

Chartwell and Comet Ridge plan coal seam gas merger; more NZ drilling underway

11 March 2009 - The private Australian coal seam gas exploration company Chartwell Energy Pty Ltd involved in New Zealand exploration plans a merger with listed Brisbane CSG company Comet Ridge.

Chartwell is a partner in the Macdonald-Chartwell coal seam gas joint venture which holds the first coal seam gas mining permit awarded in New Zealand near Greymouth and two exploration permits in Buller and Waikato-Thames Valley areas.

Tor McCaul the chief executive officer of Chartwell Energy, said from Brisbane that the merger would not affect the New Zealand joint venture partnership Chartwell had with Macdonald Investments Ltd a private investment company largely owned by a number of the shareholders of Wellington-based international trading house RC Macdonald Ltd.

The Chartwell-Comet Ridge merged entity is to be known as Comet Ridge and plans a high level of drilling activity in 2009 in New Zealand as well as Australia and the US.

The Comet Ridge merged entity will be owned 55% by Chartwell shareholders and 45% by Comet Ridge.

Mr McCaul will be managing director of the merged Comet Ridge company. Though the original Comet Ridge directors have unanimously accepted the merger, final approval will need to be given by shareholders at a late March meeting.

Mr McCaul said that Macdonald-Chartwell were currently drilling the Matata-1C well in South Auckland in PEP 50280 testing coal seams less than 400 m deep.

Another well is to be drilled in the JV's Buller permit PEP 50279.

In the Greymouth area mining permit seismic is being interpreted before more core holes and pilot wells are drilled, he said.

Source: Chartwell Energy, Comet Ridge and Lindsay Clark