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# ANNUAL REPORT 2023

**Vintage Energy Ltd**

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## Competent persons statement

The hydrocarbon resource estimates in this report have been compiled by Neil Gibbins, Managing Director, Vintage Energy Ltd. Mr Gibbins has over 40 years of experience in petroleum geology and is a member of the Society of Petroleum Engineers. Mr Gibbins consents to the inclusion of the information in this report relating to hydrocarbon reserves and contingent and prospective resources in the form and context in which it appears. The reserve and resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, Petroleum Resource Management System.



# CHAIRMAN'S MESSAGE



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I am pleased to present the Vintage Energy Ltd (“Vintage”) annual report for the 2023 financial year (“FY23”), its fifth since listing on the ASX.

In presenting last year’s annual report, I advised the company’s immediate focus would be “on taking Vali to revenue generation and taking Odin to the point where investment decisions and gas supply agreements can be executed”.

Both of those objectives were realised in 2023. Moreover, the market value of our uncontracted gas has never been higher.

However, as this report outlines, it has not all been smooth sailing.

Construction delays and downhole issues at some wells meant production and revenue generation from Vali was lower than anticipated.

Federal government policy announcements on regulation of gas marketing conduct and pricing created the greatest uncertainty experienced in gas contracting since supply from the Cooper Basin and Bass Strait began 54 years ago. The uncertainty diminished investor confidence and equity market valuations of small gas companies were derated promptly and substantially.

This was not merely unfortunate; diminishing the capital raising capability of companies trying to bring new gas supplies to market can only be counterproductive to the realisation of lower gas prices and hinder competition between producers.

Subsequent announcements, particularly the provision of exemptions to companies engaged exclusively in domestic supply, restored producer and buyer confidence, evidenced by supply contracts and memorandum of understanding. Investors, however, having been disconcerted by the market intervention, remained apprehensive of the risk it threatened. Equity valuations for the sector remained low.

It was in this climate Vintage experienced delays in establishing production from Vali-2 and Vali-3. We were obliged to undertake a \$5.6 million equity raising to fund the necessary field work to boost cash flow and production. This was well supported by institutions and retail holders.

The pricing, at 5 cents per share, compares with the year’s high of 13 cents, well below the preference of your board. However, the funds raised have enabled Vintage to push on with its plans to lift gas production and complete the step change in revenue generation expected from the commencement of gas supply from Odin. We thank shareholders for their support in the raising.

I am pleased to be able to report Odin commenced production successfully subsequent to year end. Conversely, work at Vali since year end has revealed further work is required to bring Vali-2 and Vali-3 online.

As the Managing Director outlines in his report following, trial and learning is an inherent element of the appraisal process. Throughout this process there has been no significant change to the size of the company’s gas reserves and resources. In fact, the implied market value of Vintage’s gas rose substantially during the year, as evidenced by ACCC-published price data.

Directors expect the work planned for FY24 will result in the company’s stock market value aligning closer to its underlying value as a consequence of incremental revenue generation from Odin and progress on the pathway to increased gas production from Vali.

Vintage’s achievements in FY23 have brought the company to a waypoint in its strategy such that the new financial year will see some subtle changes in emphasis.

The company’s first three years were focussed on the exploration for commercial gas reserves to supply emerging contract opportunities in south-east Australia. With the discoveries of Vali, and then Odin, our efforts for the past two years have been directed to rapid appraisal, commercialisation and the initiation of revenue generation.

In doing so, Vintage made the transition from listing to revenue generation within 5 years, a remarkable achievement for a small resources company.

Focus now shifts to the maximisation of value from these fields and the identification of new assets congruent with our strategy from which the next step-up in business scale and returns can be driven. Our tenement portfolio includes licences in regions considered to hold the potential for commercial gas and oil discoveries.

The proven experience of the board and management team as operators of onshore oil and gas production has the company well equipped to efficiently manage existing operations and to assess the merit of synergistic new business opportunities.

The premises of the company's strategy have proven correct and conservative. Demand for new supply of gas remains keen and is expected to remain so as supply from existing sources diminishes. The requirement for reliable gas-fired power generation as a bulwark to intermittent renewable generation is assuming mounting significance as the scheduled retirement of coal-fired power plants proceeds. (The inaugural supply contract for Odin that was secured during the year typifies the opportunities anticipated from the sector).

While Vintage is a young, and small, company it is extraordinarily well placed to create value in this environment. Our gas fields are connected to south-east Australian markets. The large majority of our gas is uncontracted and available for future supply.

The work planned by the management team for 2024 will do much to delineate how this potential is to be realised in the coming years for the benefit of shareholders. It promises to be a busy, and important, year for the company.

In closing, I record my appreciation and thanks to my fellow directors for their guidance and efforts during the year, and my congratulations and encouragement to Neil and his team – and, of course, for the support of shareholders, customers and financiers.



**Reg Nelson**  
Chairman



**Vali field separation and metering facility**

# NOTE FROM THE MANAGING DIRECTOR

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In the 2023 financial year, Vintage made the transition from explorer to producer, commencing gas supply from the Vali gas field and generating its first revenue.

We consolidated this position, accelerating connection of a second gas field, Odin, and securing a second supply agreement. Zero lost time injuries and zero environmental incidents of reportable significance were incurred.

These milestones have been accompanied by frustrations, initially through post-COVID bottlenecks, which delayed completion of the Vali field facilities until February 2023, and then subsurface, which prevented the establishment of gas production from two of the field's three wells.

The detail of these complications and their status is addressed following, under the heading 'Operations'. For the purpose of this overview of the company's year-end position, I note three points of significance.

First, the delay in production from these wells resulted in production and cash generation being lower than expected. This, together with additional costs brought by the remedial field-based operations, necessitated the \$5.6 million capital raising conducted in June.

Second, as of September 2023, Vintage is no longer a single field producer. The commencement of supply from Odin is expected to substantially offset the impact in 2024 of lower output from Vali following disappointing performance thus far at Vali-2 and Vali-3.

Third, Vali is in the early stages of an appraisal program, the initial objective of which is understanding the field's reservoir properties so the most value-accretive development plan for Vali can be determined. The lessons acquired during the year will be reflected in a lower risk, better informed, development plan for Vali's uncommitted gas.

The expected value of this gas rose significantly during the year. Markets tightened, buyers offered higher prices to secure supply and the Competition and Consumer (Gas Market Code) Regulations 2023 (Code) exempted Vintage from the \$12/gigajoule price cap. Vintage, with over 42 PJ of uncommitted 2P gas reserves and two gas fields connected to the south-east Australian gas markets, has a soundly based fundamental value and outlook.

## Operations

Vintage's operations for the year included capital works to connect and commence production from the Vali gas field, production of gas and gas liquids from the field and connection of the Odin gas field to infrastructure.

## Vali

The Vali gas field commenced production in February 2023, supplying gas to AGL. Sales gas totalling 239.0 terajoules (gross, Vintage share 119.5 TJ) was supplied in the period to 30 June, virtually all of which came from Vali-1, the first well brought online.

The second well to come online, Vali-3, produced briefly in late March. However, fluid accumulation during a scheduled downstream network outage required removal operations for the well to re-start, a procedure which was attempted numerous times. The most recent attempt was conducted post year-end in conjunction with operations at Vali-2, where excessive fluid production necessitated deferral of start-up. Downhole investigation and logging was proposed for both wells to identify the root cause and potential remedial measures.

This work had mixed results. At Vali-2, multi production logging tool (MPLT) data was acquired, interpreted and is being considered by the joint venture.

At Vali-3, production from the well could not be restarted and the MPLT logging proposed could not be performed. The well is to remain shut-in as the joint venture assesses the performance and potential remediation options to improve performance of the Toolachee producing zone in this well. Future options for the well include production from other gas bearing zones such as the Patchawarra formation.

Vali-1 is continuing to supply gas under the field's contract with AGL. The delays in establishing production from the other wells represents a deferral, rather than a loss, of revenue. Vali, with net 2P gas reserves of 49 PJ at year-end is a substantial commercial asset.



## Odin

The commencement of production from the Odin gas field subsequent to year-end was the culmination of a concerted effort in 2023 to expedite revenue generation from the field.

Concept engineering studies, commitment to a two-phase connection, pipeline installation, securing of ACCC authorisation and the gas supply contracting agreement were all completed. Connection via the accelerated connection was completed subsequent to year-end in September.

While Odin is adjacent to Vali and connected to the Vali-Beckler pipeline, it has some significant differences in its completion, and supply contract, which make it a complementary, rather than duplicate, asset.

Odin-1 will initially produce from the Epsilon and Toolachee formations, without the Patchawarra completion and stimulation employed in the Vali wells. Odin's supply contract is reflective of the gas market dynamics prevailing in the first half of calendar 2023, compared to the Vali agreement which was agreed in the latter half of 2021 when price expectations were lower.

Like Vali, Odin production operations will initially involve an appraisal via production philosophy. As a recently discovered field tested by a single well to date, there is much to learn. Reservoir characteristics are to be assessed through production performance. Field extent and volume is to be investigated through drilling. Preparation and planning for the Odin-2 appraisal well commenced during the year with a view to drilling in FY24.

## Other activities

Activities undertaken in respect of the company's other areas of interest are included in the Review of Operations following in this report. These include exploration licences in the Galilee and onshore Otway Basins situated well for the discovery and supply of gas, the Nangwarry resource and a Cooper Basin exploration permit considered prospective for gas and oil.

## Nangwarry

The Nangwarry gas resource is the most significant of the company's interests outside the Cooper Basin.

The potential value of Nangwarry, a long-life, high grade carbon dioxide accumulation was highlighted during the year by reports of rising scarcity of food-grade CO<sub>2</sub> and the implication of this for a range of essential or important activities including healthcare, food and beverage manufacture and storage, fire suppression and protected horticulture. This was reinforced by inbound inquiry and engagement with the South Australian government, who are mindful of the implications of shortages of food-grade CO<sub>2</sub> and of the contribution of the nearby and analogous Caroline field to the state's CO<sub>2</sub> requirements for nearly 50 years.

While there is a clear need, and ready market, for food-grade CO<sub>2</sub> such as can be produced from Nangwarry's output, the realisation of this economic potential will require patience and capital.

In particular, a simple processing plant is required to transform wellhead output to a marketable, transportable commodity. Vintage is directing its efforts to engagement with parties most likely to collaborate in the development of Nangwarry as processing plant owner and operator.

Identifying parties willing to invest in CO<sub>2</sub> production is challenging in a world focussed on decarbonisation. But the societal needs for food grade CO<sub>2</sub> for healthcare, food and beverages and the other applications noted remain. The company will persist in its effort to find a capital efficient solution to realising shareholder value for the Nangwarry resource.

## Commercial

The chief focus of our commercial activities for the year was securing an inaugural supply agreement for the Odin gas field. While interest from gas buyers was keen, the securing of a contract required ACCC authorisations and navigation of the greatest commercial uncertainty experienced in the sector following the Federal Government's announcement of a temporary price cap and its intention to introduce a mandatory code of conduct.

Ultimately, we secured a well-priced contract; Odin gas is flowing into the south-eastern Australian energy market and Vintage has received clarity on our position as a producer supplying less than 100 PJ of gas exclusively to the domestic market. Vintage is not subject to the \$12 price cap.

The receipt in May of ACCC authorisation to jointly market Odin gas for longer periods than provided by the previous interim authorisation opened the opportunity to extend contract coverage of the field's gas supply. Efforts to secure an additional sales agreement from December 2024 to December 2026 commenced promptly and were well received.

Success in this objective will take Vintage to the point where it is effectively fully contracted over the medium term for its current well configuration. Production from Odin is expected to offer a significant uplift to Vintage's revenue stream and to date has been consistent with expectations.

## Reserves and resources

A detailed tabulation of the company's proved and probable reserves and resources is included in the accompanying statement of this report. The company's 2P reserves are currently restricted to those detailed for the Vali gas field reported above and are largely unchanged. Proved and probable reserves at 30 June 2023 were 4.06 million barrels of oil equivalent (MMboe) compared with 4.08 MMboe at the beginning of the year. Year-end contingent resources (2C) of 66 PJ are unchanged.

## Financial

At 30 June 2023 the company had cash reserves of \$7.5 million. The company's \$10 million secure debt facility was fully drawn.

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### Concluding comments and FY24 outlook

Our work in FY23 has Vintage entering the new year with the ingredients in place for higher production, revenue and cash generation and with greater diversity in its production and contract portfolio.

The work program for FY24 is chiefly focussed on production; initially to increase the number of stable producing wells and latterly through finalisation of full field development plans.

These plans will clarify the longer-term capital expenditure, gas production profile and value generation to be expected from Vali and Odin. The uncommitted gas from these fields represents a substantial source of shareholder value that, for now, remains latent pending clarity on field production performance and future flows. In addition, appraisal of the Odin gas field is planned.

In summary, whilst FY23 was directed towards establishing first production and revenue, FY24 is largely directed to building production and revenue generation.

Our interests in the Galilee, Otway and Bonaparte basins are less mature gas prospective provinces possessing potential aligned with our strategy. The FY24 work plans for these licences are preparatory to testing this prospectivity in future years.

At 30 June the Company's staffing stood at 18 persons compared with 15 a year earlier.

FY23 has been a demanding year, but one which has clearly advanced the company in its strategy. Most importantly, the year's work has been conducted free from lost time injuries and environmental incidents of reportable significance. Thank you to the employees and contractors whose diligence has enabled this safe performance.

I would like to acknowledge the support and guidance the board of directors has given the management team during the year and thank shareholders, for their ongoing patience and support.



**Neil Gibbins**  
Managing Director



***“Our work in FY23 has Vintage entering the new year with the ingredients in place for higher production, revenue and cash generation and with greater diversity in its production and contract portfolio”***



# REVIEW OF OPERATIONS

## Description of operations

Vintage Energy's operations involve exploration, appraisal and commercialisation of oil and gas accumulations onshore Australia. Activities are focussed on proven petroleum basins offering high success rates for drilling and where distance to market and adjacency of existing infrastructure support rapid commercialisation.

At year-end the company held interests in petroleum exploration licences in:

- the Cooper/Eromanga basins, South Australia and Queensland
- the Otway Basin, South Australia and Victoria
- the Galilee Basin, Queensland; and
- the Bonaparte Basin, Northern Territory.

## Cooper/Eromanga Basins, Queensland and South Australia

### ATP 2021, Queensland

Vintage 50% and Operator, Metgasco Ltd 25% and Bridgeport (Cooper Basin) Pty Ltd 25%

ATP 2021 is located in Queensland adjacent to the Queensland-South Australia border. ATP 2021 contains the Vali gas field, discovered by Vali-1 ST1 in January 2020 and successfully appraised by Vali-2 and Vali-3. These wells have been completed and connected to the Cooper Basin gas gathering network.

