcher	Anthony Kazanias
Mark Nicholson	Kylie Lamprecht	Warwick Face	Jeremy Jones	Daniel Colwell	Cheryl Mason	Andrew Roblin	Robert Hughes	Sean Troyahn
Peter Camenzuli	Norman Thurecht	Cole Wilkinson	Tom Splatt	Robyn Cooper	Kieran Walls	Karen Levine	Tracey Norris	Adale Smith

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**COMET RIDGE LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Note	December 2025 \$000's	December 2024 \$000's
<b>Revenue and other income</b>			
Interest received		37	90
Fair value movement of financial liability	9	388	2,631
Other income		-	6
<b>Expenses</b>			
Employee benefits' expense		(545)	(752)
Contractors' costs		(83)	(175)
Exploration and evaluation expense written off		(1)	(187)
Professional fees		(67)	(8)
Corporate expenses		(207)	(350)
Occupancy costs		(6)	(8)
Information technology costs		(151)	(203)
Finance costs	6	(1,272)	(2,012)
Other expenses		(119)	(156)
Depreciation		(75)	(65)
<b>LOSS BEFORE INCOME TAX</b>		<b>(2,100)</b>	<b>(1,189)</b>
Income tax benefit/(expense)		-	-
<b>LOSS FOR THE PERIOD</b>		<b>(2,100)</b>	<b>(1,189)</b>
<b>Other comprehensive loss, net of income tax</b>			
<b>Items that may be reclassified subsequently to profit and loss</b>			
Exchange differences on translation of foreign operations		-	(14)
<b>TOTAL OTHER COMPREHENSIVE LOSS, NET OF INCOME TAX</b>		<b>-</b>	<b>(14)</b>
<b>TOTAL COMPREHENSIVE LOSS</b>		<b>(2,100)</b>	<b>(1,203)</b>
<b>Loss attributable to:</b>			
Owners of the parent		<b>(2,100)</b>	<b>(1,189)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent		<b>(2,100)</b>	<b>(1,203)</b>
<b>LOSS PER SHARE</b>			
Basic and diluted loss per share		<b>(0.175)</b>	<b>(0.107)</b>

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

**COMET RIDGE LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025**

	Note	December 2025 \$000's	June 2025 \$000's
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		7,046	13,299
Trade and other receivables		66	166
Financial asset at fair value	7	833	809
Other assets		800	773
<b>TOTAL CURRENT ASSETS</b>		<b>8,746</b>	<b>15,047</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		12	14
Right-of-use assets		216	284
Exploration and evaluation expenditure	8	116,311	109,650
<b>TOTAL NON-CURRENT ASSETS</b>		<b>116,539</b>	<b>109,948</b>
<b>TOTAL ASSETS</b>		<b>125,284</b>	<b>124,995</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,716	1,431
Lease liabilities		127	127
Financial liability at fair value	9	32,266	32,530
Provisions		1,577	696
<b>TOTAL CURRENT LIABILITIES</b>		<b>37,686</b>	<b>34,784</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	12	7,110	6,661
Lease liabilities		102	163
Provisions		2,167	3,068
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>9,379</b>	<b>9,892</b>
<b>TOTAL LIABILITIES</b>		<b>47,065</b>	<b>44,676</b>
<b>NET ASSETS</b>		<b>78,219</b>	<b>80,319</b>
<b>EQUITY</b>			
Contributed equity	10	196,573	196,573
Accumulated losses		(118,354)	(116,254)
<b>TOTAL EQUITY</b>		<b>78,219</b>	<b>80,319</b>

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

**COMET RIDGE LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Contributed Equity \$000's	Foreign Currency Translation Reserve \$000's	Share Based Payments' Reserve \$000's	Accumulated Losses \$000's	Total \$000's
<b>Balance at 1 July 2024</b>	184,835	1,226	335	(113,890)	72,506
Loss for the period	-	-	-	(1,189)	(1,189)
Other comprehensive loss for the period	-	(14)	-	-	(14)
Total comprehensive loss for the period	-	(14)	-	(1,189)	(1,203)
<b>Transactions with owners in their capacity as owners</b>					
Transfer of expired market-based performance rights to accumulated losses	-	-	(106)	106	-
Contributions of equity net of transaction costs	11,382	-	-	-	11,382
Shares issued on vesting of performance rights	356	-	(356)	-	-
Share-based payments' expense	-	-	127	-	127
	11,738	-	(335)	106	11,509
<b>Balance at 31 December 2024</b>	196,573	1,212	-	(114,973)	82,812
<b>Balance at 1 July 2025</b>					
	196,573	-	-	(116,254)	80,319
Loss for the period	-	-	-	(2,100)	(2,100)
Other comprehensive loss for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(2,100)	(2,100)
<b>Transactions with owners in their capacity as owners</b>					
Transfer of expired market-based performance rights to accumulated losses	-	-	-	-	-
Contributions of equity net of transaction costs	-	-	-	-	-
Shares issued on vesting of performance rights	-	-	-	-	-
Share-based payments' expense	-	-	-	-	-
	-	-	-	-	-
<b>Balance at 31 December 2025</b>	196,573	-	-	(118,354)	78,219

