

Gas flow starts from Vali: revenue starts for Vintage; new supply to eastern Australia

- **Vali field first gas on Tuesday 21 February**
- **Significant new gas field now supplying eastern Australia**
- **Supply and revenue generation 3 years from discovery**
- **Vintage commences revenue generation 4.5 years from ASX float**
- **Odin gas field connection advancing with flowline laid**

“Our expectation is Vali, and the Odin gas field nearby, will be supplying gas to eastern Australia for many years” - Neil Gibbins, Managing Director, Vintage Energy.

Vintage Energy Ltd (ASX: VEN, “Vintage”), 50% interest holder and Operator of the ATP 2021 Joint Venture (other interest holders: Metgasco Ltd, 25%; and Bridgeport (Cooper Basin) Pty Ltd, 25%,) advises gas supply from the Vali gas field commenced Tuesday 21 February 2023.

Vali is supplying gas to eastern Australia under a long-term gas supply agreement with AGL Energy Limited (“AGL”). The field, among the larger gas discoveries in the Cooper Basin in the past decade, is independently certified as having proved and probable gas reserves of 101 petajoules¹ (PJ) (Vintage share 50.5 PJ). Vali is to supply an estimated 9 PJ to 16 PJ gas to AGL from field start-up to end-2026, under Vintage’s inaugural gas contract.

“First production and first revenue generation is a landmark event for every company” said Vintage Managing Director, Neil Gibbins.

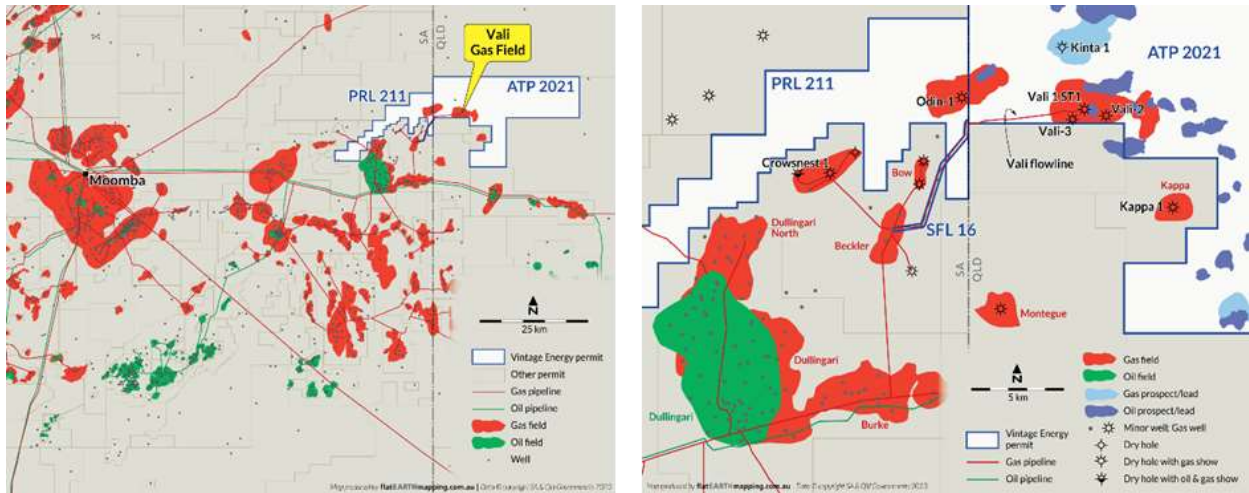
“For an exploration company to reach this point, let alone within four and a half years of floating, is noteworthy. The achievement was made possible by the support and contribution of many, starting with our shareholders and ATP 2021 joint venturers. The efforts and vigilance of our employees and contractors has preserved an LTI and environmental incident-free record. Their persistence enabled the project to progress in the face of obstacles and disruption brought by Covid and consequent supply chain issues.

“AGL showed its willingness to step up and encourage new players with new supply; something keenly needed by the east coast gas market. By pre-paying the joint venture \$15 million, AGL enabled Vali to be brought online much earlier than would otherwise have been the case. The long-term supply agreement with AGL was pivotal to Vintage securing the capital required to commit to the project.

¹ Announced to the ASX 5 November 2021. Vintage Energy confirms it is not aware of any new information or date that materially affects the information included in the announcement and that all the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply.

“I would like to acknowledge the support and role played by the Queensland State Government in facilitating the discovery, appraisal and connection of the Vali gas field. The South Australian Government and the Cooper Basin Joint Venture are to be thanked for their role in enabling integration into the Moomba gas gathering network.

“Our expectation is Vali, and the nearby Odin gas field, will be supplying gas to eastern Australia for many years. The facilities and pipeline installed for these first flows will be an initial production solution on full field development in the coming years.” said Mr Gibbins.



Location of Vali and Odin gas fields

Vintage has refrained from contracting the bulk of the field’s gas reserves, as it builds a thorough understanding of the field’s producing reservoirs from its three existing wells. The understanding acquired over the first 6 – 9 months of production will inform the preparation of a full field development plan and marketing of Vali’s uncontracted gas, which currently stands at 85 PJ (gross, Vintage share 42.5 PJ). The Odin gas field (located approximately 7 km west of Vali) has been independently certified as containing a 2C resource of approximately 40 PJ of gas (Vintage share 19 PJ)².

Vintage floated on the ASX in September 2018, with a strategy to address the opportunities foreseen arising in gas supply to eastern Australia and a board and management team proven in finding and developing oil and gas in Australia.

Gas from Vali undergoes initial separation and metering through facilities recently installed and commissioned at the field from where it is transported to join the Moomba gas gathering network at Beckler. Processing is undertaken at the Moomba facility prior to sale.

Vali-1 is currently producing from the Patchawarra Formation, although the well has been completed as a dual producer with capacity to produce from the Toolachee Formation.

² As announced in the Vintage Energy 2022 Annual Report. Vintage Energy confirms it is not aware of any information or data that materially affects the information contained in the announcement and technical parameters underpinning the information in the announcements continues to apply and have not materially changed.

Work to bring Vali-3 then Vali-2 to commissioning is continuing. Current expectations are for first gas from Vali-3 in early March and from Vali-2 later in that month.

“The focus in this initial production appraisal period will be on assessing and learning from the performance of the individual producing reservoirs in each well, rather than short-term output maximisation.

“By the second half of this calendar year we expect to be in a position to outline the most value-accretive development plan for the field and the scale and profile of an expanded gas supply we can take to market,” said Mr Gibbins.

Odin

Work on connecting the nearby Odin gas field to market has been advancing. The Fiberspar pipe to connect the field to the Vali-Beckler pipeline has been laid. FEED on the connection has commenced. This link will provide an interim accelerated connection to enable Odin gas to flow to the east coast market as soon as practicable.

Supply from Odin through the interim accelerated connection is projected to be possible in the third quarter of calendar 2023.

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

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About Vintage

Vintage Energy (ASX: VEN) is an oil and gas exploration and production company supplying gas to eastern Australia domestic energy users from the Cooper Basin, Australia. The company is the Operator and largest interest holder of the Vali and Odin gas fields. Marketing of the largely uncontracted gas from these fields is expected to underpin ongoing development of Vintage’s gas contract portfolio and future production.

Vintage is pursuing additional resources through appraisal of the fields and exploration of its acreage in proven petroleum provinces in the Cooper, Otway, Galilee and Bonaparte Basins. Commercialisation of the high-grade Nangarry carbon dioxide resource in the onshore Otway Basin holds potential for long-term value generation.