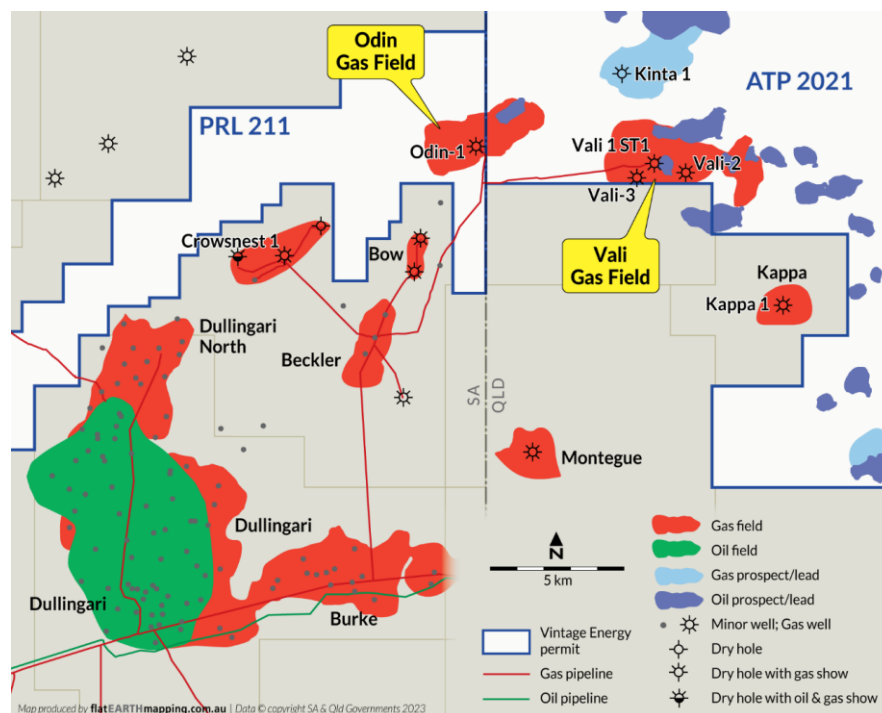
The ATP 2021 Joint Venture has contracted to supply an estimated 9 PJ to 16 PJ gas to AGL Energy from the Vali gas field.

Operations during the first 8 months of the year focussed on the completion of capital works to enable supply of gas from Vali to AGL. This work included installation of a 14km pipeline connecting the field to the South Australian Cooper Basin JV gas gathering network at Beckler, installation of flowlines from the field's wells and installation of separation and metering facilities at Vali.

Vali-1 came online on 21 February and performed consistently. The well and the Vali facilities recorded a 98% availability in the period to year-end. Third-party downstream non-operated outages and maintenance resulted in the loss of 24 days during the period. The well's performance was consistent with forecast.

Stable gas production from Vali-2 and Vali-3 was yet to be established by year's-end. Initial attempts were prevented by fluid within the wellbores and work programs to remove the fluid were delayed by equipment and crew availability and recurring rainfall which brought road closures and denied access. Restart of the wells including logging of zonal contribution of gas and water was scheduled for subsequent to year-end.

Vintage's share of production from Vali was 120 terajoules of sales gas, 381 barrels of condensate, 18 tonnes of LPG and 4 terajoules of ethane.



ATP 2021 also offers other drilling targets and works undertaken during the year advanced preparations for the drilling of an appraisal well on the eastern flank of the Odin gas field, which is mapped to extend into the permit, and a future three-dimensional seismic survey over other oil and gas prospects and leads.

Operations in FY24 will focus on establishing supply from the field's non-producing wells, optimising appraisal production from the Vali field with a view to finalisation of a full field development plan and appraisal of the Odin discovery.

**PRL 211, South Australia**

Vintage 50% and Operator, Metgasco Ltd 25% and Bridgeport (Cooper Basin) Pty Ltd 25%

PRL 211 lies in the South Australian Cooper Basin, with the licence's eastern boundary near the ATP 2021 western boundary. The licence is in close proximity to the South Australian Cooper Basin Joint Venture's gas production infrastructure at the Beckler, Bow and Dullingari fields.

The licence holds the western portion of the Odin gas field, discovered by the PRL 211 joint venture in 2021. The eastern portion of the field is mapped to extend into ATP 2021, which has identical joint venture composition to PRL 211. The field has one well, Odin-1, which has been completed as a gas producer. As detailed in the accompanying reserves and resources statement, Odin-1 is assessed to hold a gross 2C Contingent Resource of 39.7 PJ (19 PJ net to Vintage Energy). Operations and developments in PRL 211 were directed to bringing the

Odin gas field into production at the earliest opportunity. In November, the Joint Venture resolved to pursue a two-stage connection of the field so supply could be accelerated through an interim connection while a superior permanent connection is being implemented.

The accelerated interim connection, which involves installation of a 1.4 km pipeline linking Odin-1 to the Vali-Beckler pipeline, was scheduled to enable gas supply from Odin to commence within the first quarter of the 2024 financial year. Flowline was installed in January 2023 and tie-in operations were scheduled to commence subsequent to year-end.

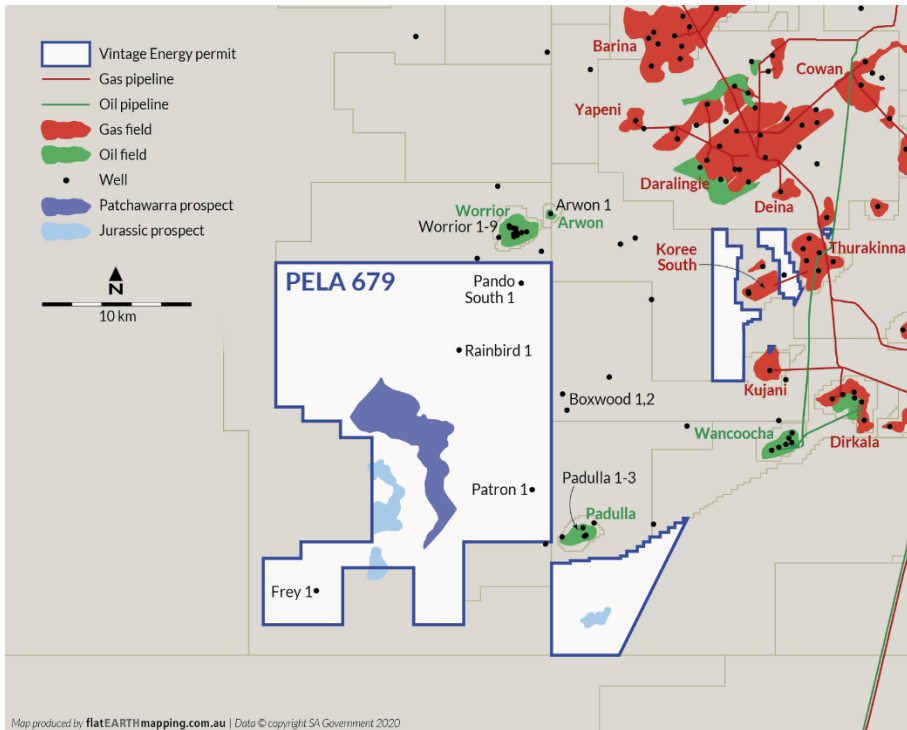
In May, the PRL 211 Joint Venture parties contracted to supply gas from Odin to Pelican Point Power Limited, a joint venture between ENGIE Australia and New Zealand (72%) and Mitsui & Co Ltd (28%).

Under the contract, gas will be supplied from Odin from field start-up until 31 December 2024, the maximum period permissible for contracting under the then existing interim ACCC authorisation for Odin.

**PELA 679 South Australia**

Vintage 100% subject to land title agreement

PELA 679 is a petroleum exploration licence application in the south-west of the South Australian Cooper Basin won through competitive bidding in 2019. On 30 June 2020, the company announced its bid had been successful and, subject to establishment of an appropriate land access agreement, it would hold a 100% interest. Land access agreement negotiations are ongoing.

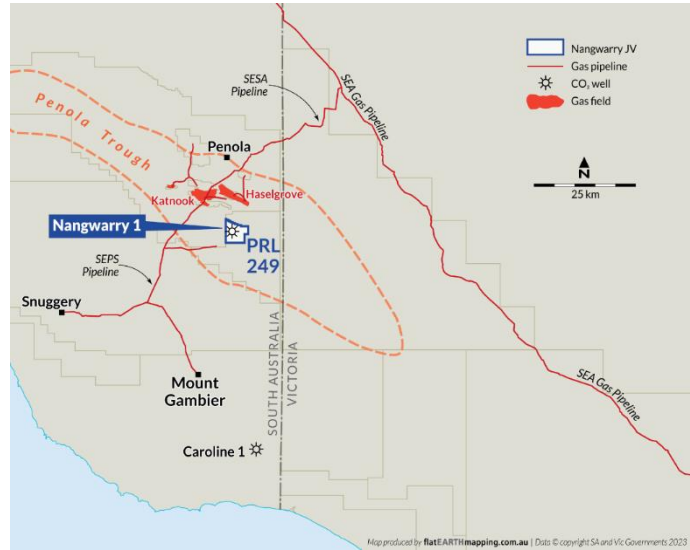


## Otway Basin, South Australia / Victoria

### PRL 249 (ex-PEL 155) South Australia

Vintage 50%, Otway Energy Pty Ltd 50% and operator

PRL 249 contains the Nangwarry gas field, discovered in January 2020. On testing, Nangwarry-1 produced raw gas (~93% CO<sub>2</sub>, ~6% methane and ~1% nitrogen), at flow rates of 10.5-10.8 million standard cubic feet per day (“MMscfd”), measured through a 48/64” choke at a flowing wellhead pressure of 1,415 psi over a 36-hour period.



In July 2021 ERCE independently certified recoverable hydrocarbon and CO<sub>2</sub> sales gas at Nangwarry as displayed in the following table:

Nangwarry Field						
	CO <sub>2</sub>			Hydrocarbon		
	Gross On-block Recoverable Sales Gas (Bcf)			Gross Gas Contingent Resources (Bcf)		
	Low	Best	High	1C	2C	3C
Pretty Hill Sandstone	9.0	25.9	64.4	0.5	1.6	4.1
	Net On-block Recoverable Sales Gas (Bcf)			Net Gas Contingent Resources (Bcf)		
Pretty Hill Sandstone	4.5	12.9	32.2	0.3	0.8	2.0

#### Notes to the table above:

1. ERCE recoverable and resource estimates effective 7 July 2021. These resources were first announced to the ASX 12 July 2021.
2. Gross volumes represent a 100% total of estimated recoverable volumes within PRL 249.
3. Working interest volumes for Otway Energy Pty Ltd and Vintage’s share of the Gross recoverable volumes can be calculated by applying their working interest in PRL 249, which is 50% each.
4. Sales gas stream for Nangwarry is CO<sub>2</sub> gas.
5. These are unrisks Contingent Resources that have not been risked for Chance of Development and are sub-classified as Development Unclassified.
6. Hydrocarbon gas also includes minor volumes of nitrogen

The Nangwarry Contingent Resource is assessed to possess the volume, quality and reservoir properties for an economic, significant and long-life food-grade CO<sub>2</sub> production asset.

Food or industrial grade CO<sub>2</sub> is a required input for a wide range of sectors including hospitality, food and beverage manufacture, protected horticulture, cold storage, chemical, medical device and other manufacturing. However, supply of food-grade CO<sub>2</sub> is tightening as availability from industrial sources declines with decarbonisation.

The potential value of the Nangwarry resource to meet this need was highlighted during the year through media coverage of the economic impact of the scarcity of food grade CO<sub>2</sub> and increased inbound enquiry on the prospect of supply from the field. This will necessitate processing of raw gas and liquefaction for transport to market.

Nangwarry is well suited for this purpose, possessing low impurity levels, resources sufficient for a multi-decade feedstock supply and being located close to the depleted Caroline-1 well, which supplied CO<sub>2</sub> for 49 years.



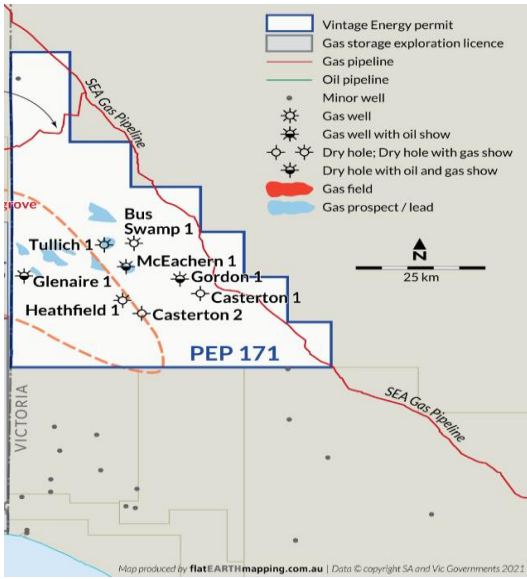
Vintage and Otway Energy are seeking an outcome which will realise the economic value of the Nangarry resource.

The company is seeking to secure a collaborative wellhead-to-product delivery solution to enable commercialisation and, to this end, broadened its engagement with participants in the industrial gas and infrastructure sectors, and with government, during the year.

The non-binding memorandum of understanding between Supagas Pty Ltd, reported in the 2021 Annual Report, has ended by mutual agreement.

**PEP 171 Victoria**

Vintage 25%, Somerton Energy Pty Ltd 75%



PEP 171 is located in the onshore Otway Basin and effectively encompasses the entirety of the Victorian section of the Penola Trough. While activity in the permit has been suspended until recently pursuant to Victorian Government moratorium, exploration in the nearby South Australia section has confirmed the prospectivity of the Penola Trough for conventionally produced gas, most significantly at the fields held by Beach Energy Ltd such as Haselgrove, Katnook, Ladbroke Grove and Limestone Ridge.

The expiry of the Victorian onshore gas exploration moratorium on 1 July 2021, was followed by new regulations on 22 November 2021. All previous existing oil and gas exploration permits of good standing (which included PEP 171), were restarted from 1 July 2021 for their first 5-year term.

Activity during the year was directed towards recommencing exploration of the permit with the objective of conducting a 3-D seismic survey, focussing on the preparation of an operations plan. A full environmental management plan was prepared and a stakeholder and community engagement plan prepared and initiated. Engagement under the plan was well underway at year-end.

**Galilee Basin, Queensland**

**ATPs 743, 744 & 1015 (“Deeps”)  
PCAs 319, 320, 321, 322, 323 & 324**

Vintage 30%, Comet Ridge Ltd (“Comet”) 70% and operator

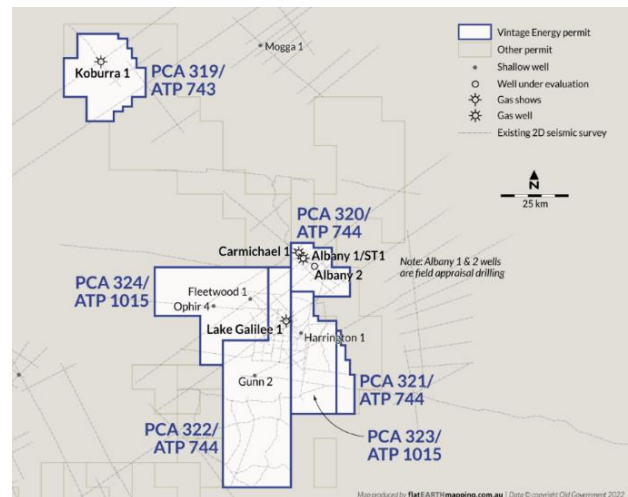
The Galilee Basin is a lightly explored gas province in proximity to market and the proposed Galilee-Moranbah pipeline. Vintage acquired a 30% participation into the ‘Deeps’ sandstone reservoir sequence of ATP 744, ATP 743 & ATP 1015 (all strata commencing underneath the Permian coals (Betts Creek Beds or Aramac coals) with the main target being the Galilee Sandstone sequence).

