

Operations Update

- **FEED on Vali-1 ST1 connection completed**
- **Vali-1 ST1 well completion deferred to Q1 2021**
- **Vali Field Patchawarra Formation gross reserves: 1P of 12.3 Bscf, 2P of 30.3 Bscf and 3P of 78.9 Bscf, which equates to 1P of 13.4 PJ, 2P of 33.2 PJ and 3P of 86.6 PJ**
- **Nangwarry-1 testing on schedule for late January/early February 2021**
- **Cervantes non-binding LOI regarding rig contract**

Vintage Energy Ltd (ASX: VEN, “Vintage”) advises the following operational updates for the Cooper Basin ATP 2021 Vali gas field project, the Otway Basin PEP 155 Nangwarry-1 testing program and the Perth Basin Cervantes-1 oil prospect drilling program.

Cooper Basin - ATP 2021 (Vintage 50% and operator, Metgasco Ltd 25%, Bridgeport Cooper Basin Pty Ltd 25%)

Front End Engineering and Design (FEED) has now been completed for the Vali-1 ST flowline connection. The results are being reviewed by the Joint Venture and planning is underway to commence the detailed engineering and installation project (subject to regulatory and joint venture approval) in January 2021.

As part of the process necessary for connection, Cultural Heritage and environmental surveys were recently completed in ATP 2021 for the surface facility, flowline and possible future well locations. The process was completed in a timely manner with the Wongkamurra People, Erias/environmental projects and GPA/FYFE. We appreciate and thank all parties for their effort in the summer heat conditions in the Cooper Basin.

Completion works on Vali-1 ST1 recommenced on 13 December 2020. The operation was undertaken to set an isolation packer, install production tubing and the production wellhead. Isolation packers were run into the hole on the production tubing and successfully set on two occasions, however on both occasions pressure testing indicated a leaking seal. A black viscous substance has been noted as a film on the first packer assembly after its retrieval from the borehole. The substance may be precipitating on the casing and causing the packer leaks under pressure testing. Samples have now been sent for analysis to determine chemical composition and a plan will be developed to remove the material on returning to site to finalise the completion in Q1 2021. Although frustrating, deferral of the completion is not critical to the timeline for first production.

Neil Gibbins, Vintage Managing Director, said “Having FEED completed for the Vali-1 ST1 flowline connection is again another step closer to production. We are hopeful that, subject to appropriate agreements and joint venture approval, laying of the flowline will commence in Q2 2021. The next steps will be the procurement of long lead items for the Vali Field connection. Pleasingly, despite the deferral of the completion work, we are on schedule for drilling in the first half of 2021 and aiming for first production by the end of the current financial year.”

As per the release dated 14 December 2020, ERC Equipoise Pte Ltd (“ERCE”) recently completed a rigorous and independent review of the Vali gas discovery and subsequent flow results, and certified 1P, 2P and 3P reserves for the Patchawarra Formation within the Vali gas field. These reserves are detailed in the tables below.

	Gross ATP 2021 Vali Gas Field Patchawarra Formation (1 December 2020)		
	1P	2P	3P
Reserves (Bscf)	12.3	30.3	78.9
Reserves (PJ)	13.4	33.2	86.6

	Net ATP 2021 Vali Gas Field Patchawarra Formation (1 December 2020)		
	1P	2P	3P
Reserves (Bscf)	6.1	15.1	39.4
Reserves (PJ)	6.7	16.6	43.3

Notes

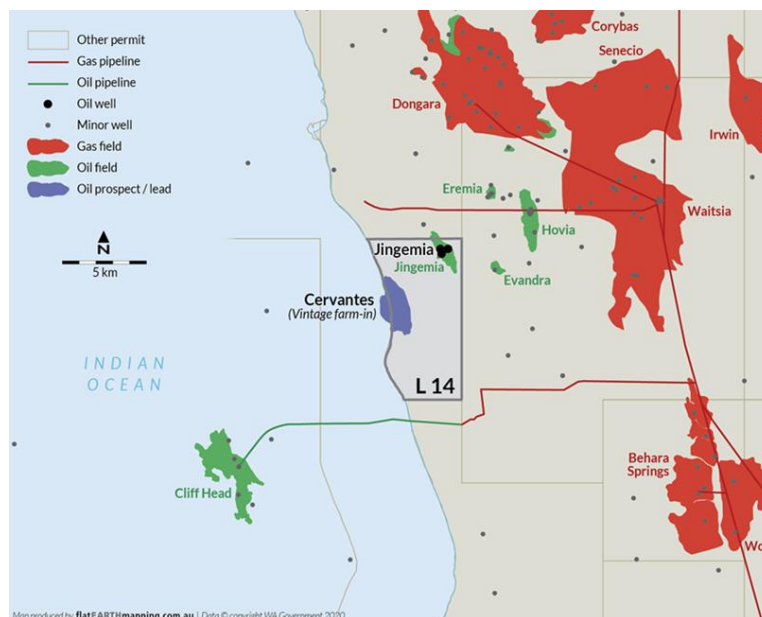
1. Reserves estimates reported here are ERCE estimates, effective 1 December 2020.
2. Vintage is not aware of any new data or information that materially affects the Reserves above and considers that all material assumptions and technical parameters continue to apply and have not materially changed.
3. Reserves estimates have been made and classified in accordance with the Society of Petroleum Engineers (“SPE”) Petroleum Resources Management System (“PRMS”).
4. Net Reserves attributable to Vintage represent the fraction of Gross Reserves allocated to Vintage, based on its 50% interest in ATP 2021.
5. Allowance for Fuel and Flare has been made.
6. Conversion of Bscf to PJ has been estimated based on gas sampled and measured from Vali-1 ST1.
7. ERCE Reserves presented in the tables are the totals for all 20 Patchawarra reservoir intervals.

Otway Basin – PEL 155 (Vintage 50%, Otway Energy Pty Ltd 50% and operator)

The Nangwarry-1 testing program is on schedule to commence late January/early February 2021, with all long lead items ordered and contractors confirmed for that time. The testing will use a snubbing unit from Superior Energy in Victoria and Firetail testing equipment that was brought into the Otway Basin for a recent testing program in Victoria. The testing operations are planned to be conducted over a three week period.

Cervantes Joint Venture (Vintage 30%, Metgasco Ltd 30% and RCMA Australia Pty Ltd (“RCMA”) 40% and operator)

The Cervantes Joint Venture has signed a non-binding Letter of Intent (LOI) with Refine Energy Pty Ltd (“Refine”) to use Refine Rig-2 for the drilling of the Cervantes exploration prospect planned for the first half of 2021.



On 22nd October RCMA entered into a two-well farm-out and tolling agreement with Refine Energy. Under the arrangement Refine will drill two wells in Q1 2021 in the L14 Licence area utilising Refine Rig-2, which is currently stored at RCMA's Jingemia site, approximately 3 km from the proposed Cervantes -1 surface location. The rig is currently undergoing required upgrades and associated inspection which is anticipated to be complete in January.

Under the terms of the Cervantes Joint Venture LOI with Refine, the Mob/Demob is minimal due to the rig proximity to Cervantes reducing the overall estimated drilling cost. Subject to acceptable performance of Refine Rig 2 during the RCMA/Refine 2-well drilling program, the Cervantes prospect will be drilled immediately following this program, allowing optimal rig and crew efficiency. A full rig contract agreement with Refine Energy is being drafted.

This release has been authorised on behalf of the Vintage Energy Limited Board by Mr Neil Gibbins, Managing Director.

For more information contact:

Neil Gibbins

Managing Director

+61 8 7477 7680

info@vintageenergy.com.au