

Vintage Energy enters the Cooper/Eromanga Basins

- Vintage to acquire a 50% interest in ATP 2021 from Metgasco
- Highly prospective permit with drill ready prospects
- Targets identified from recent 3D seismic
- Vintage to be operator
- Planning underway for first well in 2019

Vintage Energy Ltd (Vintage, ASX: VEN) is pleased to announce an executed binding Heads of Agreement (HoA) with Metgasco Ltd (Metgasco, ASX: MEL) to become a joint venture partner in the ATP 2021 permit on the Queensland side of the Cooper/Eromanga Basins. The HoA is subject to usual conditions precedent including obtaining ministerial approval and any other necessary consents affecting the permit. These will be sought and agreed prior to signing the farm-in agreement, with both parties using best endeavours to have this undertaken by 30 June 2019. Under the terms of the HoA, Vintage will earn a 50% interest in ATP 2021 through contributing 65% of the cost of the first well (up to a gross cost of AU\$5.3 million) and past exploration costs (65% of which is \$527,800). Vintage will also fund up to \$70,000 of 2D and 3D seismic reprocessing to better define exploration leads in the permit.

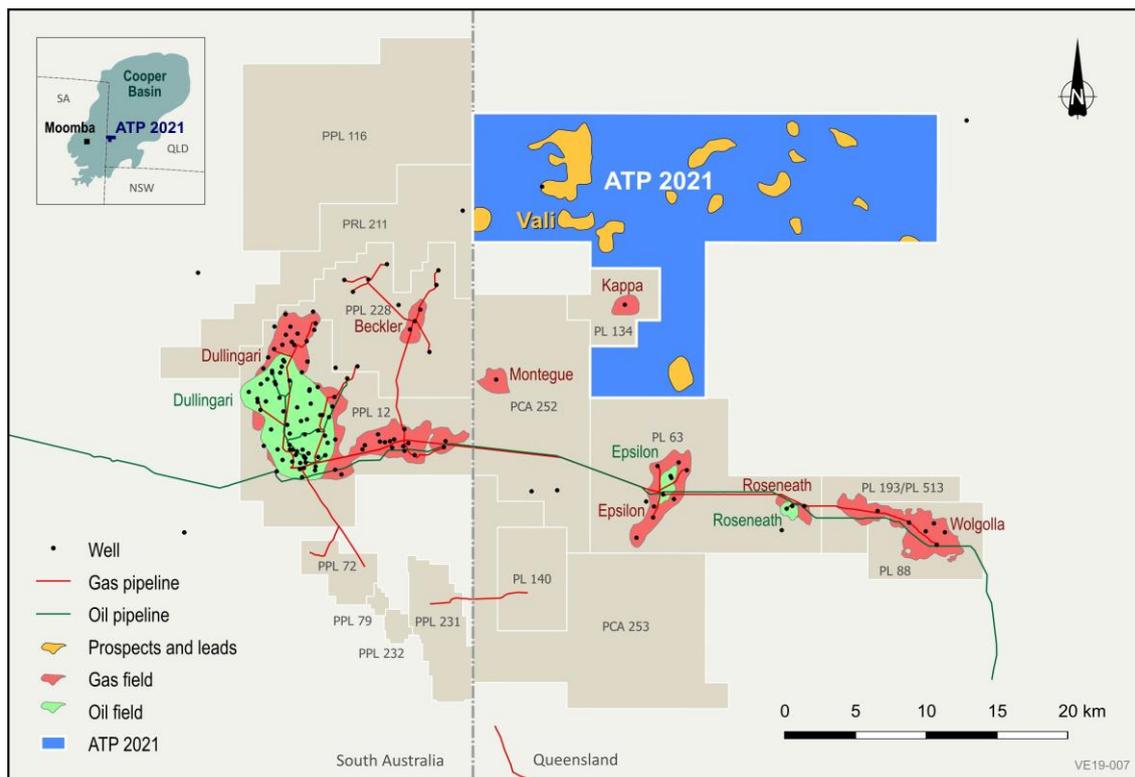


Figure 1: Location of ATP 2021 and surrounding oil and gas fields and pipelines

ATP 2021 is a 370km² permit on the southern flank of the Nappamerri Trough. Within 20 kilometres of the permit boundary are oil and gas fields that have produced over 600 Bcf of gas and 11 mmbbl of oil. The permit is partially covered by 2D and 3D seismic, with three main Permian gas prospects and several Jurassic oil prospects and leads already identified. Best endeavours will be made to drill the first well in 2019, which is likely to be in the Vali prospect (refer Figure 1). The target sections for this well will be the Permian gas reservoirs that have historically been the main producing zones of the Cooper/Eromanga Basins.

Vintage has commenced preparing the requisite regulatory documents to transfer 50% interest in the permit and operatorship to Vintage. Effective immediately, Vintage will project manage the planning and drilling of the first well. The permit is in close proximity to pipelines and facilities, a key investment criteria of Vintage, which will assist in the commercialisation of gas and oil discoveries.

Vintage Managing Director, Neil Gibbins, believes this transaction to be an outstanding opportunity for the company on a number of levels. “The ATP 2021 farm-in is an excellent fit for Vintage mainly due to our technical team’s experience in exploring, appraising and developing oil and gas assets in the Cooper/Eromanga Basins. Our team has proven capability in operating prospective permits such as this at the highest level, and with the close proximity to infrastructure, we will likely be able to fast track commercialisation of any discoveries. Our team has strong relationships with key stakeholders in the Cooper Basin, including the traditional owners, landholders and government. We also very much look forward to working together with the team at Metgasco. Having a high quality joint venture partner such as Metgasco is an added benefit and positions the joint venture well in relation to commercialising this highly prospective and underexplored permit.”

For more information contact:

Neil Gibbins
Managing Director
T: +61 8 7477 7680
E: info@vintageenergy.com.au

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.

Metgasco

Metgasco is an ASX listed company which is well funded and active in both the USA Gulf of Mexico (in partnership with Byron Energy) and the Cooper/Eromanga Basins onshore Australia. Metgasco has an experienced Board and Management team focused on drilling and developing currently owned licences as well as growing and building value via future business development opportunities. CEO Ken Aitken has over 33 years oil and gas experience in onshore and offshore Australian assets and overseas. Experienced Gulf of Mexico operator, Byron Energy commenced drilling the SM74 D-14 offshore exploration well on 15th May 2019. Exploration success at SM74 will lead to production revenue in 2019.