The Deeps was tested in 2018 by Albany-1, which recorded the first measurable gas flow from the Galilee Basin flowing at 230,000 scfd from the top 10% of the target reservoir without stimulation. In 2019, Albany-2 was drilled and hydraulically stimulated and Albany-1 was side-tracked but not flow-tested as operations ceased during the Covid pandemic. The 2023 accounts include an impairment made in respect of Albany-2.

Activity in these permits was suspended pending regulatory review and decision of applications by the Deeps joint venture for award of Potential Commercial Area (“PCA”) titles over the main identified Deeps prospects and leads in these ATPs. In September 2022, the regulator advised the Deeps joint venture its applications for 6 titles: PCA 319, PCA 320, PCA 321, PCA 322, PCA 323 and PCA 324 had been successful. The PCAs have a 15-year tenure. ATPs 743 & 744, which occupy the same area as the overlying PCAs, were renewed for twelve years in 2022 and ATP 1015 was renewed for twelve years in June 2023.

Vintage conducted a review of data from the Albany wells and the region. The results of the review have been shared with the Operator and are being used by the Galilee Deeps JV to prioritise exploration activities in the PCAs.

The Queensland government has announced a new \$21 million grant program to drive exploration for gas reserves in the Bowen and Galilee Basins, which has the potential to assist the Deeps JV’s exploration efforts.



## Bonaparte Basin, Northern Territory

### EP 126

Vintage 100%

The Bonaparte Basin is a frontier basin in the north of the Northern Territory with a proven hydrocarbon system. Several large gas fields have been discovered offshore (undeveloped Contingent Resources of 2.7 Tcf in Petrel, Tern and Frigate) and the producing Black Tip field (2P 933 Bcf) supplies gas to Darwin. The onshore Weaber Gas Field (RL-1, Advent Energy 100%), and surface bitumen seeps, provide direct evidence of a working petroleum system in the Keep Inlet Sub-Basin.

EP 126 is a low-cost entry with excellent exploration potential encompassing an area of 6,716 km<sup>2</sup>, hosting multiple play types, with potential for large volumes of gas and oil. Cullen-1 was drilled in 2014, with both oil and gas shows, and was cased and suspended to be available as an option to test.

Discussion with the Northern Territory Government continued in relation to the declaration of approximately 50% of the permit, including the Cullen-1 well site, as a 'Reserved Area'. No regulated activities, other than required maintenance, will be undertaken until the issue is resolved.



Vali-1 wellsite configuration

# RESERVES & RESOURCES STATEMENT

During 2023, Vintage Energy and its joint venture partners commenced sale of gas and gas liquids produced from the Vali gas field in the Cooper Basin. Accordingly, and consistent with PRMS requirements, the 2023 reserves statement below reports separate classification for each of the hydrocarbon products produced and sold: sales gas; ethane; liquified petroleum gas and condensate. These volumes were reported as a single sales gas volume in previous years.

## Proved (1P) Reserves

Area	FY22 (MMboe)	Production	Contingent Resources to Reserves	Revisions	FY23 (MMboe)	Developed (MMboe)	Undeveloped (MMboe)
Cooper Basin	4.08	(0.02)	0	0	4.06	0.99	3.07
Total	4.08	(0.02)	0	0	4.06	0.99	3.07

## Proved and Probable (2P) Reserves

Area	FY22 (MMboe)	Production	Contingent Resources to Reserves	Revisions	FY23 (MMboe)	Developed (MMboe)	Undeveloped (MMboe)
Cooper Basin	8.68	0.02	0	0	8.66	1.06	7.6
Total	8.68	0.02	0	0	8.66	1.06	7.6

## 2P Reserves Net to Vintage by product

Area	FY23 Total (MMboe)	Sales gas (PJ)	Ethane (PJ)	LPG (kTonne)	Condensate (MMbbl)
Cooper Basin	8.66	46.75	1.97	11.07	0.20
Total	8.66	46.75	1.97	11.07	0.20

### Notes to the Cooper Basin 1P and 2P reserve assessment:

- Reserves estimates reported here are ERCE estimates, effective 31 October 2021.
- 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.
- Reserves estimates have been made and classified in accordance with the Society of Petroleum Engineers ("SPE") Petroleum Resources Management System ("PRMS") 2018.
- Probabilistic methods have been used for individual sands and totals for each reservoir interval have been summed deterministically.
- Company net entitlement reserves are based on the Vintage working interest share of 50% of the on block gross ATP 2021 Reserves as there are no royalties payable.
- Volumes are net of fuel and flare volumes.
- Ethane has been reported separately from Sales Gas as it is sold separately in the case of Vali Field.
- All quantities are subject to rounding to two decimal places for clarity purposes.
- Conversion factors. Barrels of oil equivalent conversion factors applied are: sales gas and ethane 1 PJ=171.94 Kboe; LPG 1 Ktonne =8.458 Kboe; 1barrel (bbl) condensate = 0.935 boe
- These reserves were first reported by Vintage in an ASX release dated 1 November 2021.

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## Contingent resources

### 2C Contingent Resource (PJ) Net to Vintage

Area	FY22 (PJ)	Acquisitions & Divestments	Contingent Resources to Reserves	Revisions	FY23 (PJ)	Gas (PJ)
Galilee Basin	46	0	0	0	46	46
Cooper Basin	19	0	0	0	19	19
Otway* Basin	0.8	0	0	0	0.8	0.8
<b>Total</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66</b>	<b>66</b>

\*In the Otway Basin, the recoverable CO<sub>2</sub> cannot be classified under PRMS as a contingent resource. For CO<sub>2</sub> recoverable volumes see the Operations section on page 11

#### Notes on Galilee Basin contingent resource assessment:

1. Estimates are in accordance with the Petroleum Resources Management System (SPE, 2007) and Guidelines for Application of the PRMS (SPE, 2011).
2. No reserves were estimated.
3. Probabilistic methods were used.
4. Sales gas recovery and shrinkage have been applied to the contingent resource estimation. The losses include those from the field use, as well as fuel and flare gas.
5. These volumes were first reported by Vintage in the September 2018 prospectus for the Initial Public Offering of shares in Vintage and prior to that by the Comet Ridge announcement of 5 August 2015.
6. The chance of development is classified as high, as several commercialisation possibilities exist for future gas supply export.

#### Notes on Cooper Basin contingent resource assessment:

1. Gross contingent resources represent 100% total of estimated recoverable volumes within PRL 211 and ATP 2021.
2. Working interest contingent resources represent Vintage's share of the gross contingent resources based on its working interest in PRL 211, which is 50%, and ATP 2021, which is 50%.
3. These are unrisks contingent resources that have not been risked for Chance of Development and are sub-classified as Development Unclarified.
4. Contingent resources volumes shown have had shrinkage applied to account for inerts removal and include hydrocarbon gas only.
5. No allowance for fuel and flare volumes has been made.
6. Resources estimates have been made and classified in accordance with the Petroleum Resources Management System 2018 ("PRMS").
7. Probabilistic methods have been used for individual sands and totals for each reservoir interval have been summed deterministically.
8. A conversion factor of 1.09 is applied to convert from billion standard cubic feet (Bscf) to petajoules (PJ).
9. Contingent resources certified by ERCE are as at 14 September 2021.
10. These Contingent resources were first disclosed in a release to the ASX on 16 September 2021.

#### Notes on Otway Basin Contingent Resource assessment:

1. Nangwarry hydrocarbon resources have been sub-classified as "Development Unclarified" under the PRMS by ERCE and are assigned as Consumed in Operations, that is used to fuel a CO<sub>2</sub> plant.
2. The key contingencies are a final investment decision on development, committing to a CO<sub>2</sub> sales agreement, any other necessary commercial arrangements, and obtaining the usual regulatory approvals.
3. Volumes reported are unrisks in the sense that no adjustment has been for the risk that the project may not be developed in the form envisaged or may not go ahead at all.
4. Probabilistic totals have been estimated using the Monte Carlo method.
5. Volumes represent Vintage's 50% working interest in PRL 249.

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## Reserves evaluator

### **SRK Consulting (Australasia) Pty Ltd – Carmichael structure (Galilee Basin) contingent resource assessment**

SRK is an independent, international group providing specialised consultancy services, with expertise in petroleum studies and petroleum related projects. In Australia SRK have offices in Brisbane, Melbourne, Newcastle, Perth and Sydney and globally in over 40 countries. SRK has completed petroleum reserve and resource assessments for many clients in Australia and internationally.

The Contingent Resource for the Carmichael Albany Structure referred to in this report is derived from an independent report by Dr Bruce McConachie, an Associate Principal Consultant with SRK Consulting (Australasia) Pty Ltd, an independent petroleum reserve and resource evaluation company. He has disclosed to Vintage, the full nature of the relationship between himself and SRK, including any issues that could be perceived by investors as a conflict of interest.

Dr McConachie is a geologist with extensive experience in economic resource evaluation and exploration. He is a member of the American Association of Petroleum Geologists, Society of Petroleum Engineers and Australasian Institute of Mining and Metallurgy. His career spans over 30 years and includes production, development and exploration experience in petroleum, coal, bauxite and various industrial minerals, covering

petroleum exploration programs, joint venture management, farm-in and farm-out deals, onshore and offshore operations, field evaluation and development, oil and gas production and economic assessment, with relevant experience assessing petroleum resource under PRMS code (2007).

The Carmichael Structure Contingent Resources information in this report has been issued with the prior written consent of Dr McConachie in the form and context in which it appears. His qualifications and experience meet the requirements to act as a Competent Person to report petroleum reserves in accordance with the Society of Petroleum Engineers (“SPE”) 2007 Petroleum Resource Management System (“PRMS”) Guidelines as well as the 2011 Guidelines for Application of the PRMS approved by the SPE.

### **ERC Equipoise Pte Ltd – Vali reserves assessment and Odin and Nangwarry contingent resource assessment**

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, formerly Principal Reservoir Engineer of ERCE's Asia Pacific office who has over 15 years of experience. He is a member of the Society of Petroleum Engineers and a member of the Society of Petroleum Evaluation Engineers.



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# CLIMATE CHANGE & RISK MANAGEMENT

The Vintage Board has a policy on climate change which recognises that the Company has a role to play in reducing carbon emissions.

We recognise the world needs to access reliable, affordable and sustainable energy delivered in cleaner ways.

As an oil and gas exploration and production company, Vintage understands that to be successful it must identify and develop a long-term portfolio of assets that contribute to a low-carbon future. In development it must ensure the use of energy-efficient and low emission technologies to ensure a low carbon footprint.

The Task Force on Climate-Related Financial Disclosures (TCFD) recommends climate-related financial disclosure under the following categories:

## Climate change governance

The Vintage Board oversees risk management for the business, including climate change policy and climate change risks and opportunities. Climate-related issues are considered regularly by the Board and in particular the effect climate change may have on the Company's business strategy.

Climate change risk is specifically addressed by the Company's risk management committee, which reports to the audit and risk committee.

The audit and risk committee's purpose with respect to climate change risks and opportunities is to:

- Have oversight of risk management
- Approve and recommend to the Board for adoption, policies and procedures on risk oversight and identifying, assessing, monitoring, and managing risks and opportunities
- Assessing the adequacy of risk control systems

Management, through the risk management committee, conducts regular risk assessments including climate change risk and updates the risk register with identified controls and progress against risk mitigation actions. Reports on progress are provided regularly to the audit and risk committee and the Board.

## Strategy

Climate-related risks and opportunities to the business strategy are:

- Effect of climate change on market sentiment, which may result in capital being harder to obtain and therefore it may fail to meet its objectives.

- Vintage's major assets are its gas exploration and production permits in the Cooper Basin. Natural gas is a transitional energy source to a low carbon future and may provide significant opportunities for commercialisation of these assets currently being appraised.
- Physical risks that may eventuate from a hotter global climate to the Vintage business could include increased number of extreme heat days that field workers are exposed to and extreme weather conditions such as flooding events could impact business continuity of field operations.
- Technology and energy sourcing opportunities that provide options to transition products, services and energy needs to lower emission options and the costs associated with this transition.
- The Company routinely evaluates alternative and/or renewable energy opportunities and has secured a Gas Storage Exploration Licence (GSEL) in the south-east of South Australia over the area surrounding the depleted Caroline CO<sub>2</sub> field.

## Metrics and targets

Vintage is in the process of defining its future targets and metrics as the business grows and operations become more complex. It is envisaged these will be disclosed over the coming financial years and reviewed regularly.

## Risk management

Vintage has implemented an enterprise risk management framework based on ISO 31000:2009.

Climate-related risks and opportunities are included in Vintage's corporate risk register which is reviewed regularly by management and by the audit and risk committee. As required by the framework, the risk register includes events, causes, consequences and effects of identified risks and opportunities. A risk weighting is then applied based on the chance the event may happen and the potential effect on the business. Mitigation actions are identified, and appropriate follow-up actions are taken and monitored. The categories of risk identified by the Company and reported on as part of its systems and processes for managing material business risk include operational health and safety, environmental, reputational and financial.

In particular, the Company has exposure in the following risk areas:

RISK	DESCRIPTION
<b>Funding</b>	The Company's main activity is exploration and production of oil and gas. To continue its programme, the Company may be required to raise additional capital. There is no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such funding will be acceptable to the Company, this may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on its financial results.
<b>Government regulation</b>	The oil and gas industry is highly regulated by all levels of Government. Changes to regulation including Government taxes and charges may affect the viability of the Company's projects either because of access or technology restrictions or increased costs. The Company has maintained communications with relevant parties to mitigate the effect of regulation change including membership of industry bodies. The Company has also adopted internal compliance monitoring solutions to maintain currency with legislation and regulatory obligations within the jurisdictions it operates.
<b>Operating risk</b>	The Company's operations are subject to operating risks that could result in increased costs & breaches of regulations. To manage this risk, the Company seeks to attract and retain high calibre employees and implement suitable systems and processes to ensure targets are achieved.
<b>Environmental</b>	The Company has environmental liabilities and obligations associated with its exploration licences which arise as a consequence of its activities, including waste management, chemical management, water management and energy efficiency. The Company monitors its ongoing environmental obligations and risks, and implements preventative, rehabilitation and corrective actions as appropriate, through compliance with its environmental management system which is part of the Health, Safety and Environmental Management System (HSEMS).
<b>Sustainability risks</b>	The Company seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors and the impact of its operations on the environment and the communities in which it operates. It achieves this through an appropriate culture, systems, training and emergency preparedness. The Company has implemented a Health, Safety and Environment (HSE) management system to drive the organisation's continuous improvement in HSE performance which has standards that include leadership and commitment, policies and strategic objectives, contractors and suppliers, asset design and integrity, stakeholder and community, legal and regulatory compliance, risk management, planning and execution of activities. Subject to specific site conditions and local regulatory requirements, management of identified HSE risks are to be standardised for all operational sites and embedded in the Company's Enterprise Risk Management Framework.
<b>Climate change</b>	The Company operates within the oil & gas industry, which has committed to a set of Climate Change Policy Principles published by the Australian Petroleum and Production Association (APPEA) that are designed to assist policymakers in developing efficient and effective responses to this global issue. The Australian oil and gas industry supports a national climate change policy that delivers greenhouse gas emissions reductions consistent with the objectives of the Paris Agreement at the lowest cost to the economy. Greater use of Australia's extensive gas resources will be crucial in meeting the challenge of significantly reducing global greenhouse gas emissions at lowest possible cost whilst enhancing Australia's economic and export performance. As economies transition to a lower emissions future there is a risk that the Company will need to alter its business strategy and practices to both mitigate the risks and take advantage of the opportunities presented by the changing global energy mix. The Company continues to monitor current reporting and other requirements in line with its present and future operational position to ensure it understands the risks, opportunities and responsibilities associated with climate change and has adopted and published a climate change policy.
<b>JV partnership alignment</b>	The ability to execute growth activity in a joint venture ("JV") can be impacted by the strategy and appetite for capital investment by its JV partners. The joint operating agreements ("JOAs") that covers each of the Company's JVs detail operating and voting procedures for activities withing the relevant licences.
<b>Changes to restoration obligations provisions</b>	Vintage has certain restoration obligations with respect to its exploration and development licences, facilities and related infrastructure. These liabilities are derived from legislative and regulatory requirements, which are subject to change. Vintage's balance sheet incorporates estimates for such decommissioning and abandonment activity, with those estimates included within provisions. Vintage conducts a review of restoration provisions on a semi-annual basis. This includes a review of the assumptions included in the estimation, such as changes to the legislative and/or regulatory requirements for decommissioning and abandonment, future remaining reserves estimates, timing and costs and resultant production from the commercialisation of contingent resources, current prevailing market rates and costs to undertake decommissioning and abandonment activity, future inflation rates, and appropriate discount rates.

