

QUARTERLY REPORT

For period ended 31 March 2021

30 April 2021



HIGHLIGHTS

Otway Basin (PEL 155)

- Strong CO₂ gas flow from Top Pretty Hill Formation
- Extended production test delivers 10.5-10.8 MMscfd through a 48/64" choke at 1,415 psi
- Downhole gauges in place and collecting data over coming weeks for volumetric estimate

Cooper/Eromanga Basins (ATP 2021 and PRL 211)

- Vali-2 field appraisal well spudded (subsequent to quarter end)
- Odin-1 exploration well to be drilled immediately after Vali-2
- ACCC draft determination authorising joint marketing of gas from Vali Field

SUBSEQUENT EVENTS

At Nangwarry-1 in PEL 155 (Vintage 50%), downhole gauges were set at 2,919 metres to record pressure data that will provide an updated volumetric estimate of the Nangwarry reservoir. These gauges have been recovered, with data from the gauges to be analysed over the period from late April to early May.

At Vali-2 in ATP 2021 (Vintage 50% and operator), the SLR Rig-184 commenced drilling Vali-2, with drilling expected to be completed around mid-May. The primary objectives of Vali-2 are to appraise the extent of the Patchawarra Formation gas accumulation discovered in Vali-1 ST1, as well as assess the potential for gas in the Toolachee Formation four-way dip closure, not tested in Vali-1 ST1.

Firetail Energy Services Pty Ltd, an oil and gas service provider that was a potential farm-in partner in EP 126 in the Northern Territory, has gone into administration. As a result of this, the farm-in agreement with Vintage to earn a 10% equity in EP126 will be terminated. Interest is being shown in the permit and Vintage will pursue those interests in a bid to attract a joint venture partner to the project.

OPERATIONS

Otway Basin, South Australia/Victoria

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

Nangwarry-1 was perforated across the targeted zones in the Top Pretty Hill Formation, with flow testing now complete. The well produced strongly and delivered 10.5-10.8 million standard cubic feet per day ("MMscfd") through a 48/64" choke at a flowing wellhead pressure of 1,415 psi over a 36-hour period. This flow was measured through a 3" orifice plate and choked back in order to analyse the well over this extended flow period with stable conditions. The well is very productive and, over shorter periods and on various chokes, flowed at rates up to 22 MMscfd which were well in excess of those measured during the extended flow test.

Excellent flows from the perforations within the Top Pretty Hill Formation have now demonstrated the column height of the carbon dioxide ("CO₂") accumulation to be at least 120 metres, an increase from the 90 metres previously advised.

During the latter part of the flow testing period a production logging tool ("PLT") was run. The logging passes across the perforations were run at 30, 60, 90 feet/min while flowing at a restricted rate by a 32/64" choke at approximately 6 MMscfd, then at a restricted rate by a 48/64" choke at approximately 11 MMscfd and finally

while shut-in. The PLT data will now be assessed to determine the relative contributions from each of the perforated zones.

Once the PLT was pulled from the hole, downhole gauges were programmed and run into the hole and set at 2,919 metres to record pressure data for the extended flow and shut-in periods. Once the extended shut-in pressure data has been acquired and analysed, a more accurate volumetric estimate of the recoverable CO₂ will be obtained. Prior to testing, gross recoverable estimates for Nangwarry-1 CO₂ were estimated at: Low of 7.8 Bcf (3.9 Bcf net), Best of 25.1 Bcf (12.6 Bcf net), High of 82.1 Bcf (41.1 Bcf net) (refer ASX release dated 31 August 2020).

The production test and collection of volumetric data is a key milestone toward first production of food grade CO₂. The data to be retrieved from downhole gauges will confirm volumes of saleable CO₂ and allow the Joint Venture to consider appropriate debt funding options for the infrastructure required to produce food grade CO₂. The co-produced methane (approximately 8%) can be used to power the production plant, with Supagas already commissioning preliminary design work for a CO₂ plant, in line with the MOU signed in 2020 (refer ASX release dated 25 August 2020).

A stable source of CO₂ is currently in high demand, with uses for food grade CO₂ including refrigeration/dry ice (needed for storage of some vaccines), carbonation for soft drinks and beer, firefighting, medical devices and winemaking.