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

**COMET RIDGE LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	December 2025 \$000's	December 2024 \$000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	34	90
Interest and borrowing costs	(622)	(574)
Payments to suppliers and employees	(1,220)	(1,885)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(1,808)</b>	<b>(2,369)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation assets	(4,347)	(10,433)
Government grants received	-	4,000
Restricted cash and deposits paid	(35)	(76)
Payment for property, plant and equipment	(4)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(4,386)</b>	<b>(6,509)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	12,028
Share issue costs	-	(605)
Payment of principle portion of lease liabilities	(59)	(65)
<b>NET CASH (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(59)</b>	<b>11,358</b>
Net (decrease)/increase in cash held	(6,253)	2,480
Cash at the beginning of the period	13,299	16,776
<b>CASH AT THE END OF THE PERIOD</b>	<b>7,046</b>	<b>19,256</b>

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

**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**1. Principal activities**

Comet Ridge Limited and Subsidiaries' (the Group) principal activities are to carry out gas exploration, appraisal and development. The Group has permit interests and exploration, evaluation and development activities in eastern Australia.

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

**2. Basis of preparation**

The interim consolidated financial statements (the interim financial statements) are for the half-year ended 31 December 2025 and are presented in Australian Dollars (\$AUD) which is the functional currency of the Parent Company. The interim financial statements are prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim 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 non-current assets, financial assets and financial liabilities.

The interim financial statements do not include all of the notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report of the Group together with any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Pursuant to ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 the amounts in the Directors' Report and financial report, have been rounded off to the nearest thousand dollars, unless otherwise indicated.

**3. Material accounting policy information**

The accounting policies adopted in the preparation of this interim financial report are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of the new Accounting Standards and Interpretations described below.

The accounting policies have been applied consistently by the Group for the purpose of preparation of the interim financial statements.

*New and amended standards adopted by the Group*

There are no new or amended accounting standards effective in the reporting period commencing 1 July 2025 that have a material impact on the Group's financial report.

*New standards and interpretations 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 Group in the current or future reporting year/periods and on foreseeable future transactions.

**4. Going concern**

The 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 31 December 2025, the Group had \$7,046,000 in cash at bank. The Group had cash outflows from operating activities of \$1,808,000 for the period ended 31 December 2025, and, as at that date, its current liabilities exceeded its current assets by \$28,940,000. The current liabilities include the CleanCo Queensland Limited (CleanCo) financial liability of \$27,706,000, PURE warrant financial liability of \$2,690,000 and APLNG deferred consideration payable of \$1,870,000.

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 \$27,706,000 (\$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 spent by 31 December 2026 amounting to \$3,732,000 as disclosed in Note 11.

**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

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 conditions 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 31 December 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 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.

**5. 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.

The critical estimates and judgements applied in the preparation of the interim financial statements are consistent with those at 30 June 2025, and are as follows:

- Going concern – refer Note 4
- Financial asset at fair value – refer Note 7
- Exploration and evaluation assets – refer Note 8
- Financial liability at fair value – refer Note 9
- Borrowings – refer Note 10

**6. Finance costs**

	<b>December 2025</b>	<b>December 2024</b>
	<b>\$000's</b>	<b>\$000's</b>
Interest expense on borrowings	<b>(575)</b>	(575)
Effective interest charge on PURE loan	<b>(449)</b>	(1,137)
Unwinding of discount on Santos deferred consideration receivable	<b>24</b>	47
Unwinding of discount on APLNG deferred consideration payable	<b>(125)</b>	(233)
Unwinding of discount on rehabilitation and restoration provision	<b>(135)</b>	(111)
Lease liability expense	<b>(13)</b>	(3)
	<b>(1,272)</b>	(2,012)

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**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**7. Financial asset at fair value**

	December 2025 \$000's	June 2025 \$000's
<b>Current</b>		
Santos – deferred consideration receivable	833	809
	833	809