# DIRECTORS' REPORT

The Directors of Vintage Energy Limited ("Vintage" or "the Company") present their report together with the financial statements of the Company for the year ended 30 June 2023 and the independent audit report thereon.

## Director details

The following persons were Directors of Vintage during or since the end of the financial year:

**Reg Nelson | Chairman** (independent Director) has a long and distinguished career in the Australian petroleum industry and is widely respected within commercial and government circles for his successful and innovative leadership. As Managing Director of ASX-listed Beach Energy Limited ("Beach"), until retiring from the position in 2015, he led the company to a position as one of Australia's top mid-tier oil and gas companies. He was formerly Director of Mineral Development for the State of South Australia, a Director of the Australian Petroleum Production and Exploration Association ("APPEA") for eight years and was APPEA Chairman from 2004 to 2006. He was a Director of petroleum exploration company FAR Limited and has been a Director of many other Australian Securities Exchange ("ASX") listed companies. He was awarded the Reg Sprigg Medal by APPEA in 2009 in recognition of his industry contribution. Other directorships – Nil.

Previous directorships – FAR Limited (from May 2015 to June 2021).

Committee memberships - Audit and risk committee, Nomination committee and Remuneration committee.

### Interest in shares and options

Ordinary shares	18,357,986
Options	2,000,000
Employee incentive rights	-

**Neil Gibbins | Managing Director** has over 40 years of technical and leadership experience in the petroleum industry in a wide variety of regions in Australia and internationally and has been involved in many successful exploration, development and corporate acquisition projects. Neil was employed at both Esso Australia and Santos Limited, initially as a geophysicist and later in supervisory roles. He moved to Beach in 1997, initially as Chief Geophysicist, and then as Exploration Manager in 2005, and Chief Operating Officer in 2012. Neil was acting CEO in 2015 and led Beach during its merger with DrillSearch Energy Limited in 2016. He is a member of PESA, SEG, SPE and ASEG.

Other directorships – Nil.

### Interest in shares and options

Ordinary shares	18,033,511
Options	-
Employee incentive rights	6,045,600

**Nick Smart | Non-Executive Director** (independent Director) has over 40 years of corporate experience and was a full associate member of the Sydney Futures Exchange, a senior adviser with a national share broking firm, and has significant international and local general management experience. He has participated in capital raisings for numerous private and listed natural resource companies and technology start-up companies. This includes commercialisation of the Synroc process for safe storage of high-level nuclear waste, controlled temperature and atmosphere transport systems and the beneficiation of low rank coals.

Other directorships – Nil.

Committee memberships – Nomination committee, Remuneration committee and Chair of Audit and risk committee.

### Interest in shares and options

Ordinary shares	6,436,821
Options	2,000,000
Employee incentive rights	-

**Ian Howarth | Non-Executive Director** (independent Director) spent several years as a mining and oil analyst with Melbourne-based May and Mellor. He had a career in journalism as a senior resources writer at The Australian and was the Resources Editor of the Australian Financial Review for 18 years. He created Collins Street Media, one of Australia's leading resources sector consultancies. Clients included APPEA and several listed companies including Shell Australia. His expertise lies in marketing and assisting in capital raising. Ian has a certificate in financial markets from Securities Institute of Australia.

Other directorships – Nil.

Committee memberships - Audit and risk committee, Chair of the Nomination committee and Remuneration committee.

### Interest in shares and options

Ordinary shares	15,331,180
Options	2,000,000
Employee incentive rights	-



## Company Secretary

The following person was Company Secretary of Vintage during and since the end of the financial year:

**Simon Gray | Company Secretary / Chief Financial Officer** has over 40 years' experience as a chartered accountant and 20 years as a Partner with Grant Thornton, a national accounting firm. In his last five years at the firm, he was the national head of energy and resources. Simon retired from active practice in July 2015. His key expertise lies in audit and risk, valuations, due diligence and ASX Listings. His qualifications include B.Ec. (Com). He is Chairman and Chief Financial Officer of minerals exploration company Havilah Resources Limited and Company Secretary of several other ASX-listed companies.

## Principal activities

The principal activities of the Company during the year were gas and oil exploration, appraisal and production.

Vintage became a producer of hydrocarbons during the financial year.

## Results for the year

### Statement of profit or loss

The Company incurred an operating loss of \$11,261,626 for the financial year ended 30 June 2023 (2022 \$7,978,704).

The movement in earnings between the periods is largely explained at a high level by two features:

- the commencement of gas production during the year and with the associated increases in production costs, depreciation and royalties.
- the first full year interest and amortisation charges associated with the company's debt facility.

Total income rose to \$3,995,510 and was 78% higher than the previous year's income of \$2,241,361. The increase includes sales revenue of \$949,333 (2022 nil)

following the commencement of gas sales from the Vali gas field in February. Joint Venture recoveries rose from \$2,193,448 to \$2,794,504, with the increase reflecting increased activity and expenditure during 2023.

The more significant expenses during the year included:

- production costs of \$1,492,611 (2022: Nil) which includes expenditure on commissioning to bring wells into production.
- depreciation charges totalling \$560,707 (2022: \$241,820). Depreciation increased as a result of the commencement of production.
- an impairment charge of \$4,635,464 resulting from assessment of Albany-2 in the Galilee Basin. The 2022 financial accounts included an impairment charge of \$4,173,827 relating to oil exploration in the Perth Basin.
- financing costs of \$1,887,738 (2022: \$116,461) which included the first full year of interest charges under the company's debt facility and amortisation of associated warrants.
- increased employee benefits reflecting increased activity levels.

Further detail and discussion of the year's activities and operational outcomes is provided in the Review of Operations in this Annual Report.

### Statement of financial position

Cash and cash equivalents reduced from \$18,711,960 to \$7,507,716, principally due to expenditure to bring the company's gas fields to production. Property, plant and equipment rose from \$406,055 to \$8,660,457 through recognition of production and pipeline facilities which became operational during the year.

The most significant movement in liabilities at 30 June was the increase in provisions from \$1,149,040 to \$4,239,426. The movement is largely attributable to the increase in restoration provision from \$970,000 to \$3,992,500.

## Dividends

No dividends were paid or proposed during the year.



## Significant changes in the state of affairs

On 21 February 2023, the Company achieved first gas supply from its Vali field (ATP 2021 Joint Venture). The initial phase of testing of Vali is directed to field appraisal, with the data acquired to inform preparation of a full field development plan. The appraisal process will be reflected in variable production as individual zones and formations are assessed, understood and optimised.

On 15 May 2023, the Company announced the signing of a Gas Sales Agreement with Pelican Point Power for supply of gas from the Odin Field from gas supply start-up to end 2024.

In June 2023, the Company issued 111,801,044 ordinary shares at \$0.05 per share, to complete a \$5,590,052 capital raise, as announced 31 May 2023.

## Subsequent events

Subsequent to year end, 1,845,300 short term incentive performance rights held by the Managing Director, 164,300 short term incentive performance rights held by an associate of the Managing Director, 1,077,700 short term incentive performance rights held by other key management personnel and 7,992,500 short term incentive performance rights held by management vested upon their performance conditions being met.

On 12 September 2023, 1,598,600 STI performance rights were granted to key management personnel and 12,866,500 Class STI performance rights were granted to management and staff, with a fair value of \$578,604 on the following terms:

- being employed by the Company at 1 July 2024
- Odin Production on line (or available) over a 9 month period during FY24
- Full Field Development Plan finalised for the Vali Gas Field and approved by the joint venture
- Total capital expenditure for FY24 maintained within 110% of the approved Corporate Budget capital expenditure,

On 14 September 2023, first gas was achieved from the Odin Field (PRL 211 Joint Venture). The initial phase of production from Odin is directed to field appraisal, with the data acquired to inform preparation of a full field development plan.

## Likely developments, business strategies and prospects

The Company will continue to develop its existing suite of exploration and evaluation assets and will work to identify other assets and corporate opportunities that will grow the Company and enhance shareholder value.

## Directors' meetings

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director is as follows:

	Board Meetings		Audit and Risk Committee		Remuneration Committee		Nomination Committee	
	A	B	A	B	A	B	A	B
Board Member								
Reg Nelson	8	8	3	3	1	1	1	1
Ian Howarth	8	8	3	3	1	1	1	1
Neil Gibbins	8	8	3	3	1	1	1	1
Nick Smart	8	5	3	3	1	1	1	1

### Notes to the table above:

A is the number of meetings held; B is the number of meetings attended; All Directors are members of all committees.

## Share options granted to management and Directors during the year

No share options were granted to management or Directors during the year.

## Performance rights granted to management and Directors during the year

Performance rights were issued to other key management personnel on 5 August 2022 on the following terms:

- 1,077,700 short term incentives – being employed by the Company at 1 July 2023, Odin gas sales contract in place and construction commenced on flow line infrastructure;

A further 7,992,500 performance rights were issued to management and staff, on the following terms:

- 7,245,496 short term incentives issued 5 August 2022 – being employed by the Company at 1 July 2023, Odin gas sales contract in place and construction commenced on flow line infrastructure;
- 449,200 short term incentives issued 5 August 2022 – being employed by the Company at 1 August 2023;
- 297,804 short term incentives issued 18 November 2022 – being employed by the Company at 17 October 2023 and acceptable individual performance up to 17 October 2023.

1,845,300 performance rights were issued to the Managing Director and 164,300 to a related party of the Managing Director on 25 November 2022, as approved at the Company AGM held 22 November 2022, on the following terms:

- Short term incentive – employed by the Company at 1 July 2023, a gas contract in place for Odin gas and construction commenced on a connection pipeline.

A further 1,729,700 performance rights relating to the Managing Director, 1,010,200 relating to other key management personnel and 6,255,500 relating to management and staff lapsed during the year, after performance conditions were not met.

Subsequent to the end of the financial year, as described above, 1,598,600 Class STI performance rights were granted to key management personnel and 12,866,500 Class STI performance rights were granted to management.

## Performance rights on issue

Performance rights to ordinary shares in the Company at the date of this report are:

- 4,036,000 performance rights held by the Managing Director;
- 3,955,600 performance rights held by other key management personnel, and;
- 22,527,904 performance rights held by management and staff.

## Unissued shares under option

6,000,000 options have been issued to Directors, excluding the Managing Director, with an exercise price of \$0.133 per option, expiring 3 years from issue (29 November 2024). The options were approved at the Company AGM held 29 November 2021.

Options do not entitle the holder to participate in any share issue of the Company.

## Shares issued during or since the end of the year as a result of exercise of options

No options have been exercised during or since the end of the financial year.

## Shares issued during or since the end of the year as a result of exercise of performance rights

During the year, 549,200 performance rights relating to management were exercised into ordinary shares on satisfaction of performance conditions.

Subsequent to the end of the financial year, 1,845,300 shares were issued to the Managing Director, 164,300 shares were issued to a related party of the Managing Director, 1,077,700 shares were issued to other key management personnel and 7,992,500 shares were issued to management and staff on the exercise of Class STI performance rights upon satisfaction of performance conditions.



## Environmental legislation

The Company's oil and gas operations are subject to environmental regulation under the legislation of the respective State, Territory and Federal Government jurisdictions in which it operates. Approvals, licenses, hearings and other regulatory requirements are performed by the operators of each permit or lease on behalf of joint operations in which the Company participates. The Company is potentially liable for any environmental damage from its activities, the extent of which cannot presently be quantified and would in any event be reduced by insurance carried by the Company or operator. The Company applies the oil and gas experience of its personnel to develop strategies to identify and mitigate environmental risks. Compliance by operators with environmental regulations is governed by the terms of respective joint operating agreements and is otherwise conducted using oil industry best practices. Management actively monitors compliance with regulations and as at the date of this report is not aware of any material breaches in respect of these regulations.

## Remuneration report (audited)

### Principles used to determine the nature and amount or remuneration

The remuneration policy of Vintage has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering other incentives based on performance in achieving key objectives as approved by the Board. The Board of Vintage believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company, as well as create goal congruence between Directors, executives and shareholders.

The Company's policy for determining the nature and amounts of emoluments of Board members and other key management personnel of the Company is as follows:

### Remuneration and nomination

The remuneration committee oversees remuneration matters and sets remuneration policy, fees and remuneration packages for non-executive Directors and senior executives. The objectives and responsibilities of the remuneration committee are documented in the charter approved by the Board. A copy of the charter is available on the Company's website.

The Company's Constitution specifies that the total amount of remuneration of non-executive Directors shall be fixed from time to time by a general meeting. The current maximum aggregate remuneration of non-executive Directors has been set at \$800,000 per annum. Directors may apportion any amount up to this maximum amount amongst the non-executive Directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as Directors. The fees paid to non-executive Directors are not incentive or performance based but are fixed amounts that are determined by reference to the nature of the role, responsibility and time commitment required for the performance of the role, including membership of board committees.

Non-executive Director remuneration is by way of fees and statutory superannuation contributions. Non-executive Directors do not participate in schemes designed for remuneration of executives and are not provided with retirement benefits other than salary sacrifice and statutory superannuation.

### Executive remuneration policies

Due to the current size and nature of the Company, the Directors do not consider a link between remuneration and financial performance is appropriate.

