

QUARTERLY REPORT

For period ended 31 December 2020

29 January 2021



HIGHLIGHTS

Cooper/Eromanga Basins (ATP 2021)

- Front End Engineering Design (FEED) and Cultural Heritage and environmental surveys completed
- Strong conversion of 2C Contingent Resources to 2P Reserves
- Vali Field Patchawarra Formation gross reserves: 1P of 12.3 Bcf, 2P of 30.3 Bcf and 3P of 78.9 Bcf, which equates to 1P of 13.4 PJ, 2P of 33.2 PJ and 3P of 86.6 PJ
- Potential for future resource bookings in Tirrawarra, Toolachee and Nappamerri
- Discussions with Santos re processing Vali gas ongoing
- Further Vali well locations identified and rig under consideration

Otway Basin (PEL 155)

- Long lead items on order and rig secured for Nangwarry-1 flow test
- Nangwarry-1 testing scheduled for mid to late February 2021

Perth Basin, Cervantes Structure (L 14)

- Cervantes non-binding letter of intent regarding rig contract issued and contract negotiations underway

OPERATIONS

Cooper/Eromanga Basins, Queensland and South Australia

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

FEED for the Vali-1 ST1 connection to the Beckler Field (which is connected to the Dullingari facilities and ultimately Moomba) was awarded to GPA Engineering. The main objective of the now completed FEED phase was to complete the necessary engineering to identify long lead items and refine the cost estimate for a final investment decision, which will then initiate the procurement stage.

To maximise value from the Vali gas field, through increased production and resultant cash flow, further wells are planned. To this end, potential locations for further drilling in the field have been identified and are under discussion within the joint venture, with rig scouting for these wells underway. The development concept for the Vali gas field (refer ASX release dated 17 September 2020) identified that up to nine fracture stimulated vertical wells will be targeted for optimal production from reservoirs in the Patchawarra Formation and the Tirrawarra Sandstone. The first two wells in this program are under consideration for drilling in the first half of 2021 (subject to regulatory and joint venture approvals and rig availability), and they will appraise upside potential in sands within the Toolachee Formation and Nappamerri Group.

Completion of the Vali-1 ST1 well is necessary ahead of connecting the well into the Moomba gathering system. During the quarter, production tubing was run into the hole with isolation packers successfully set on two occasions, however, pressure testing via the production tubing in the well bore indicated a leaking seal assembly on the completion. A black viscous substance was 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. Although frustrating, deferral of the completion is not critical to the timeline for first production.

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 Wongkumara People, Erias/environmental projects and GPA/FYFE and we appreciate and thank all parties for their effort to complete this work in a timely manner.

First reserves for the Vali Field were certified by ERC Equipose Pte Ltd (“ERCE”), which completed a rigorous and independent review of the Vali gas discovery and subsequent flow results. The Vali-1 ST1 well discovered stacked gas pay in the Nappamerri, Toolachee, Patchawarra and Tirrawarra Formations, however, the scope of the ERCE reserves certification was for the Patchawarra Formation reservoir only. The reserves booking is the first for Vintage and supports commercialisation of the Vali gas field with its planned connection into the Moomba gathering system.

In its report, ERCE estimated gross 1P reserves for the Patchawarra Formation of 12.3 billion standard cubic feet (“Bcf”), 2P of 30.3 Bcf and 3P of 78.9 Bcf which equates to 1P of 13.4 petajoules (“PJ”), 2P of 33.2 PJ and 3P of 86.6 PJ.

Vintage is hopeful that gas produced from the Vali Field will be much greater than the 2P figure estimated by ERCE, with upside to potentially come from stacked reservoirs, including the shallower Nappamerri Group and Toolachee Formation. Vintage has brought this project from farm-in, to discovery, to successful testing and now to reserves booking in just over one year, which is an outstanding achievement for a company at such an early stage since listing.

The total reserves gross and net reserves bookings 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.

Otway Basin, South Australia/Victoria

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

The testing of the Nangwarry-1 well is expected to take place mid to late February 2021, with all long lead items ordered and contractors confirmed for that time. The testing will use a rig from Superior Energy in Victoria and testing equipment from Firetail 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.