	December 2025 \$000's	December 2024 \$000's
<b>Movements in financial asset at fair value</b>		
Balance at the beginning of the period	809	1,572
Unwinding of discount	24	47
Balance at the end of the period	833	1,619

**Santos deferred consideration**

On 28 June 2022, Comet Ridge acquired Australia Pacific LNG Pty Ltd's (APLNG) 30% interest in the Mahalo Gas Project for a total consideration of \$20,000,000 payable in staged payments. Comet Ridge paid a \$1,000,000 deposit in 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) a final investment decision is made for development of gas from the Mahalo Gas Project;
- b) gas production from the Mahalo Gas Project equalling or exceeding 10 Terajoules per day;
- c) a change in control of the Group;
- d) Comet Ridge disposing of more than a 15% interest in the Mahalo Gas Project; or
- e) Comet Ridge is subject to an insolvency event.

At the same time as entering into 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 APLNG interest acquired by Comet Ridge at proportional acquisition value of \$8,573,000.

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 assumed liability for its pro-rata share of the \$8,000,000 deferred consideration payable to APLNG, being \$3,429,000.

On 24 June 2025, Comet Ridge received the third-year deferred consideration payment from Santos of \$857,000. The remaining balance of \$857,000 (June 2025: \$857,000) is payable by Santos in June 2026. The present value of the remaining payment due is \$833,000 (June 2025: \$809,000). Interest income on the unwinding of the applied discount of \$24,000 (December 2024: \$47,000) has been recognised in the six-month period to 31 December 2025.

**Fair value measurement**

The fair value of the deferred consideration receivable from Santos 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 or 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 are as follows:

1. The remaining agreed cash settlement of \$857,000 (June 2025: \$857,000) receivable in June 2026; and
2. The pre-tax discount rate applied being 6% (June 2025: 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 \$3,881 and \$3,823 (June 2025: \$7,667 and \$7,522) respectively.

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**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**8. Exploration and evaluation expenditure**

	<b>December 2025 \$000's</b>	<b>June 2025 \$000's</b>
Exploration and evaluation expenditure	<b>138,622</b>	131,961
Less provision for impairment	<b>(22,311)</b>	(22,311)
	<b>116,311</b>	109,650

<b>Movements in exploration and evaluation phase</b>	<b>December 2025 \$000's</b>	<b>December 2024 \$000's</b>
Balance at the beginning of period	<b>109,650</b>	100,970
Exploration and evaluation expenditure during the period	<b>6,662</b>	10,257
Frontier Gas Grants received	-	(4,000)
Exploration and evaluation expenditure written off	<b>(1)</b>	-
Balance at the end of period	<b>116,311</b>	107,227

**Recoverability of exploration and evaluation expenditure**

The Group assesses the recoverability of the carrying value of capitalised exploration and evaluation expenditure 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 impairment in the future.

During the half-year, all exploration expenditure incurred on the remaining Gunnedah Basin permit was impaired. This is consistent with the policy adopted at 30 June 2025 to fully impair the expenditure with respect to Gunnedah.

Given the Conventional Deeps evaluation is ongoing and the upside potential of the CSG Resources along with long-term extension of the underlying permits, Comet Ridge is comfortable with the recoverability of exploration and evaluation expenditure for the Galilee permits and therefore no impairment has been made during the half-year.

The Mahalo Gas Project has Petroleum Leases awarded and the joint ventures partners, Comet Ridge and Santos, have further progressed Front-End Engineering Design (FEED) to move the project into development following a final investment decision. Mahalo North has certified Gas Reserves and has now received two separate environmental approvals – one under the Federal Government's EPBC Act and one under the Queensland Government's environmental requirements. These approvals are a precursor to PLA 1128 being awarded enabling project development and construction activities to commence. Mahalo East had Gas Reserves certified in June 2025 based on a successful pilot production test. For the other two 100% owned Mahalo permits (Mahalo Far East and Mahalo Far East Extension), Comet Ridge is still in the evaluation phase for these permit areas with the aim of certifying Gas Resources and Reserves. For these reasons Comet Ridge is comfortable with the recoverability of exploration and evaluation expenditure for the Mahalo Gas Hub permits as at 31 December 2025.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**9. Financial liability at fair value**

	December 2025	June 2025
	\$000's	\$000's
<b>Current</b>		
CleanCo Queensland Limited – financial liability	27,706	27,564
PURE Asset Management – warrant shares	2,690	3,221
APLNG – deferred consideration payable	1,870	1,745
	<b>32,266</b>	<b>32,530</b>

	December 2025	December 2024
	\$000's	\$000's
<b>Movements in financial liability at fair value</b>		
Balance at the beginning of the period	32,530	34,258
Unwinding of discount	124	233
Movement in financial liability at fair value	(388)	(2,631)
Balance at the end of the period	<b>32,266</b>	<b>31,860</b>

**Fair value measurement**

**(a) CleanCo liability**

The liability to CleanCo Queensland Limited (CleanCo) arising from the completed agreements is recognised as a 'financial liability at fair value through profit or loss'.