Cooper/Eromanga Basins, Queensland and South Australia

ATP 2021 (Vintage 50% and operatorship, Metgasco Ltd (“Metgasco”) 25% and Bridgeport (Cooper Basin) Pty Ltd 25%)

The Joint Venture elected to prioritise assessment of the resource upside of the Vali gas field and surrounding area, which will include the drilling of Vali-2 (and Odin-1) ahead of the purchase of flowline infrastructure. A rig contract was signed with Schlumberger to use SLR Rig-184 to drill Vali-2 and Odin-1, with an option to drill a further ATP 2021 Vali well.

Vali-2 will appraise the primary reservoir in the field, the Patchawarra Formation, and investigate a potential Toolachee Formation gas accumulation in the Vali structure. Success in the Toolachee will provide additional reserves to those recently certified in the Patchawarra Formation. As well as this, desktop studies will address further prospectivity and potential upside in the region. It is expected that this approach will deliver an appropriately sized flowline over the long-term, allow for the potential development of a production hub, and provide greater amounts of gas for marketing during a period of rising gas price.

Once Vali-2 drilling has completed, the rig will be mobilised to the South Australian side of the border to drill Odin-1. The completion of Vali-1 ST1 will now take place at the same time as completion activities at Vali-2 and Odin-1, assuming they are successful, to allow for a cost-efficient campaign approach to well completions.

Although procurement of flowline equipment will now follow the prioritised evaluation program, other non-equipment related activities, such as route surveying, environmental approvals, and government approvals, are continuing. This will ensure an efficient installation of the flowline once equipment selection has been approved.

An application to the ACCC for the Joint Venture to enter into joint marketing arrangements was made, with the ACCC issuing a draft determination authorising gas produced from the Vali Field to be jointly marketed. Authorisation will allow the parties to jointly negotiate and enter into long-term gas agreements with customers for the supply of gas from the Vali field.

Total Vali Field reserves are detailed below.

	Gross ATP 2021 Vali Gas Field Patchawarra Formation (1 December 2020)		
	1P	2P	3P
Reserves (Bcf)	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 (Bcf)	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 Bcf 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.

Resource Evaluator

ERCE is an independent consultancy specialising in petroleum reservoir evaluation. Except for the provision of professional services on a fee basis, ERCE has no commercial arrangement with any other person or company involved in the interests that are the subject of this Contingent Resources evaluation.

The work has been supervised by Mr Adam Becis, Principal Reservoir Engineer of ERCE's Asia Pacific office who has over 14 years of experience. He is a member of the Society of Petroleum Engineers and also a member of the Society of Petroleum Evaluation Engineers.

PRL 211 (Vintage 42.5% and operator, Metgasco Ltd 21.25%, Bridgeport (Cooper Basin) Pty Ltd 21.25%, Beach Energy Ltd 15%)

The Joint Venture has accelerated the drilling of the Odin prospect, with the Odin-1 well expected to be drilled around May/June 2021 (following Vali-2). Odin-1 is being drilled to address a large fault bounded Patchawarra Formation closure, up dip of Strathmount-1, a well drilled in 1987 and plugged and abandoned after discovering what was then considered a non-commercial hydrocarbon accumulation. Strathmount-1 is interpreted to have conventional gas pay in the Toolachee Formation and both conventional and low permeability gas pay in the Patchawarra Formation. Stratigraphically trapped gas outside of mapped closure provides gas resource upside.

The Odin structure has been de-risked by the success at Vali-1 ST1 and has the potential for gas in the Toolachee Formation (~8 metres of structural relief over nearly 5.2 km²), with a 40% chance of success ("COS") and high chance of development, and the Patchawarra Formation (~15 metres of structural relief over nearly 2.5 km²), with a COS of 32% and high chance of development. The Odin structure has a Gross Prospective Resource of: 1U low estimate of 3.6 Bcf (1.6 Bcf net), 2U best estimate of 12.6 Bcf (5.7 Bcf net), 3U high estimate of 42.6 Bcf (19.0 Bcf net) (refer ASX release dated 22 November 2019).