The testing program will include a short flow test of the mid-Pretty Hill Sandstone, which will be followed by the shallower zone and flow test of individual sands in the interpreted CO₂ column at the top of the Pretty Hill Sandstone. The test will be completed once a desired stabilised flow rate and volumetric estimate of the recoverable CO₂ is obtained. Gross recoverable estimates for Nangwarry-1 CO₂ are: Low of 7.8 Bcf, Best of 25.1 Bcf, High of 82.1 Bcf (refer ASX release dated 31 August 2020).

Galilee Basin, Queensland

Deeps (Vintage 30%, Comet Ridge Ltd ("Comet") 70% and operator)

Onsite operations at the Albany gas field have been suspended by the operator. Further updates will be made on the Deeps joint venture when available.

Perth Basin, Western Australia

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

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 2020, RCMA entered into a two-well farm-out and tolling agreement with Refine. Under the arrangement Refine will drill two wells in Q1 2021 in the L14 Licence area utilising Refine Rig-2, which is currently undergoing upgrades onsite at RCMA's Jingemina site, approximately 3 km from the proposed Cervantes-1 surface location.

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 two-well drilling program, the Cervantes prospect is planned to be drilled immediately following this program, allowing optimal rig and crew efficiency. A full rig contract agreement with Refine is being finalised.

CORPORATE

Capital raising

A capital raising was completed during the quarter raising gross proceeds of \$15.2 million. The capital raising consisted of a placement to institutional and sophisticated/professional investors at an issue price of \$0.06

per share for \$3.1 million, and a non-renounceable entitlement offer (“Entitlement Offer”) also at \$0.06 per share, on a 1 for 2 basis, for \$12.1 million.

The Placement price of \$0.06 per share represented a discount of 14.3% to Vintage’s last closing price of \$0.07 per share on 14 September 2020 and a 20.2% discount to the 5-day VWAP.

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 December 2020, consists of \$122,501 of remuneration and superannuation of \$21,026.

Top 10 Shareholders (22 January 2021)

Position	Holder Name	Holding	%
1	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	80,419,512	13.32%
2	BNP PARIBAS NOMS PTY LTD <DRP>	61,129,064	10.13%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	15,173,134	2.51%
4	MR DOMINIC VIRGARA	15,150,000	2.51%
5	UBS NOMINEES PTY LTD	12,750,000	2.11%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	12,119,500	2.01%
7	HOWZAT SERVICES PTY LTD<HOWARTH SUPER FUND A/C>	9,077,842	1.50%
8	AURELIUS RESOURCES PTY LTD <THE NELSON SUPER FUND A/C>	8,083,519	1.34%
9	N M GIBBINS	7,816,575	1.29%
10	MR REGINALD GEORGE NELSON & MRS SUSAN MARGARET NELSON <GROUNDHOG A/C>	7,661,176	1.27%
	Total	229,380,322	38.00%
	Total issued capital - selected security class(es)	603,644,346	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 December 2020

Consolidated statement of cash flows	Current quarter \$A	Year to date (6 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(494,878)	(1,001,480)
(e) administration and corporate costs	(357,121)	(680,393)
1.3 Dividends received (see note 3)		
1.4 Interest received	361	894
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	12,500	100,000
1.8 Other (corporate recoveries)	39,440	39,440
1.9 Net cash from / (used in) operating activities	(799,698)	(1,541,539)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(8,190)	(8,190)
(d) exploration & evaluation	(939,543)	(2,509,661)
(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 (6 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)	(42,923)	(75,215)
2.6	Net cash from / (used in) investing activities	(990,656)	(2,593,066)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	12,072,893	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	(660,342)	(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	11,412,551	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	4,126,334	3,443,239
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(799,698)	(1,541,539)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(990,656)	(2,593,066)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11,412,551	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 (6 months) \$A
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	13,748,531	13,748,531

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	13,610,666	3,988,469
5.2	Call deposits *	30,000	30,000
5.3	Bank overdrafts		
5.4	Other (provide details) *	107,865	107,865
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	13,748,531	4,126,334

*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	143,527
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)	(799,698)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(939,543)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,739,241)
8.4	Cash and cash equivalents at quarter end (item 4.6) **	13,610,666
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	13,610,666
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.8
<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:29 January 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.