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 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.

**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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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 data room 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. An expense of \$143,000 (December 2024: \$256,000), being the movement in the financial liability at fair value, has been recorded in the six-month period to 31 December 2025.

**Valuation techniques and process used to determine fair value**

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, approximately \$27,706,000 (June 2025: \$27,564,000) based on current estimates (\$20,000,000 indexed for CPI), is used as the basis for determining the present value of the liability at 31 December 2025.
2. The earliest date for the cash payment under point 1 above is 30 April 2026 (June 2025: 30 April 2026), giving a period of indexation of 12.2 years (June 2025: 12.2 years) from March 2014.
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 31 December 2025 and forecast at 1.39% (June 2025: 1.37%) per quarter for the remaining period to 30 April 2026 (June 2025: 30 April 2026).

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 (June 2025: 30 April 2026).
CPI rate	If the 1.39% (June 2025: 1.37%) per quarter forecast CPI rate reduces/increases to a low of 0.89% pa or a high of 1.89% pa, the indexed liability will reduce or increase by approximately 0.4% or \$103,000 (June 2025: 0.9% or \$247,000) respectively.

**(b) Deferred Consideration – APLNG**

On 28 June 2022, Comet Ridge acquired Australia Pacific LNG Pty Ltd’s (APLNG) 30% interest in the Mahalo Gas Project for a total consideration of \$20,000,000 payable in staged payments. Comet Ridge paid a \$1,000,000 deposit in 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) a final investment decision is made for development of gas from the Mahalo Gas Project;
- b) gas production from the Mahalo Gas Project equalling or exceeding 10 Terajoules per day;
- c) a change in control of the Group;
- d) Comet Ridge disposing of more than a 15% interest in the Mahalo Gas Project; or
- e) Comet Ridge is subject to an insolvency event.

Comet Ridge paid the third-year completion deferred consideration payment of \$2,000,000 to APLNG on 30 June 2025. The balance of \$2,000,000 (June 2025: \$2,000,000) is payable in June 2026. The present value of the remaining payment due is \$1,870,000 (June 2025: \$1,745,000).

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**Fair value measurement**

The fair value of the deferred consideration is initially recognised as the present value of the \$8,000,000 liability payable in 4 equal annual instalments and has been capitalised to the Mahalo Gas Project exploration and evaluation asset. For subsequent measurements, the present value is adjusted for yearly instalments paid to APLNG and the unwinding of the applied discount expensed to profit or loss. An expense of \$124,000 (December 2024: \$233,000) has been recognised in the six-month period to 31 December 2025.

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 are as follows:

1. The remaining agreed cash settlement of \$2,000,000 payable in one final instalment due in June 2026 (June 2025: \$2,000,000 payable in one final instalment due in June 2026); and
2. The pre-tax discount rate applied being 14.7% (June 2025: 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 \$16,186 and \$15,773 (June 2025: \$30,804 and \$29,758) respectively.

**(c) 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: 26,515,152\* 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 leaving a total of 22,727,273 warrant shares on issue under Tranche 2.

**Fair value measurement**

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

- a) Exercise price of each tranche of warrant shares being New Warrants \$0.16 per share / Tranche 2 \$0.132 per share (June 2025: New Warrants \$0.16 per share / Tranche 2 \$0.132 per share);
- b) Expected volatility of the Company's share price calculated at 51.4% for New Warrants and 88.2% for Tranche 2 (June 2025: 51.8% for New Warrants and 47.7% for Tranche 2), reflecting the assumption that historical volatility is indicative of future trends (which may not necessarily be the actual outcome);
- c) Share price of the Company on each balance date being \$0.135 (June 2025: \$0.14) (noting that no allowance has been made for discounting the share price to reflect the issue price of an alternative equity raising if the warrant shares had not been issued);
- d) Expected remaining term of the warrant shares being 2.5 years for New Warrants and 0.23 years for Tranche 2 (June 2025: 3.0 years for New Warrants and 0.73 years for Tranche 2).