Perth Basin, Western Australia

Cervantes Structure (L 14) (Vintage earning 30%, Metgasco earning 30% and RCMA Australia Pty Ltd (“RCMA”), 40%)

The Cervantes Joint Venture 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. It is anticipated that the Cervantes well will be drilled once the drilling campaign between RCMA and Refine is completed.

The Cervantes prospect sits within the L14 licence granted over the Jingemina oilfield and surrounds and is a high-side fault trap of multiple Permian sandstone reservoir targets (prolific producers in Perth Basin). The COS is 28% and it has a high chance of development due to its close proximity to the Jingemina oil field and processing facility. The Cervantes prospect has a Gross Prospective Resource of: 1U low estimate of 6.0 MMbbl (1.8 MMbbl net), 2U best estimate of 15.3 MMbbl (4.6 MMbbl net), 3U high estimate of 41.9 MMbbl (12.6 MMbbl net) (refer ASX release dated 15 November 2019).

CORPORATE

Related parties

Payments to related parties, as disclosed at Item 6.1 in the Company’s Cash Flow Report attached to this report (Appendix 5B) for the 3 months ended 31 March 2021, consists of \$132,822 remuneration and \$12,619 superannuation.

Top 10 Shareholders (21 April 2021)

Position	Holder Name	Holding	%
1	BNP PARIBAS NOMS PTY LTD <DRP>	63,987,678	10.57%
2	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	32,362,001	5.35%
3	MR DOMINIC VIRGARA	17,150,000	2.83%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,502,807	2.56%
5	UBS NOMINEES PTY LTD	12,750,000	2.11%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	11,694,500	1.93%
7	HOWZAT SERVICES PTY LTD<HOWARTH SUPER FUND A/C>	9,077,842	1.50%
8	EQUITAS NOMINEES PTY LIMITED <PB-600853 A/C>	8,892,780	1.47%
9	N M GIBBINS	8,754,075	1.45%
10	AURELIUS RESOURCES PTY LTD <THE NELSON SUPER FUND A/C>	8,083,519	1.34%
	Total	188,255,202	31.10%
	Total issued capital - selected security class(es)	605,305,846	100.00%

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Vintage's planned operational program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Vintage believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements. Vintage confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

VINTAGE ENERGY LIMITED

ABN

56 609 200 580

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$A	Year to date (9 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(53,218)	(53,218)
(b) development		
(c) production		
(d) staff costs	(642,890)	(1,644,370)
(e) administration and corporate costs	(69,661)	(750,054)
1.3 Dividends received (see note 3)		
1.4 Interest received	455	1,349
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	0	100,000
1.8 Other (corporate recoveries)	0	39,440
1.9 Net cash from / (used in) operating activities	(765,314)	(2,306,853)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(19,740)	(27,930)
(d) exploration & evaluation	(3,301,593)	(5,811,254)
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A	Year to date (9 months) \$A
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (rental payments)	(47,763)	(122,978)
2.6	Net cash from / (used in) investing activities	(3,369,096)	(5,962,162)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	15,317,167
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	(877,270)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	0	14,439,897
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	13,748,531	3,443,239
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(765,314)	(2,306,853)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,369,096)	(5,962,162)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	14,439,897

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A	Year to date (9 months) \$A
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	9,614,121	9,614,121

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1	Bank balances	9,476,256	13,610,666
5.2	Call deposits *	30,000	30,000
5.3	Bank overdrafts		
5.4	Other (security deposits) *	107,865	107,865
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,614,121	13,748,531

*Amount is restricted

6.	Payments to related parties of the entity and their associates	Current quarter \$A
6.1	Aggregate amount of payments to related parties and their associates included in item 1	145,441
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A
8.1 Net cash from / (used in) operating activities (item 1.9)	(765,314)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,301,593)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,066,907)
8.4 Cash and cash equivalents at quarter end (item 4.6) **	9,476,256
8.5 Unused finance facilities available at quarter end (item 7.5)	
8.6 Total available funding (item 8.4 + item 8.5)	9,476,256
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.3
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

** Difference between item 8.4 and item 4.6 reflects amounts that are restricted. Refer item 5.1.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30/04/2021

Authorised by: Simon Gray – Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.