

Highly successful Vali-1 ST1 flow-test program completed

- **Two day test with measured stabilised flow rate of 4.3 MMscfd through 36/64” choke at 942 psi**
- **All fracture stimulated zones contributing to gas flow**
- **Reserve assessment commenced**
- **Independently certified gross 2C Contingent Resource of 37.7 Bcf (18.8 Bcf Net)¹**

The ATP 2021 joint venture (Vintage Energy Ltd (ASX: VEN, “Vintage”) 50% and operator, Metgasco Ltd 25% and Bridgeport (Cooper Basin) Pty Ltd 25%) is pleased to advise that the highly successful flow test program for Vali-1 ST1 has completed. During the extended flow test program, a rate of 4.3 MMscfd of gas was measured through a 36/64”choke at a flowing well-head pressure (“FWHP”) of 942 psi over a two-day period. Transient tests were also undertaken with rates recorded between 3.7 MMscfd (through a 24/64” choke at 1,676 psi FWHP) and 7.5 MMscfd (through a 32/64” choke at 1,593 psi FWHP).

Neil Gibbins, Vintage Managing Director, said “We are ecstatic with the results of the stimulation and flow test work. The program was a resounding success, with all fracture stimulated zones contributing to the overall gas flow from the well. The team has worked incredibly hard and diligently on this opportunity which takes us a massive step toward realising one of our initial strategic imperatives, that being the delivery of gas to the east coast of Australia.”



Figure 1: Gas flare at Vali-1 ST1

1. Refer ASX release dated 29 April 2020

The program was carried out safely and as planned. Strong rates were achieved during all flow periods and quick pressure build-ups were observed during all shut-in periods, with pressure levels quickly approaching around 3,000 psi. All flow rates were restricted through varying choke sizes to ensure proppant was not returned from the formation into the well bore, therefore avoiding any reduction in the effectiveness of the stimulation process.

During the flow testing of the well, the following activities were undertaken:

- Production Logging Tool run – determined that gas was being contributed by each of the stimulated zones
- Shut-ins – designed to observe the pressure response of the reservoir, with pressure readings reaching 2,932 psi
- Flow testing – transient tests were undertaken under various choke sizes of 24/64”, 32/64” and 40/64” over three equal periods of six hours. During these tests, rates were recorded between 3.7 MMscfd at 1,676 psi FWHP and 7.5 MMscfd at 1,593 psi FWHP. These transient tests were followed by an extended flow test through a choke size of 36/64” for two days, during which the well flowed at 4.3 MMscfd at 942 psi FWHP
- Gas samples taken – currently being analysed

As a consequence of the flow testing of the well, we estimate that the initial production flow rate for the Vali-1 ST1 well could be more than 5 MMscfd.

All this information will be assessed and incorporated into a commercialisation plan for the asset, which will include an estimate of the number of development wells required to efficiently produce gas and maximise returns from the Vali Field. The well will now be completed, with production tubing to be installed during October 2020. Discussions are underway with Santos Ltd, the Cooper Basin Joint Venture operator, on connection of the field into the Moomba gas gathering system. All remaining equipment used during the program will be demobilised from site today.

Neil Gibbins continued, “I would like to thank all of our stakeholders who supported the company and allowed it to thrive during this difficult period. We acknowledge the Wongkamurra people, the traditional custodians of the area, and the owners and management of Nappa Merrie Station, for their cooperation. Thanks go to the contractors working on-site, our joint venture parties for their support, the State governments for assisting with the cross-border logistics of the operation, and our industry bodies, APPEA and SACOME, who have assisted us with obtaining approvals to proceed in the current restrictive COVID-19 environment. In a time where industry projects are being delayed, Vintage has continued with a safe, high value project that we believe will soon be delivering gas to market with sustainable returns for our shareholders. The talent of our team here at Vintage is on full display with this success. Again, I would like to thank them for all their hard work, commitment and showing how working as a team can lead to great outcomes.”

This release has been authorised on behalf of Vintage Energy Limited by Mr Neil Gibbins (Managing Director).

For more information contact:

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Shareholder information

During the recent capital raising, it was evident that a number of Vintage shareholders have not provided up to date information to the manager of our share registry, Automic. If you have not done this, we encourage you to contact Automic to ensure your information is correct and up to date.

The Automic Investor Portal offers a simple experience for managing your holdings online, by visiting <https://investor.automic.com.au>

- Fast and simple: update details in real-time, including address, Tax File Number/Australian Business Number, banking details and communication preferences;
- Consolidated holdings: manage all holdings in the one place;
- Secure and convenient: print all available Shareholder communications and statements; and
- View your activity: view holding balances, transactions and payment history.

Alternatively, you can contact the company's Share Registry at:

Postal Address: Automic Pty Limited
 GPO Box 5193
 Sydney NSW 2001

Phone: 1300 288 664 within Australia
 +61 2 9698 5414 from outside Australia

Live Webchat: www.automicgroup.com.au

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