The tables below set out summary information about the Company's earnings and movements in shareholder wealth to 30 June 2023:

Financial year	2019	2020	2021	2022	2023
Revenue	-	-	-	-	\$949,333
Loss for the year	(3,422,786)	(2,205,848)	(\$2,368,480)	(\$7,978,704)	(\$11,261,626)

Financial year	2019	2020	2021	2022	2023
Share price at beginning of year	N/A *	\$0.11	\$0.06	\$0.07	\$0.07
Share price at end of year	\$0.11	\$0.06	\$0.07	\$0.07	\$0.05
Basic loss per ordinary share	(\$0.0157)	(\$0.0079)	(\$0.0044)	(\$0.0117)	(\$0.0149)
Diluted loss per ordinary share	(\$0.0160)	(\$0.0079)	(\$0.0044)	(\$0.0117)	(\$0.0149)

\*The Company's first trading day on the ASX was 17 September 2018, with a listing price of \$0.20.

The remuneration of the Managing Director is determined by the remuneration committee and approved by the Board. The terms and conditions of his employment are subject to review from time to time.

The remuneration of other executive officers and employees is determined by the Managing Director subject to the review of the remuneration committee. The Company's remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of the Company.

The remuneration structure and packages offered to executives are summarised below:

### Fixed remuneration

- Short-term incentive - The Company provides equity grants at the discretion of the Board based on the achievement of key performance indicators. The Company may grant retention options or performance rights as considered appropriate as a short-term incentive.
- Long-term incentive – equity grants, which may be granted annually at the discretion of the Board. From time to time, the Company may grant retention options or performance rights as considered appropriate as a long-term incentive for key management personnel.

The intention of this remuneration is to facilitate the retention of key management personnel in order that the goals of the business and shareholders can be met. Under the terms of the issue of the retention rights, the rights will vest over a period, dependent upon company and individual performance.

At the Company's Annual General Meeting, held 22 November 2022, 98.9% of eligible votes were cast in favour of the remuneration report in the 2022 Annual Report of the Company being adopted.

### Remuneration consultants

The Company did not use any remuneration consultants during the year.

### Remuneration of Directors and key management personnel

This report details the nature and amount of remuneration for each key management personnel of the Company. The key management personnel of the Company are the Board of Directors and Company Secretary/Chief Financial Officer.

### Directors and key management personnel

The names and positions held by Directors and key management personnel of the Company during the whole of the financial year are:

Name	Date appointed	Position
Reg Nelson	10 February 2017	Chairman
Neil Gibbins	10 February 2017	Managing Director
Nick Smart	9 November 2015	Non-Executive Director
Ian Howarth	9 November 2015	Non-Executive Director
Simon Gray	9 November 2015	Company Secretary and Chief Financial Officer

## Remuneration summary Directors and other key management personnel

2023	Salary & fees <sup>(3)</sup>	Share based remuneration	Super-annuation	Termination benefits	Total	Share based percentage of total	Performance related percentage
<b>Non-executives</b>							
Reg Nelson	71,283	-	7,485	-	78,768	-	-
Ian Howarth	47,522	-	4,990	-	52,512	-	-
Nick Smart	47,522	-	4,990	-	52,512	-	-
<b>Executives</b>							
Neil Gibbins	400,008	174,386 <sup>(1)</sup>	27,492	-	601,886	29%	29%
Simon Gray	132,320	100,763 <sup>(1)</sup>	12,043	-	245,126	41%	41%
	<b>698,655</b>	<b>275,149</b>	<b>57,000</b>	-	<b>1,030,804</b>		

2022	Salary & fees <sup>(3)</sup>	Share based remuneration	Super-annuation	Termination benefits	Total	Share based percentage of total	Performance related percentage
<b>Non-executives</b>							
Reg Nelson	71,283	56,594 <sup>(2)</sup>	7,128	-	135,005	42%	42%
Ian Howarth	47,522	56,594 <sup>(2)</sup>	4,752	-	108,868	52%	52%
Nick Smart	47,522	56,594 <sup>(2)</sup>	4,752	-	108,868	52%	52%
<b>Executives</b>							
Neil Gibbins	343,782	120,732 <sup>(1)</sup>	29,940	-	494,454	24%	24%
Simon Gray	105,016	61,756 <sup>(1)</sup>	8,742	-	175,514	35%	35%
	<b>615,125</b>	<b>352,270</b>	<b>55,314</b>	-	<b>1,022,709</b>		

### Notes to the two tables above:

- (1) These amounts are calculated in accordance with accounting standards and represent the amortisation of accounting fair values of options or performance rights that have been granted to key management personnel in this or prior financial years. The fair value of equity instruments have been measured using a generally accepted valuation model. The fair values are then amortised over the entire vesting period of the equity instruments. Total remuneration shown in 'total' therefore includes a portion of the fair value of unvested equity compensation during the year. The amount included as remuneration is not related to or indicative of the benefit (if any) that individuals may ultimately realise should these equity instruments vest and be exercised.
- (2) Relates to fair value of options issued.
- (3) Executive salaries include leave entitlements.

### Service agreements

Remuneration and other terms of employment for Executive Directors and other key management personnel are formalised in a Service agreement.

Details of agreements for Executive Directors and other key management personnel is set out below:

#### Mr. Neil Gibbins, Managing Director

Base Salary \$434,310 (full time equivalent) inclusive of superannuation. The position is a 0.9 full time equivalent.

If the Board requires Mr. Gibbins to permanently transfer to another location outside of the Adelaide Metropolitan area, Mr. Gibbins may terminate the Agreement and will be entitled to a sum equivalent of his annual salary. The Company may terminate the Agreement immediately in several circumstances including serious misconduct or failure to carry out the employee's duties under the Agreement.

The Company and Mr. Gibbins may also terminate the Agreement on three months' written notice.

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## Mr. Simon Gray, Company Secretary

Base Salary \$253,636 (full time equivalent) inclusive of superannuation. The position is a 0.5 full time equivalent.

### Share based remuneration

Details of performance rights and options granted over ordinary shares that were granted as remuneration to the Managing Director and other key management personnel are set out below, on the following terms:

- Class short term incentives – performance rights – continued employment with the Company at 1 July 2023, a gas contract in place for Odin gas and construction commenced on a connection pipeline.
- Class long term incentives 1 – performance rights – continued employment with Vintage at 30 June 2024 and CO<sub>2</sub> production commenced or Nangwary project monetised prior to 30 June 2024.
- Class long term incentives 2 – performance rights – continued employment with Vintage at 30 June 2024 and the Company reach a market capitalisation of \$100million prior to 30 June 2024.

Employee	Class	Number of rights granted	Grant Date	\$ Value at Grant date	Number converted	Number lapsed
Neil Gibbins	STI	1,729,700	30 November 2021	121,944	-	(1,729,700)
Neil Gibbins	LT1	2,018,000	30 November 2021	113,815	-	-
Neil Gibbins	LT2	2,018,000	30 November 2021	141,260	-	-
Neil Gibbins	STI	1,845,300	25 November 2022	117,562	-	-
Simon Gray	STI	1,010,200	2 August 2021	45,459	-	(1,010,200)
Simon Gray	LT1	1,178,500	2 August 2021	42,426	-	-
Simon Gray	LT2	1,178,500	2 August 2021	9,428	-	-
Simon Gray	STI	1,077,700	5 August 2022	69,512	-	-

Performance rights convert to ordinary shares on the completion of the performance conditions.

Performance rights carry no dividends or voting rights and when exercisable each right is converted into one ordinary share. They are excisable at nil value.

### Directors and other key management personnel equity remuneration, holdings and transactions

The number of shares in the Company held during the financial year by each Director and other key management personnel of the Company, including their personal related parties, are set out below:

Name	Balance 1 July 2022	Rights Exercised	Options Exercised	Net Change Other	Balance 30 June 2023
Reg Nelson	16,747,637	-	-	1,610,350 <sup>(i)</sup>	18,357,986
Neil Gibbins	14,768,193	-	-	1,420,018 <sup>(i)</sup>	16,188,211
Ian Howarth	13,986,340	-	-	1,344,840 <sup>(i)</sup>	15,331,180
Nick Smart	6,236,821	-	-	200,000 <sup>(i)</sup>	6,436,821
Simon Gray	6,136,728	-	-	200,000 <sup>(i)</sup>	6,336,728

#### Notes to the table above:

- (i) Shares were acquired during the year as part of the capital raise announced on 31 May 2023.

The number of options held by each Director and other key management personnel of the Company, including their personal related parties are detailed below.

Name	Opening balance	Options granted	Options lapsed	Balance 30 June 2023
Reg Nelson	2,000,000	-	-	2,000,000
Neil Gibbins	-	-	-	-
Ian Howarth	2,000,000	-	-	2,000,000
Nick Smart	2,000,000	-	-	2,000,000
Simon Gray	-	-	-	-

The number of performance rights held during the financial year by each Director and other key management personnel of the Company, including their personal related parties are detailed below.

Name	Balance 1 July 2022	Rights lapsed	Rights converted	Rights granted	Balance 30 June 2023
Reg Nelson	-	-	-	-	-
Neil Gibbins	5,765,700	(1,729,700)	-	1,845,300	5,881,300
Ian Howarth	-	-	-	-	-
Nick Smart	-	-	-	-	-
Simon Gray	3,367,200	(1,010,200)	-	1,077,700	3,434,700

#### Shares issued on exercise of remuneration options

No shares were issued to Directors or key management as a result of the exercise of options during the financial year.

#### Employee incentive plan

The shareholders of the Company approved an employee incentive plan for employees at the Annual General Meeting held on 29 November 2021. Performance rights issued pursuant to the plan to eligible employees other than Directors and key management personnel as at 30 June 2023 are detailed at Note 17 in the Notes to the Financial Statements.

#### Transactions with key management personnel

An affiliate of the Managing Director is employed with the Company in a technical exploration position, with remuneration based on an arm's length review and at a rate consistent with the position filled. The Managing Director has no role in the determination of salary or benefits paid to the employee. Other than the above, there were no other transactions with other key management personnel.

**END OF REMUNERATION REPORT**

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## Indemnities given to, and insurance premiums paid for, auditors and officers

### Insurance of officers

During the year, Vintage paid a premium to insure officers of the Company. The officers covered by insurance include all Directors and officers.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

Details of the amount of premium paid in respect of insurance policies are not disclosed, as their disclosure is prohibited under the terms of the contract. The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Company against a liability incurred as such by an officer.

### Indemnity of auditors

The Company has agreed to indemnify its auditors, Grant Thornton Audit Pty Ltd, to the extent permitted by law, against any claim by a third party arising from the Company's breach of its agreement. The indemnity requires the Company to meet the full amount of any such liabilities including a reasonable amount of legal costs.

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

### Non-audit services

During the year, Grant Thornton Audit Pty Ltd, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Directors to ensure they do not impact upon the impartiality and objectivity of the auditor.
- the non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards), as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company, Grant Thornton Audit Pty Ltd, and its related practices for audit and non-audit services provided during the year are set out in Note 24 in the Notes to the Financial Statements.

A copy of the auditor's independence declaration as required under s.307C of the Corporations Act 2001 is included on the next page of this financial report and forms part of this Directors' report.

Signed in accordance with a resolution of the Directors.



**Reg Nelson**

Chairman

28 September 2023

# AUDITOR'S INDEPENDENCE DECLARATION



**Grant Thornton Audit Pty Ltd**  
Grant Thornton House Level 3  
170 Frome Street  
Adelaide SA 5000  
GPO Box 1270  
Adelaide SA 5001  
T +61 8 8372 6666

## To the Directors of Vintage Energy Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Vintage Energy Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;  
and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

J L Humphrey  
Partner – Audit & Assurance

Adelaide, 28 September 2023

[www.grantthornton.com.au](http://www.grantthornton.com.au)  
ACN-130 913 594

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# CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, the company has adopted the fourth edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council on 27 February 2019 and became effective for financial years beginning on or after 1 January 2020.

The company's corporate governance statement for the financial year ending 30 June 2023 was approved and dated by the Board on 28 September 2023. The corporate governance statement is available on Vintage's website at:

<https://www.vintageenergy.com.au/governance-policies.html>

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# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For year ended 30 June 2023	Notes	30 June 2023 \$	30 June 2022 \$
Revenue from customers		949,333	-
Interest income		124,456	1,016
Joint operations recoveries		2,794,504	2,193,448
Other income		127,217	46,897
<b>Total income</b>		<b>3,995,510</b>	<b>2,241,361</b>
Production costs		(1,492,611)	-
Royalty expense		(77,517)	-
Depreciation expense	10	(560,707)	(241,820)
Exploration expense		(30,010)	(9,000)
Director remuneration expense	5	(821,980)	(847,196)
Employee benefits expense	5	(4,342,473)	(3,188,135)
Impairment expense	11	(4,635,464)	(4,173,827)
Financing costs	5	(1,887,738)	(116,461)
Other expenses	5	(1,408,636)	(1,643,626)
<b>(Loss) before income tax</b>		<b>(11,261,626)</b>	<b>(7,978,704)</b>
Income tax benefit		-	-
<b>(Loss) for the year</b>		<b>(11,261,626)</b>	<b>(7,978,704)</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) attributable to owners of the company for the year</b>		<b>(11,261,626)</b>	<b>(7,978,704)</b>
<b>Earnings per share</b>			
Basic (loss) per share from continuing operations (dollars)	19	<b>(0.0149)</b>	<b>(0.0117)</b>
Diluted (loss) per share from continuing operations (dollars)	19	<b>(0.0149)</b>	<b>(0.0117)</b>

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# STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Notes	30 June 2023 \$	30 June 2022 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	7,507,716	18,711,960
Trade and other receivables	8	1,078,559	2,440,799
Total current assets		<u>8,586,275</u>	<u>21,152,759</u>
<b>Non-Current Assets</b>			
Other financial assets	9	175,306	-
Property, plant and equipment	10	8,660,457	406,055
Exploration and evaluation assets	11	49,403,928	49,167,004
Total non-current assets		<u>58,239,691</u>	<u>49,573,059</u>
<b>Total Assets</b>		<b><u>66,825,966</u></b>	<b><u>70,725,818</u></b>
<b>Current Liabilities</b>			
Trade and other payables	12	993,168	3,498,535
Provisions	13	908,945	681,249
Contract liabilities	14	1,210,633	974,000
Other financial liabilities	15	145,236	217,414
Total current liabilities		<u>3,257,982</u>	<u>5,371,198</u>
<b>Non-Current Liabilities</b>			
Provisions	13	4,239,426	1,149,040
Contract liabilities	14	6,091,707	6,526,000
Other financial liabilities	15	7,702,431	7,070,239
Total non-current liabilities		<u>18,033,564</u>	<u>14,745,279</u>
<b>Total Liabilities</b>		<b><u>21,291,546</u></b>	<b><u>20,116,477</u></b>
<b>Net Assets</b>		<b><u>45,534,420</u></b>	<b><u>50,609,341</u></b>
<b>Equity</b>			
Share capital	16	68,626,145	63,442,004
Reserves		3,974,757	3,370,284
Accumulated (losses)		(27,066,482)	(16,202,947)
<b>Total Equity</b>		<b><u>45,534,420</u></b>	<b><u>50,609,341</u></b>

