

Vali operational update

- **Stimulation operations completed**
- **Well completion campaign commenced**
- **Construction Master Services Agreement executed**
- **Final \$5 million pre-payment to joint venture received**

Vintage Energy Ltd (ASX: VEN, “Vintage”), 50% interest holder and Operator of ATP 2021 Joint Venture (“JV”) (other interest holders: Metgasco Ltd, 25%; and Bridgeport (Cooper Basin) Pty Ltd, 25%,) provides the following operations update on the Vali gas project.

Summary

Vintage announces completion of the first, and commencement of the second, of four operational phases to bring the Vali gas field into production. The Vali gas field fracture stimulation campaign was completed in June. The well completion campaign has commenced with the arrival of the Savanna Rig 68. In addition, Vintage, on behalf of the JV has executed a Master Services Agreement with Global Engineering and Construction Pty Ltd for pipeline installation and facilities construction and the JV has received the final \$5 million tranche prepayment from AGL.

Background

Vintage and the ATP 2021 JV are bringing the recently discovered Vali gas field into production to provide a new source of gas for eastern Australia. Vali will supply AGL under a Gas Sales Agreement (“GSA”) announced 23 March 2022 for supply of an estimated 9 PJ to 16 PJ in the period to end-2026. Gas committed under the GSA, the first supply agreement for the company, represents 9% to 16% of the field’s proved and probable reserves¹. Gas produced from the field is to be transported to Moomba for processing prior to sale.

Operations to enable production from Vali comprise four phases: a fracture stimulation campaign; well completion; pipeline and facilities construction and commissioning.

Vintage is fully funded for its share of the capital expenditure required to take Vali to first cash flow.

Fracture stimulation campaign

The fracture stimulation campaign announced 4 April 2022 has been completed. The campaign was conducted at the Vali-2 and Vali-3 wells, targeting the gas-bearing Patchawarra Formation across multiple zones in the Vali-2 and Vali-3 wells. Fracture stimulation of Vali-1 ST1 was completed previously.

¹ As announced to the ASX November 5 2021. Vintage confirms it is not aware of any new information or data that materially affects the information included in the announcement and that all technical parameters underpinning the estimates in the announcement have not changed materially.

Well completion campaign

The well completion campaign has commenced with the arrival of the Savanna Rig at the Vali-1 ST1 well site. The campaign will involve completion of the Vali-1 ST1, Vali-2 and Vali-3 wells and the nearby Odin-1 gas discovery well in PRL 211. The Vali wells are to be completed as tandem producers enabling production from either or both of the Patchawarra and Toolachee formations whilst Odin-1 is to be completed across the Toolachee and Epsilon formations.

The well completion campaign is expected to conclude around end July.

Pipeline and facilities construction phase

The construction phase comprises installation of gas gathering, separation, metering and cooling infrastructure at Vali and the installation of dual 13 km pipes to connect the Vali field to the Moomba gas gathering system at Beckler Field in South Australia.

Vintage has executed a Master Services Agreement with Global Engineering and Construction Pty Limited as Construction Contractor for the pipeline and facilities construction phase. Procedural requirements for regulatory approval of the pipeline and granting of an associated licence have been completed. Award of the pipeline licence is anticipated in the current month.

The pipeline has been received in-country. Installation is expected to commence in August and take approximately five weeks.

Facilities construction is expected to commence in September. Construction will be phased based on the delivery dates for equipment and materials, prioritising Vali-1 ST1, the metering facility and tie-in facility. As the balance of equipment is delivered, construction at the Vali-2 and Vali-3 sites will be completed. It is likely this will include phases of construction through until November.

This phased approach represents optimisation made necessary due to global supply chain and resourcing issues.

Commissioning and first gas

Commissioning of wells is to be conducted progressively as the construction timetable permits, commencing with Vali-1 ST1. Commissioning of this well, facilities and pipeline is expected to be completed in October with first gas production to occur during this period. The remaining wells will follow in the commissioning process, which is expected to extend into November as the Vali-2 and Vali-3 lease facilities are completed and handed over.

Gas produced in the commissioning phase will be used initially for commissioning of facilities and pipeline and line-pack prior to supply to AGL under the GSA.

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

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