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 \$531,000 (December 2024: gain of \$2,887,000) has been recorded in the six-month period to 31 December 2025 to reflect the reduction during the current half year in the fair value of the warrant shares due to share price fluctuations.

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**10. Borrowings**

	<b>December 2025</b>	<b>June 2025</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Non-current</b>		
Loan payable to PURE Asset Management Pty Ltd	<b>7,110</b>	6,661
	<b>7,110</b>	6,661

Comet Ridge entered into a binding facility agreement with PURE Asset Management Pty Ltd to provide the Company access to a term loan facility of \$10,000,000 provided in two tranches of \$6,500,000 and \$3,500,000 respectively. 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 has 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.

	<b>December 2025</b>	<b>December 2024</b>
	<b>\$000's</b>	<b>\$000's</b>
Opening balance	<b>6,661</b>	7,367
Effective interest charge	<b>449</b>	1,137
Carrying value of loan payable	<b>7,110</b>	8,504

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 9. 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 repayment 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 new warrant shares were issued. Tranche 2 warrant shares remain unchanged.

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

The key terms of the refinanced loan are:

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
Warrants:	55,000,000 warrant shares issued on 26 May 2025 with an exercise price of 16.0 cents per warrant share; and 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 \$2,000,000 cash balance at all times
Security:	First ranking general security over all present and after-acquired property of the Company and subsidiaries

**COMET RIDGE LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**11. Commitments**

**Exploration expenditure**

In order to maintain an interest in the exploration permits in which the Group is involved, the Group is committed to meet the conditions under the agreements. The timing and amount of exploration expenditure and obligations of the Group 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.

	<b>December</b>	<b>June</b>
	<b>2025</b>	<b>2025</b>
	<b>\$000's</b>	<b>\$000's</b>
<b>Detailed Exploration and Evaluation</b>		
- not later than 12 months	<b>3,732</b>	7,238
- between 12 months and 5 years	<b>10,493</b>	9,790
	<b>14,225</b>	17,028

**Bank guarantees**

Westpac Banking Corporation have provided bank guarantees totalling \$519,380 (June 2025: \$519,380) to the State of Queensland in respect of the Group's exploration permits and environmental guarantees.

The bank guarantees are secured by term deposits.

**12. Segment information**

Operating segments are reported in a manner with the internal reporting 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.

**Identification of reportable segments**

The principle operating activities of the Group are the exploration and evaluation of its tenements and gas reserves. The internal reports used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources is cash flow reporting of exploration and evaluation activities as one segment.

**13. Events occurring after balance date**

There has been no item, transaction or event of a material and unusual nature that has arisen between the end of the half-year and the date of this report likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

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**COMET RIDGE LIMITED**  
**DIRECTORS' DECLARATION**

The Directors declare that:

- (a) In the Directors' opinion, the consolidated statements and notes thereto, as set out on pages 11 to 23 are in accordance with the *Corporations Act 2001* including:
- I. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
  - II. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
- (b) 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.

Signed in accordance with a resolution of the Board of Directors.



Tor McCaul  
Managing Director

Brisbane, Queensland, 5 March 2026

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**Independent Auditor's Review Report to the Shareholders of  
Comet Ridge Limited**

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of Comet Ridge Limited, the 'Company' and its controlled entities 'the Group', which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Comet Ridge Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 annual 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 review report.

Adelaide | Brisbane | Melbourne | Newcastle | Perth | Sydney



Nigel Fischer	Jason Evans	Brett Heedrick	Simon Chun	James Field	Felicity Crimston	Murray Graham	Edward Fletcher	Anthony Kazanias
Mark Nicholson	Kyle Lamprecht	Wenwick Face	Jeremy Jones	Daniel Colewell	Cheryl Mason	Andrew Robb	Robert Hughes	Sean Troyahn
Peter Cernenzuli	Norman Thurecht	Cole Wilkinson	Tom Sp Platt	Robyn Cooper	Kieran Walls	Karen Levine	Tracey Norris	Adele Smith

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### Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the financial report, which indicates that the Group's current liabilities exceed its current assets by \$28.9 million. The current liabilities include a financial liability arising from an agreement with CleanCo Queensland Limited, whereby a cash payment of approximately \$27.7 million may become payable, a warrant financial liability of \$2.7 million and deferred consideration payable of \$1.9 million. In addition, the Directors have identified the Group will require additional funding for its ongoing commitments (\$3.7 million) 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 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

### Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Pitcher Partners*  
PITCHER PARTNERS

  
JASON EVANS  
Partner

Brisbane, Queensland  
5 March 2026