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# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023	Notes	Share capital	Accumulated losses	Share based payments reserve	Total equity
		\$	\$	\$	\$
<b>Balance at 1 July 2021</b>		<b>51,907,858</b>	<b>(8,562,680)</b>	<b>480,705</b>	<b>43,825,883</b>
(Loss) for the year		-	(7,978,704)	-	(7,978,704)
Other comprehensive income		-	-	-	-
Total comprehensive (loss) for the year		-	(7,978,704)	-	(7,978,704)
<i>Total transactions with owners</i>					
Issue of ordinary shares at \$0.085	16	11,942,489	-	-	11,942,489
Issue of ordinary shares on conversion of rights	16	43,500	-	(43,500)	-
Fair value of warrants issued	15	-	-	2,647,059	2,647,059
Fair value of performance rights issued		-	-	742,709	742,709
Fair value of performance rights lapsed	16	118,251	338,437	(456,689)	-
Transaction costs	16	(570,094)	-	-	(570,094)
<b>Balance at 30 June 2022</b>		<b>63,442,004</b>	<b>(16,202,947)</b>	<b>3,370,284</b>	<b>50,609,341</b>
<b>Balance at 1 July 2022</b>		<b>63,442,004</b>	<b>(16,202,947)</b>	<b>3,370,284</b>	<b>50,609,341</b>
(Loss) for the year		-	(11,261,626)	-	(11,261,626)
Other comprehensive income		-	-	-	-
Total comprehensive (loss) for the year		-	(11,261,626)	-	(11,261,626)
<i>Total transactions with owners</i>					
Issue of ordinary shares at \$0.05	16	5,590,052	-	-	5,590,052
Issue of ordinary shares on conversion of rights	16	24,714	-	(24,714)	-
Fair value of performance rights and options issued		-	-	1,027,278	1,027,278
Fair value of performance rights lapsed		-	398,091	(398,091)	-
Transaction costs	16	(430,625)	-	-	(430,625)
<b>Balance at 30 June 2023</b>		<b>68,626,145</b>	<b>(27,066,482)</b>	<b>3,974,757</b>	<b>45,534,420</b>

This statement should be read in conjunction with the notes to the financial statements



# STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	30 June 2023 \$	30 June 2022 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		658,407	8,250,000
Payments to suppliers and employees		(7,245,985)	(4,780,993)
Interest received		124,455	1,016
Financing costs		(1,109,042)	-
Other income – recoveries		78,578	46,897
<b>Net cash (used in) / from operating activities</b>	25	<b>(7,493,587)</b>	<b>3,516,920</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation assets		(8,450,755)	(12,806,072)
Payments for property, plant and equipment		(216,747)	(25,257)
<b>Cash flows (used in) investing activities</b>		<b>(8,667,502)</b>	<b>(12,831,329)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares	16	5,590,052	11,942,489
Payment for share issue costs		(404,249)	(570,094)
Proceeds from borrowings		-	10,000,000
Transaction costs related to loans and borrowings		-	(496,519)
Payment of the principal portion of lease liabilities		(228,958)	(218,543)
<b>Net cash from financing activities</b>		<b>4,956,845</b>	<b>20,657,333</b>
<b>Net change in cash and cash equivalents</b>		<b>(11,204,244)</b>	<b>11,342,924</b>
Cash and cash equivalents at the beginning of year		18,711,960	7,369,036
Cash and cash equivalents at end of year	7	7,507,716	18,711,960

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This statement should be read in conjunction with the notes to the financial statements

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Nature of operations

Vintage Energy Limited is an Australian listed public company, incorporated in Australia and operating in Australia. The principal activities of the Company are disclosed in the Directors' Report. Vintage's registered office and its principal place of business at the date of this report is 58 King William Road, Goodwood SA 5034.

## 2 General information and statement of compliance

The general-purpose financial statements of the Company have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Vintage Energy Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements for the year ended 30 June 2023 were approved and authorised for issue by the Board of Directors on 28 September 2023.

## 3 Changes in accounting policies

### 3.1 New and revised standards that are effective for these financial statements

There are no new or revised Accounting Standards issued, or issued but not yet effective, which are expected to have a material impact on the financial statements.

## 4 Summary of accounting policies

### 4.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

### 4.2 Basis of preparation

The financial statements have been prepared on the basis of historical cost except, where applicable, for the revaluation of certain non-current assets and financial instruments. All amounts are presented in Australian dollars, unless otherwise noted.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

### 4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes on value.

### 4.4 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

#### **4.5 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

#### **4.6 Estimate of restoration costs**

The Company estimates the future removal costs of wells and pipelines at different stages of the development and construction of assets or facilities. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability specific discount rates to determine the present value of these cash flows. The provision amount represents the Company's current best estimate of its restoration obligations to be performed in the future based on current industry practice and expectations. However, this will be dependent on approval by regulatory authorities prior to restoration activities being undertaken and may be subject to change.

#### **4.7 Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

#### **4.8 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid according to term.

#### **4.9 Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either; in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement, which are described as follows:

- Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs are unobservable inputs for the asset or liability

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the last valuation and a comparison, where applicable, with external sources of data.

#### 4.10 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the local taxation office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### 4.11 Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

All tangible assets have limited useful lives and are depreciated using the straight-line value method over their estimated useful lives, considering estimated residual values, to write off the cost to its estimated residual value, as follows:

- Furniture and fittings: 20%
- Plant and equipment: 33%
- Field pipelines: 5%
- Field facilities: 10%

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjusted if appropriate.

#### 4.12 Impairment of assets

At each reporting date the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

#### 4.13 Exploration and evaluation costs

Exploration and evaluation expenditure includes costs incurred in the search for hydrocarbon resources and determining its commercial viability in each identifiable area of interest. Exploration and evaluation expenditure is accounted for in accordance with the successful efforts method and is capitalised to the extent that:



- i. the rights to tenure of the areas of interest are current and the Company controls the area of interest in which the expenditure has been incurred; and
- ii. such costs are expected to be recouped through successful development and exploration of the area of interest, or alternatively by its sale; or
- iii. exploration and evaluation activities in the area of interest have not at the reporting date:
  - reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and
  - active and significant operations in, or in relation to, the area of interest are continuing. An area of interest refers to an individual geological area where the potential presence of an oil or a natural gas field is considered favourable or has been proven to exist, and in most cases, will comprise an individual prospective oil or gas field.

Exploration and evaluation expenditure which does not satisfy these criteria is written off.

Specifically, costs carried forward in respect of an area of interest that is abandoned or costs relating directly to the drilling of an unsuccessful well are written off in the year in which the decision to abandon is made or the results of drilling are concluded. The success or otherwise of a well is determined by reference to the drilling objectives for that well. For successful wells, the well costs remain capitalised on the Statement of Financial Position if sufficient progress in assessing the reserves and the economic and operating viability of the project is being made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where an ownership interest in an exploration and evaluation asset is exchanged for another, the transaction is recognised by reference to the carrying value of the original interest. Any cash consideration paid, including transaction costs, is accounted for as an acquisition of exploration and evaluation assets. Any cash consideration received, net of transaction costs, is treated as a recoupment of costs previously capitalised with any excess accounted for as a gain on disposal of non-current assets. Where a discovered oil or gas field enters the development phase the accumulated exploration and evaluation expenditure is transferred to oil and gas assets.

#### 4.14 Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Under certain agreements, more than one combination of participants can make decisions about the relevant activities and therefore joint control does not exist. Where the arrangement has the same legal form as a joint operation but is not subject to joint control, the Company accounts for its interest in accordance with the contractual agreement by recognising its share of jointly held assets, liabilities, revenues and expenses of the arrangement.

When the Company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets jointly held;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its revenue from salary recoveries and overhead charges;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Company accounts for its assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

#### 4.15 Financial instruments

##### Recognition, initial measurement and derecognition

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires. Financial instruments are classified and measured as set out below.

#### *Effective interest rate method*

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

### **Classification and subsequent measurement**

#### *Trade and other receivables*

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

#### *Financial liabilities*

The entity's financial liabilities include trade and other payables. Non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

#### *Fair value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

### **4.16 Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss using an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit.

### **4.17 Government grants**

The Company's projects at times may be supported by grants received from the federal, state and local governments. Government grants received in relation to drilling of exploration wells are initially deferred as a liability until the grant is spent. Once spent, it is then recognised as a reduction in the carrying value of exploration and evaluation asset, or income if the expenditure relating to the grant is expensed. The refundable research and development tax incentive is accounted for as a government grant.

Government grants are assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the Company. Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and the grant will be received.

#### 4.18 Share-based payments

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options or rights that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options or rights expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options or rights ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

#### 4.19 Leases

At inception of a contract, the Company assesses whether a lease exists – that is, does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset, that is, decision-making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease. However, where this cannot be readily determined then the Company's incremental borrowing rate is used.

After initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (for example, CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### 4.20 Revenue recognition

Applying Accounting Standard AASB 15 *Revenue from Contracts with Customers*, revenue from contracts with customers is recognised in the income statement when or as the Company transfers control of goods or services to a customer at the amount to which the Company expects to be entitled. If the consideration promised includes a variable amount, the Company estimates the amount of consideration to which it will be entitled.

##### *Revenue from the sale of hydrocarbons*

Revenue from the sale of hydrocarbons is recognised based on volumes sold under contracts with customers, at the point in time where performance obligations are considered met. Generally, regarding the sale of hydrocarbon products, the performance obligation will be met when the product is delivered to the specified measurement point (gas) or point of loading/unloading (liquids).

### *Contract Liabilities*

A contract liability is recorded for obligations under sales contracts to deliver natural gas in future periods for which payment has already been received. The Company applies the practical expedient in paragraph 121 of AASB 15 *Revenue from Contracts with Customers* and does not disclose information on the transaction price allocated to performance obligations that are unsatisfied.

### **4.21 Going concern**

The financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business.

During the year ended 30 June 2023 the company recognised a loss of \$11,261,626, had net cash outflows from operating and investing activities of \$16,161,089 and had accumulated losses of \$27,066,482 as at 30 June 2023. The continuation of the Company as a going concern is dependent upon its ability to generate sufficient net cash inflows from operating and financing activities and manage the level of exploration and other expenditure within available cash resources. The Directors consider that the going concern basis of accounting is appropriate, as the company has the following options:

- The ability to issue share capital under the Corporations Act 2001, by a share purchase plan, share placement or rights issue;
- The option of farming out all or part of its assets;
- The option of selling interests in the Company's assets; and
- The option of relinquishing or disposing of rights and interests in certain assets.

In the event that the Company is unsuccessful in implementing one or more of the funding options listed above, such circumstances would indicate that a material uncertainty exists that may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

### **4.22 Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **4.23 Critical accounting estimates and judgements**

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Critical judgements in applying the Company's accounting policies*

The following critical judgement, including estimations, that management has made in the process of applying the Company's accounting policies and that had the most significant effect on the amounts recognised in the financial statements.

#### *Capitalised exploration and evaluation*

The Company has capitalised significant exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful development or alternatively sale of the areas of interest. If, ultimately, the areas of interest are abandoned or are not successfully commercialised, the carrying value of the capitalised exploration and evaluation expenditure would need to be written down to its recoverable amount.

#### *Restoration costs*

The Company has recognised restoration costs based on current estimates of the liability. This estimate requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and liability specific discount rates to determine the present value of these cash flows.



#### *Useful life of infrastructure*

The company has estimated the useful life of the Vali and Odin infrastructure based on manufacturers' advice on the operational life of the individual components. The useful lives may change due to changes in operational conditions, occupational health and safety changes and obsolescence.

#### *Impairment of exploration and evaluation assets*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Management is required to make certain estimates and assumptions in applying this policy. Factors which could impact the future recoverability include the level of gas and oil resources, future technological changes which could impact the cost of extraction, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. These estimates and assumptions may change as new information becomes available. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable gas and oil reserves or resources. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

#### **4.24 Operating segments**

The Directors have considered the requirements of AASB 8 Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded at this time there are no separately identifiable segments.

## 5 Loss for the year

Loss for the year from continuing operations includes the following expenses:

	30 June 2023	30 June 2022
	\$	\$
<b>Director remuneration expense</b>		
Director salary and fees	(566,334)	(510,109)
Director post-employment benefits	(44,957)	(46,572)
Share based payments	(210,689)	(290,515)
	<b>(821,980)</b>	<b>(847,196)</b>
<b>Employees benefit expense</b>		
Short-term employee benefits – salaries and fees	(2,687,513)	(1,937,763)
Post-employment benefits	(285,233)	(198,215)
Increase in employee benefit provisions	(295,582)	(495,256)
Recharge of salaries and fees to exploration expenditure	84,952	103,399
Share based payments	(816,588)	(452,195)
Other staff costs	(342,509)	(208,105)
	<b>(4,342,473)</b>	<b>(3,188,135)</b>
<b>Financing expenses</b>		
Amortisation of borrowing costs	(787,738)	(65,228)
Interest expense – debt facility	(1,100,000)	(51,233)
	<b>(1,887,738)</b>	<b>(116,461)</b>
<b>Other expenses</b>		
Accounting and audit	(107,524)	(60,088)
Conferences	(33,300)	(28,185)
Consulting expenses	(154,203)	(556,896)
Computer expenses	(364,078)	(257,089)
Insurances	(140,400)	(144,056)
Marketing	(170,000)	(213,900)
Travel and accommodation	(29,482)	(26,271)
Legal fees	(100,703)	(60,433)
Share registry and exchange costs	(94,195)	(102,095)
Subscriptions and technical publications	(62,527)	(56,499)
Sundry	(152,224)	(138,114)
	<b>(1,408,636)</b>	<b>(1,643,626)</b>

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## 6 Income taxes

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	30 June 2023	30 June 2022
	\$	\$
<b>Loss from operations</b>	<b>(11,261,626)</b>	<b>(7,978,704)</b>
Income tax expense / (benefit) calculated at 25% (2022: 25%)	(2,815,407)	(1,994,676)
Non-deductible expenses	425,372	201,467
Unused tax losses and tax offsets not recognised as deferred tax assets	2,390,035	1,793,209
Tax expense/(benefit)	<u>-</u>	<u>-</u>
<b>Tax expense/(benefit) comprises</b>		
Current tax expense	(2,390,035)	(1,793,209)
Tax losses not brought to account <sup>(1)</sup>	4,022,799	4,862,684
Deferred tax liability not brought to account <sup>(2)</sup>	(1,632,764)	(3,069,475)
Tax expense (benefit)	<u>-</u>	<u>-</u>

- (1) Total tax losses not brought to account at 30 June 2023 total \$18,656,903 at 25% tax rate applicable, subject to relevant carry-forward tax loss recoupment rules being met.
- (2) Deferred tax liabilities relate primarily to capitalised exploration assets and property, plant & equipment. For the Company's policy on the accounting treatment of income taxes, refer to Note 4.4.

## 7 Cash and cash equivalents

Cash and cash equivalents consist of the following:

	30 June 2023	30 June 2022
	\$	\$
Cash on hand	9	9
Cash at bank <sup>(1)</sup>	7,055,408	18,254,946
Restricted cash <sup>(2)</sup>	452,299	457,005
	<u>7,507,716</u>	<u>18,711,960</u>

- (1) Includes amounts pledged as security for bank guarantees and credit facilities amounting to \$137,865 (2022 \$137,865)
- (2) Held by the ATP 2021 Joint Venture and the PRL 211 Joint Venture, which can only be utilised for their respective expenditure programs.

