

Vintage moves closer to realising exploration potential of EP126

- **Vintage attracts farm-in partner for the onshore Bonaparte Basin EP126 permit**
- **Partial funding of well test places significant value on the EP126 permit**
- **2019 operational activity now being planned**

Vintage Energy Ltd (Vintage, ASX: VEN) is pleased to announce an executed binding Heads of Agreement with Firetail Energy Services Pty Ltd (Firetail) for it to become a joint venture partner in the EP126 permit (onshore Bonaparte Basin, Northern Territory). Under the terms of the agreement, Firetail will earn a 10% interest in EP126 through the provision of \$850,000 of services for the testing of Cullen-1, the total cost of which is currently estimated at \$3.2 million. This contribution by Firetail, and the formation of the joint venture, places considerable value on the EP126 permit and its exploration potential. Vintage will retain a 90% interest in the permit and operatorship.

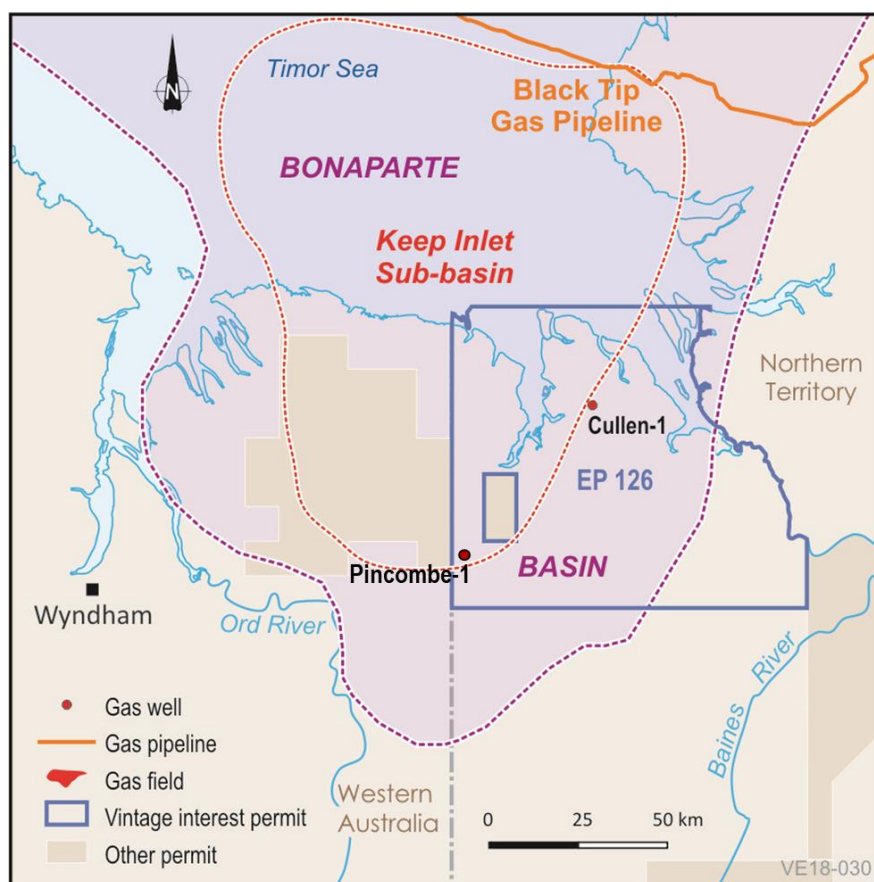


Figure 1: Location of EP126

Firetail is a well-respected provider of services to the oil and gas industry in Australia and will value add to the joint venture through its relevant experience and access to equipment. Subject to receiving all the necessary regulatory approvals, ministerial approval of the farm-in and satisfaction of conditions precedent, the joint venture plans to test the Cullen-1 well prior to the wet season this year. This testing will take place over four zones in a thick section of carbonates, which are interpreted to exhibit natural fractures and vuggy porosity, an occurrence of large, irregularly shaped pore spaces that can reservoir oil and gas. Encouraging gas shows were observed during the drilling of Cullen-1, which the previous operator cased and suspended for future testing. A positive result from the test would likely lead to further seismic acquisition and exploration/appraisal drilling. The conditions precedent of title transfer registration (Beach Energy Ltd to Vintage) and entering into a services agreement with Firetail, are expected to be fulfilled in the coming weeks.

In addition to this carbonate play, there is also a basin margin play for algal build-ups (reef carbonates) within the Ningbing Limestone. Similarly, toward the margins of EP126, there is potential for an oil play in the younger up-dip sandstones of the Weaber Group. A seismic survey would further define these play concepts and assist in delineating any favourable structural traps for drilling.