## 8 Trade and other receivables

	30 June 2023	30 June 2022
	\$	\$
Trade receivables	153,412	-
Joint operations receivables	663,033	2,360,103
GST receivables	43,172	-
Other receivables	218,942	80,696
	<u>1,078,559</u>	<u>2,440,799</u>

## 9 Other financial assets

	30 June 2023 \$	30 June 2022 \$
Financial surety payments <sup>(i)</sup>	175,306	-
	175,306	-

(i) Financial surety payments made by the ATP 2021 Joint Venture and PRL 211 Joint Venture, which relate to rehabilitation obligations arising from their respective expenditure programs.

## 10 Property, plant and equipment

	Field plant & equipment \$	Furniture and fittings \$	Right of use asset	Total
<b>Assets at cost</b>				
Balance at 30 June 2021	-	235,394	460,807	696,201
Additions	-	25,257	196,614	221,871
Balance at 30 June 2022	-	260,651	657,421	918,072
Additions	-	216,748	-	216,748
Reclassified <sup>(i)</sup>	8,598,361	-	-	8,598,361
Balance at 30 June 2023	8,598,361	477,399	657,421	9,733,181
<b>Accumulated depreciation</b>				
Balance at 30 June 2021	-	183,890	86,307	270,197
Depreciation expense	-	31,048	210,772	241,820
Balance at 30 June 2022	-	214,938	297,079	512,017
Depreciation expense	291,358	53,144	216,205	560,707
Balance at 30 June 2023	291,358	268,082	513,284	1,072,724
Net book value 30 June 2022	-	45,713	360,342	406,055
Net book value 30 June 2023	8,307,003	209,317	144,137	8,660,457

(i) Reclassified from Exploration and Evaluation Assets

## 11 Exploration and evaluation assets

	30 June 2023 \$	30 June 2022 \$
Exploration and evaluation	49,403,928	45,896,322
Exploration and evaluation – ATP 2021 capital work in progress	-	3,270,682
	49,403,928	49,167,004
	30 June 2023 \$	30 June 2022 \$
Balance at 1 July	49,167,004	37,161,165
Additions for the year <sup>(i)</sup>	13,470,749	16,179,666
Transfer to Property, Plant & Equipment <sup>(ii)</sup>	(8,598,361)	-
Impairment <sup>(iii)</sup>	(4,635,464)	(4,173,827)
Balance at 30 June	49,403,928	49,167,004

- (i) The increase in exploration and evaluation assets during the year included expenditure on:

	Opening balance \$	Additions \$	Reclassifi- cation \$	Impairment \$	Closing balance \$
ATP 2021 Joint Venture	22,706,713	10,558,788	(8,598,361) <sup>(ii)</sup>	-	24,667,140
Galilee Deeps Joint Venture *	12,330,134	206,569	-	(4,635,464) <sup>(iii)</sup>	7,901,239
PRL 249 Joint Venture*	8,208,056	286,824	-	-	8,494,880
PRL 211 Joint Venture	3,109,764	1,603,058	-	-	4,712,822
EP 126, Bonaparte Basin	2,549,105	371,769	-	-	2,920,874
PEP 171 Joint Venture	201,290	372,006	-	-	573,296
GSEL 672	61,942	71,735	-	-	133,677
<b>Total</b>	<b>49,167,004</b>	<b>13,470,749</b>	<b>(8,598,361)</b>	<b>(4,635,464)</b>	<b>49,403,928</b>

\*non-operated permit

- (ii) Capital work-in-progress was transferred to property, plant and equipment during the year, upon completion of ATP 2021 joint venture field facility/pipeline works.
- (iii) Albany-2 well costs were impaired at 30 June 2023, as no economic hydrocarbons were produced during the flowback period of the well and, after consideration during the year, it was determined there was a low likelihood of economic recovery of gas from the well.

## 12 Trade and other payables

Trade and other payables consist of the following:

	30 June 2023 \$	30 June 2022 \$
<i>Current</i>		
Trade payables	752,082	2,842,945
GST payable	-	438,028
Other payables	241,086	217,562
<b>Total trade &amp; other payables</b>	<b>993,168</b>	<b>3,498,535</b>

## 13 Provisions

	30 June 2023 \$	30 June 2022 \$
<b>Current</b>		
Employee Benefits	908,945	681,249
	<b>908,945</b>	<b>681,249</b>
<b>Non-current</b>		
Employee benefits	246,926	179,040
Restoration provision	3,992,500	970,000
	<b>4,239,426</b>	<b>1,149,040</b>
<b>Movement in employee benefits</b>		
Opening balance	860,289	365,033
Movement for the year	295,582	495,256
Closing balance	<b>1,155,871</b>	<b>860,289</b>
<b>Movement in restoration provision</b>		
Opening balance	970,000	925,000
Movement for the year	3,022,500	45,000
Closing balance	<b>3,992,500</b>	<b>970,000</b>



## 14 Contract liabilities

	30 June 2023	30 June 2022
	\$	\$
<b>Deferred revenues</b>		
Current	1,210,633	974,000
Non-current	6,091,707	6,526,000
<b>Total</b>	<u>7,302,340</u>	<u>7,500,000</u>

In the prior year, the ATP 2021 Joint Venture secured a Gas Sales Agreement with AGL Wholesale Gas Limited which, upon satisfaction of certain conditions, resulted in the prepayment of \$15,000,000 as partial payment for the supply of gas (Vintage 50%) over calendar years 2022-2026.

Deferred revenue from contracts with customers represents gas pre-sold to customers which is yet to be delivered. Amounts are recognised as contract liabilities when no cash settlement option exists for the customer.

## 15 Other financial liabilities

	30 June 2023	30 June 2022
	\$	\$
<i>Current</i>		
Lease liability <sup>(i)</sup>	145,236	217,414
	<u>145,236</u>	<u>217,414</u>
<i>Non-current</i>		
Lease liability <sup>(i)</sup>	-	148,588
Loan facility – PURE Asset Management <sup>(ii)</sup>	7,702,431	6,921,651
	<u>7,702,431</u>	<u>7,070,239</u>
(i) Movement in lease liability		
Opening balance	366,002	380,344
Lease liability recognised	-	196,614
Rent payments made during the year	(228,958)	(218,543)
Interest expense on lease liability recognised during the year	8,192	7,587
	<u>145,236</u>	<u>366,002</u>
(ii) Loan facility reconciliation		
Financing facility (PURE Asset Management)	10,000,000	10,000,000
Net of transaction costs:		
Fair value of warrants issued	(2,647,059)	(2,647,059)
Amortisation of warrants	716,912	55,148
Carrying amount of other financing facility establishment costs	(367,422)	(486,438)
	<u>7,702,431</u>	<u>6,921,651</u>

On 8 June 2022, the Company drew down on the two \$5 million debt facility tranches arranged with PURE Resources Fund (“PURE”), as announced to the market on 6 December 2021. The facility was used to fund capital expenditure to bring the Vali gas field to production.

Key terms of the facility are:

- Repayment due 48 months from first draw down.
- Interest rate: 11.0% per annum payable every 3 months, reducing to 8.5% per annum once certain operational cash flow conditions are met.
- Security: first ranking security over Vintage assets, where joint venture arrangements permit.
- Financial covenants: include requiring a minimum of \$1,500,000 cash in the bank.
- Early repayment provisions which use a sliding scale penalty of 1.5% to 1.0% of the funds.
- 58,823,529 share warrants were issued to PURE with an exercise price of 17 cents per warrant, as approved by shareholders at the general meeting held 18 March 2022. The warrants are exercisable at any time over the 4-year facility term and may be used to repay the debt or for other purposes.

Transaction costs are those costs directly related to the loan and include establishment fees, legal fees and warrants. The fair value of the warrants issued was determined using the Black-Scholes valuation methodology.

## 16 Issued capital

	30 June 2023	30 June 2022
	\$	\$
Ordinary shares	68,626,145	63,442,004
Balance at 30 June	<b>68,626,145</b>	<b>63,442,004</b>

	30 June 2023 Number	30 June 2023 \$	30 June 2022 Number	30 June 2022 \$
<b>Shares issued and fully paid</b>				
<b>Ordinary Shares <sup>(1)</sup></b>				
<b>Beginning of the year</b>	<b>746,168,216</b>	<b>63,442,004</b>	<b>605,305,847</b>	<b>51,907,858</b>
Shares allotted during the period	111,801,044	5,590,052	140,499,869	11,942,489
Conversion of performance rights	549,200	24,714	362,500	43,500
Fair value of lapsed broker options	-	-	-	118,251
Share issue costs	-	(430,625)	-	(570,094)
Total ordinary shares	<b>858,518,460</b>	<b>68,626,145</b>	<b>746,168,216</b>	<b>63,442,004</b>
<b>Total contributed equity at 30 June</b>	<b>858,518,460</b>	<b>68,626,145</b>	<b>746,168,216</b>	<b>63,442,004</b>

(1) Ordinary Shares

Subject to the Constitution and to the terms of issue of shares, all shares attract the following rights:

- the right to receive notice of and to attend and vote at all general meetings of the Company;
- the right to receive dividends; and

in a winding up or a reduction of capital, the right to participate equally in the distribution of the assets of the Company (both capital and surplus), subject to any amounts unpaid on the share and, in the case of a reduction, to the terms of the reduction.

The following shares were issued during the period:

- 59,256,812 ordinary shares via a capital placement at \$0.05 per share
- 52,544,232 ordinary shares via an accelerated offer at \$0.05 per share
- 549,200 ordinary shares on the conversion of performance rights

## 17 Share options and performance rights

### Share options

In the prior year, 6,000,000 share options were issued to Directors with an exercise price of \$0.133 per option, and an expiration date of 3 years from issue (29 November 2024). The options were approved at the Company AGM held 29 November 2021. The fair value of the options granted were \$169,783, calculated using the Black-Scholes methodology.

A summary of unissued shares held under option during the year is as follows:

Date options granted	Holder	Opening balance	Granted during the year	Exercise price	Lapsed	Closing balance
29 November 2021	Non-Executive Directors	6,000,000	-	\$0.133	-	6,000,000
Total under option		6,000,000	-		-	6,000,000

### Shares issued on exercise of remuneration performance rights

A total of 549,200 shares were issued to management on exercise of performance rights, following the meeting of performance conditions. A further 8,995,400 performance rights lapsed during the year, after performance conditions were not met.

### Employee incentive plan

The shareholders of the Company approved an employee incentive plan for employees at the Annual General Meeting held on the 29 November 2021.

The purpose of the employee incentive plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer options or performance rights to assist with the reward, retention, motivation and recruitment of eligible participants.

Eligible participants are any full or part-time employee of the Company or a subsidiary, relevant contractors and casual employees and prospective parties in these capacities. Non-executive Directors (and their associates) are not eligible to participate in the employee incentive plan.

Subject to any necessary shareholder approval, the Board may offer options or performance rights to eligible participants for nil consideration.

The following performance rights have been issued pursuant to the scheme to eligible employees:

Performance Right	Grant date	Opening Balance	Granted during the year	Exercised on performance condition met	Lapsed	Closing Balance	Fair value at grant date \$
Class ST1	Aug/Nov 2021	9,544,600	-	(549,200)	(8,995,400)	-	473,614
Class LT1	Aug/Nov 2021	7,878,300	-	-	-	7,878,300	324,786
Class LT2	Aug/Nov 2021	7,878,300	-	-	-	7,878,300	188,142
Class ST1	Aug/Nov 2022	-	11,377,604	-	-	11,377,604	732,370

The Class ST1 rights have been valued using the Black-Scholes methodology at the grant date.

- (i) Refer table below for rights issued to the Managing Director

**Performance rights issued under the employee incentive plan** have been issued under the following general performance conditions:

**Class ST1 performance rights** – 10,630,600 rights – being employed by the Company at 1 July 2023, a gas contract in place for Odin gas and construction commenced on a connection pipeline; 449,200 rights – being employed by the Company at 2 August 2023; and 297,804 rights – being employed by the Company at 17 October 2023 and acceptable individual performance up to 17 October 2023.

**Class LT1 performance rights** – being employed by Vintage at end of FY24 and CO<sub>2</sub> production commenced, or Nangwarry project monetised prior to end FY24.

**Class LT2 performance rights** – being employed by Vintage at end of FY24 and market cap of \$100million reached prior to end FY24.

Included within the table above, the following share-based performance rights were issued to Mr. Neil Gibbins, Managing Director, pursuant to resolutions passed at the Company's AGM on 22 November 2022:

Class of Performance Right	Maximum number of performance rights
Class ST1	1,845,300

## 18 Interest in joint operations

The Company has an interest in the following unincorporated joint operations whose principal activities are oil and gas exploration:

	30 June 2023	30 June 2022
	% Interest	% Interest
Galilee Basin ATP-743, ATP-744 (i)	30	30
Galilee Basin ATP-1015 (i)	30	30
Galilee Basin PCAs 319-324 (i)	30	-
Otway Basin PRL 249 (ex PEL 155) (ii)	50	50
Otway Basin PEP 171	25	25
ATP 2021	50	50
PRL 211	50	50
PELA 679 (iii)	-	-

- i. "Deep" JV contractual agreement with Comet Ridge Ltd. This is defined as all strata commencing underneath the Permian coals and without a lower limit. Potential Commercial Areas 319-324 have been granted over the most prospective areas of these ATPs to secure tenure and ATPs 733 & 734 under the PCAs have been renewed for twelve years, while ATP 1015 under the PCAs is also due to be renewed for twelve years.
- ii. Petroleum Retention Licence (PRL) 249, covering the Nangwarry CO<sub>2</sub> discovery area.
- iii. Vintage was successful in bidding for Block CO2019-E (PELA 679) ("Block E") in the south-west of the Cooper Basin in South Australia. Once an appropriate land access agreement is in place with the Dieri Aboriginal Corporation RNTBC and the South Australian government, Vintage will have a 100% interest in the permit with options to finance the firm work program through potential introduction of a joint venture partner/s.

## 19 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Company as the numerator. The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	30 June 2023	30 June 2022
	Number	Number
Weighted average number of shares used in basic earnings per share	755,988,402	683,979,739
Weighted average number of shares used in dilutive earnings per share	755,988,402	683,979,739

Potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or loss per share. As such, there are no dilutive securities on issue.

## 20 Commitments

To maintain rights to tenure of exploration permits, the Company is required to perform minimum work programs specified by various state and national governments. These obligations are subject to renegotiation in certain circumstances such as when application for an extension of a permit is made and at other times. The minimum work program commitments may be reduced by the Company by entering into sale or farm-out agreements or by relinquishing permit interests. Should the minimum work program not be completed in full or in part in respect of a permit then the Company's interest in that exploration permit could be either reduced or forfeited. In some instances, a financial penalty may result if the minimum work program is not completed. Approved expenditure for permits may be more than the minimum expenditure or work commitment. Where the Company has a financial obligation in relation to approved joint operation exploration expenditure that is greater than the minimum permit work program commitments then these amounts are also reported as a commitment.

The current estimated expenditure for approved commitments and minimum work program commitments are as follows:

	30 June 2023 \$	30 June 2022 \$
<b>Exploration and evaluation</b>		
No longer than 1 year	4,371,000	12,950,700
Longer than 1 year but less than 5 years	683,500	6,338,000
	<u>5,054,500</u>	<u>19,288,700</u>

## 21 Financial instruments

### (a) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. As at 30 June 2023 the capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and accumulated losses. The company also has \$10,000,000 in debt and contract liabilities (deferred revenue) of \$7,302,340.