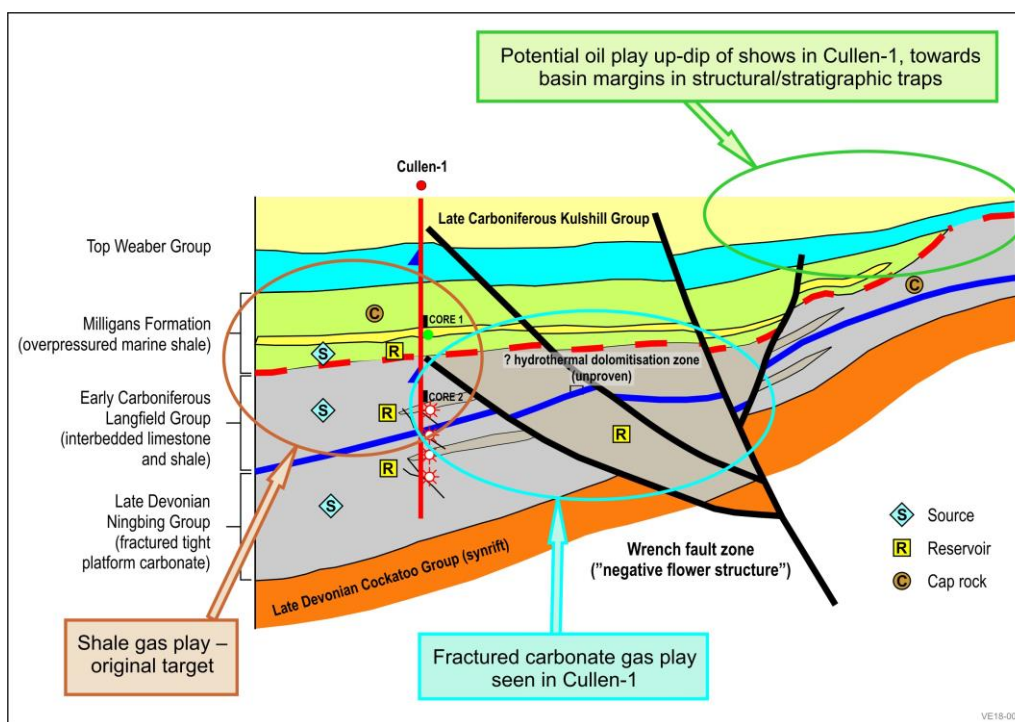


Figure 2: Play concepts within EP126

Should exploration in the permit be successful, there are a number of potential routes to market, including local industrial users for any oil, gas and/or condensate discovered in commercial quantities.

In addition to operational planning, Vintage has commenced preparing the requisite regulatory requirements to operate and undertake on-ground activities in the permit. Vintage is looking forward to working with our new joint venture partner, Firetail, and the Department of Primary Industries and Resources (DPIR), the Department of Environment and Natural Resources (DENR), the Northern Territory Environmental Protection Authority (NTEPA), the traditional landowners and all other stakeholders in relation to this prospective permit.

Managing Director, Neil Gibbins said “This joint venture with Firetail is an excellent outcome for Vintage and is consistent with our strategy. The partnership will provide the expertise and access to well testing equipment required to realise the potential of the EP126 permit. This joint venture, along with the progress being made on the regulatory front in the Northern Territory to encourage responsible exploration, has moved this exciting project a number of steps closer to being realised.”

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About Vintage

The natural gas supply crisis currently afflicting the eastern part of Australia and the energy market more widely have been the catalysts for the creation and ASX listing of Vintage, with Reg Nelson (former Managing Director of Beach Energy Ltd) as Chairman and Neil Gibbins (former Chief Operating Officer of Beach Energy Ltd) as Managing Director. The company has acquired high quality gas exploration and appraisal assets close to infrastructure with the potential for rapid development and the promise of early cash flow. Vintage will continue to identify and seek to acquire further high-quality gas exploration and production assets with a focus on those that offer the potential for accelerated pathways to commercialization.

Oil potential in prominent onshore basins is also a key focus, particularly given the experience of Vintage team members in discovering and developing oil fields on the Western Flank of the Cooper-Eromanga basins in South Australia.

About Firetail Energy Services Pty Ltd

Firetail was founded in 2016 as a provider of quality services to the Oil and Gas Industry. Concentrating on Upstream Operations and Production Services, Firetail assists operators to evaluate Oil and Gas reservoirs with services ranging from downhole data acquisition through to early production facilities. Firetail's core services include Well Test, Flow Back, Fluid Management, Drill Stem Testing, Slickline, Wireline, Permanent Monitoring and Well Integrity. Firetail's focus is on providing quality personnel, affordable technology, research, development and collaboration while ensuring that sustainable practices are engaged in all of Firetail's operations. Firetail has rapidly grown into a leading service provider in the Oil and Gas Industry and continues to provide effective and high-quality solutions to Firetail's clients thanks to the vision of Managing Director, Mike Wayne, and his team at Firetail.