### (b) Financial risk management objectives

The Company's management provides services to the business and manages the financial risks relating to the operations of the Company. The Company does not trade or enter into financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors.

### (c) Categories of financial instruments

	30 June 2023 \$	30 June 2022 \$
<b>Categories of financial instruments</b>		
<b>Financial assets</b>		
Cash and cash equivalents	7,507,716	18,711,960
Trade and other receivables	1,035,387	2,440,799
Other financial assets	175,306	-
Total financial assets	<u>8,718,409</u>	<u>21,152,759</u>
<b>Financial liabilities</b>		
Trade and other payables	993,168	3,060,507
Other financial liabilities	7,847,667	7,287,653
Total financial liabilities	<u>8,840,835</u>	<u>10,348,160</u>



**(d) Commodity price risk management**

The Company does not currently have any projects in production and has no exposure to commodity price fluctuations.

**(e) Liquidity risk management**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Liquidity and interest risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets and liabilities. The tables have been prepared based on the undiscounted cash flows expected to be received/paid by the Company.

	Weighted average effective interest rate	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	5 plus	Total
<b>2023</b>							
<b>Financial assets:</b>							
Non-interest bearing	0.00%	9	1,035,387	-	175,306	-	1,210,702
Variable interest rate	0.75%	6,917,543	452,299	-	-	-	7,369,842
Fixed interest rate	3.05%	-	-	137,865	-	-	137,865
<b>Financial liabilities:</b>							
Non-interest bearing		-	(993,168)	(145,236)	-	-	(1,138,404)
Interest bearing <sup>(i)</sup>	11%	-	-	-	(10,000,000)	-	(10,000,000)
		<b>6,917,552</b>	<b>494,518</b>	<b>(7,371)</b>	<b>(9,824,694)</b>	<b>-</b>	<b>(2,419,995)</b>
<b>2022</b>							
<b>Financial assets:</b>							
Non-interest bearing	0.00%	9	2,440,799	-	-	-	2,440,808
Variable interest rate	0.75%	18,117,081	457,005	-	-	-	18,574,086
Fixed interest rate	1.50%	-	-	137,865	-	-	137,865
<b>Financial liabilities:</b>							
Non-interest bearing		-	(3,060,507)	(217,414)	(148,588)	-	(3,426,509)
Interest bearing <sup>(i)</sup>	11%	-	-	-	(10,000,000)	-	(10,000,000)
		<b>18,117,090</b>	<b>(162,703)</b>	<b>(79,549)</b>	<b>(10,148,588)</b>	<b>-</b>	<b>7,726,250</b>

(i) \$10,000,000 interest bearing financial liabilities reported exclusive of transaction costs.

**(f) Interest rate risk management**

The Company is exposed to interest rate risk as it earns interest at floating rates from a portion of its cash and cash equivalents. The Company places a portion of its funds into short term fixed interest deposits which provide short term certainty over the interest rate earned.

**(g) Interest rate sensitivity analysis**

If the average interest rate during the year had increased/decreased by 10% the Company's net loss after tax would increase/decrease by \$104,186.

**(h) Credit risk management**

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

**(i) Fair value of financial instruments**

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values (2022: net fair value).

Financial assets and financial liabilities are recognised at amortised cost.

**22 Contingent liabilities**

No contingent liabilities exist as at the date of the financial report.

**23 Related party transactions****(a) Key management personnel**

Key management of the Company are the executive members of Vintage Energy Limited and its Board of Directors. Key management personnel remuneration, as detailed in the Company's remuneration report within the Directors' report, includes the following expenses:

	30 June 2023 \$	30 June 2022 \$
Short-term employee benefits	698,655	615,125
Share based payments	275,150	352,270
Post-employment benefits	57,000	55,314
	1,030,805	1,022,709

**(b) Transactions with affiliates**

An affiliate of the Managing Director is employed with the Company in a technical position, with remuneration based on an arm's length basis and at a rate consistent to the position filled.

No other related party transactions have occurred during the year (2022 – nil).

**24 Remuneration of auditors**

	30 June 2023 \$	30 June 2022 \$
Audit or review of the financial report	96,965	55,850
Other Services	7,990	3,000
	104,955	58,850

Other services include fees for taxation services.

The company's auditor is Grant Thornton Audit Pty Ltd.

## 25 Cash flow information

	30 June 2023 \$	30 June 2022 \$
<b>Reconciliation of cash flows from operating activities</b>		
Loss for the year	(11,261,626)	(7,978,704)
Depreciation	560,707	241,820
Shares options and performance rights expensed	1,027,277	797,857
Wages and salaries capitalised to exploration	(84,952)	(103,399)
Recoveries offset against exploration	(2,794,504)	(2,193,448)
Impairment	4,635,464	-
Changes in assets and liabilities		
Increase / (decrease) in contract liabilities	(197,660)	8,250,000
(Increase) / decrease in trade and other receivables	1,362,240	1,767,923
Increase in provisions	295,582	(495,256)
Increase / (decrease) in trade and other payables	(1,825,087)	3,230,127
Increase / (decrease) in other liabilities	788,972	-
	<hr/>	<hr/>
	(7,493,587)	3,516,920

## 26 Company information

The principal place of business of the company is 58 King William Road, Goodwood SA 5034.

# DIRECTORS' DECLARATION

In the opinion of the Directors of Vintage Energy Limited:

1. The financial statements and notes of Vintage Energy Limited are in accordance with the Corporations Act 2001, including:
  - i. Giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the financial year ended on that date;
  - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
2. The Managing Director and the Chief Financial Officer have each declared that:
  - i. the financial records of the Company for the year ended have been properly maintained in accordance with section 295A of the Corporations Act 2001;
  - ii. the financial statements and notes for the financial year comply with the Accounting Standards; and
  - iii. the financial statements and notes give a true and fair view; and
3. There are reasonable grounds to believe that Vintage Energy Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



**Reg Nelson**  
Chairman

28 September 2023

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# INDEPENDENT AUDITOR'S REPORT



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**Grant Thornton Audit Pty Ltd**

Grant Thornton House Level

3

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## To the Members of Vintage Energy Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Vintage Energy Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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**Material uncertainty related to going concern**

We draw attention to Note 4.21 in the financial statements, which indicates that the Company incurred a loss of \$11,261,626 and had net cash outflows from operating and investing activities of \$16,161,089 during the year ended 30 June 2023, and as of that date, the Company’s accumulated losses were \$27,066,482. As stated in Note 4.21, these events or conditions, along with other matters as set forth in Note 4.21, indicate that a material uncertainty exists that may cast doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Exploration and evaluation assets – Note 11</b></p> <p>At 30 June 2023 the carrying value of exploration and evaluation assets was \$49,403,928.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Company is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;</li> <li>• evaluating management’s area of interest considerations against AASB 6;</li> <li>• evaluating management’s assessment of trigger events prepared in accordance with AASB 6 including; <ul style="list-style-type: none"> <li>– tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed;</li> <li>– enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management’s budgeted expenditure;</li> <li>– understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;</li> </ul> </li> <li>• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests;</li> <li>• evaluating the competence, capabilities and objectivity of management’s experts in the evaluation of potential impairment triggers; and</li> <li>• assessing the appropriateness of the related financial statement disclosures.</li> </ul>

**Information other than the financial report and auditor’s report thereon**

The Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 30 June 2023, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the financial report**

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar1\\_2020.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf). This description forms part of our auditor's report.

**Report on the remuneration report**

**Opinion on the remuneration report**

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Vintage Energy Limited, for the year ended 30 June 2023 complies with section 300A of the Corporations Act 2001.

**Responsibilities**

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

J L Humphrey  
Partner – Audit & Assurance

Adelaide, 28 September 2023

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# SCHEDULE OF TENEMENTS

Tenement	Basin	Operator	Interest held 30 June 2023	Interest held 30 June 2022
<b>Queensland</b>				
ATP 743 <sup>(1)</sup>	Galilee	Comet Ridge Ltd	30%	30%
ATP 744 <sup>(1)</sup>	Galilee	Comet Ridge Ltd	30%	30%
ATP 1015 <sup>(1)</sup>	Galilee	Comet Ridge Ltd	30%	30%
PCAs 319,320,321,322,323 & 324 <sup>(1)</sup>	Galilee	Comet Ridge Ltd	30%	-
ATP 2021	Cooper/Eromanga	Vintage Energy Ltd	50%	50%
<b>South Australia</b>				
PRL 211	Cooper/Eromanga	Vintage Energy Ltd	50%	50%
PRL 249 (ex PEL 155)	Otway	Otway Energy Pty Ltd	50%	50%
GSEL 672	Otway	Vintage Energy Ltd	100%	100%
PELA 679 <sup>(2)</sup>	Cooper/Eromanga	Vintage Energy Ltd	-	-
<b>Victoria</b>				
PEP 171	Otway	Vintage Energy Ltd	25%	25%
<b>Northern Territory</b>				
EP 126	Bonaparte	Vintage Energy Ltd	100%	100%

Notes to the table above:

- (1) "Deeps" JV contractual agreement with Comet Ridge Ltd. This is defined as all strata commencing underneath the Permian coals and without a lower limit. ATP-743 & ATP-744 expired in 2021 and ATP-1015 expired in 2022. However, ATP 743, ATP 744 and ATP 1015 have been renewed in support of the six Potential Commercial Areas (PCAs) granted in September 2022, PCAs 319, 320, 321, 322, 323 & 324.
- (2) Subject to reaching a Native Title Agreement, Vintage will acquire 100% interest in the permit.

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# INFORMATION PURSUANT TO THE LISTING REQUIREMENTS OF THE ASX

## Number of holders of equity securities

### Ordinary shares

At 27 September 2023, the issued capital comprised of 869,598,259 ordinary shares held by 2,648 holders.

### Employee performance rights

At 27 September 2023, there were 30,519,504 performance rights on issue with a \$nil exercise price. Each performance right converts into one share on the occurrence of certain conditions. They do not carry the right to vote.

### Spread details as at 27 September 2023 for ordinary shares

Holding Ranges	Holders	Total Units	% Issued Share Capital
1 - 1,000	43	4,177	0.00%
1,001 - 5,000	68	280,707	0.03%
5,001 – 10,000	350	2,777,983	0.32%
10,001 – 100,000	1,283	52,445,308	6.03%
100,001 – 9,999,999,999	905	814,090,084	93.62%
<b>Totals</b>	<b>2,648</b>	<b>869,598,259</b>	<b>100.00%</b>

Holders less than a marketable parcel = 712

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## Substantial shareholders as at 27 September 2023

	Number of shares	%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	43,260,609	4.97 %

## Top twenty shareholders as at 27 September 2023

Position	Holder Name	Holding	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	43,260,609	4.97%
2	CITICORP NOMINEES PTY LIMITED	36,847,274	4.24%
3	BNP PARIBAS NOMS PTY LTD <DRP>	32,060,191	3.69%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	27,495,059	3.16%
5	HOWZAT SERVICES PTY LTD<HOWARTH SUPER FUND A/C>	15,331,179	1.76%
6	DR GARY LILLICRAP, MR DAMIAN LILLICRAP & MRS IMELDA LILLICRAP <LILLICRAP SUPER FUND A/C>	12,020,000	1.38%
7	N M GIBBINS	11,827,990	1.36%
8	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	11,613,065	1.34%
9	MR DOMINIC VIRGARA	11,100,000	1.28%
10	RADELL PTY LTD <THE MACKAY FAMILY A/C>	10,003,780	1.15%
11	AURELIUS RESOURCES PTY LTD <THE NELSON SUPER FUND A/C>	9,960,158	1.15%
12	VIEWADE PTY LIMITED <OLIVER SUPER FUND A/C>	9,544,887	1.10%
13	UBS NOMINEES PTY LTD	9,000,000	1.04%
14	J P MORGAN NOMINEES (AUSTRALIA) PTY LIMITED	8,436,564	0.97%
15	MR REGINALD NELSON & MRS SUSAN NELSON <GROUNDHOG A/C>	8,397,827	0.97%
16	MR CHRISTOPHER JAMIESON	8,255,401	0.95%
17	MONLEY PTY LTD <GRIND FAMILY A/C>	7,414,427	0.85%
18	MRS SUSANNA ANDERSON	6,622,747	0.76%
19	MR STEVEN HEFFERNAN	6,543,697	0.75%
20	MR JEFFREY BENNETTS & MRS HELEN BENNETTS <BENNETTS SUPER FUND A/C>	6,340,000	0.73%
	<b>Total</b>	<b>292,074,855</b>	<b>33.59%</b>
	<b>Total Issued Capital</b>	<b>869,598,259</b>	<b>100.00%</b>

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# GLOSSARY

The following glossary of terms and abbreviations is divided into two parts:

1. Resources and reserves as defined by the SPE-PRMS;
2. General terms commonly used in the upstream petroleum industry.

## Terms and abbreviations for resources and reserves as per the SPE-PRMS

<b>PRMS</b>	Petroleum Resources Management System. Reserves and Resources are defined by the Society of Petroleum Engineers ('SPE'), American Association of Petroleum Geologists ('AAPG'), World Petroleum Council ('WPG') and the Society of Petroleum Evaluation Engineers ('SPEE'). The detail of the PRMS is available as a download from the website of the SPE: <a href="http://www.spe.org">www.spe.org</a>  The petroleum resources classification framework is illustrated below:
<b>Prospective Resources</b>	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered (hypothetical) accumulations by application of future development projects. The categories of decreasing certainty are Low, Best and High Estimates.
<b>Low, 1U</b>	Low estimate of Prospective Resources. The abbreviation "1U" is an informal, alternative acronym
<b>Best, 2U</b>	Best estimate of Prospective Resources. The abbreviation "2U" is an informal, alternative acronym.
<b>High, 3U</b>	High estimate of Prospective Resources. The abbreviation "3U" is an informal, alternative acronym.
<b>Play</b>	A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation to define specific leads or prospects. The succession of increasing maturity of concept is play, lead and then prospect.
<b>Lead</b>	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a prospect. A lead has a greater maturity of concept than a play but less than a prospect.
<b>Prospect</b>	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target and does not require further data acquisition or evaluation i.e., a prospect is mature for drilling.
<b>Chance of Discovery</b>	The chance that the accumulation will result in the discovery of petroleum. The term chance is preferred in lieu of risk for general usage. Commonly applied to a drillable prospect where Prospective Resources are estimated, and factors include the product of the separate chances of source rock, migration, reservoir and trap.
<b>Chance of Development</b>	The chance that a prior discovery of petroleum will be commercially developed.
<b>Chance of Commerciality</b>	For an undiscovered accumulation the chance of commerciality is the product of the chance of discovery and chance of development
<b>Discovery</b>	Is one or more accumulations of petroleum for which one or more exploratory wells have established through testing, sampling and/or logging the existence of significant quantities of potentially moveable hydrocarbons. In this context "significant" implies that there is evidence of a sufficient quantity of petroleum to justify estimating the in-place volume demonstrated by the well(s) and for evaluating the potential for economic recovery.
<b>Contingent Resources</b>	Those quantities of petroleum are estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet currently mature enough for commercial development due to one or more contingencies. The categories of decreasing certainty are Low, Best and High estimates.
<b>1C</b>	Low estimate of Contingent Resources.
<b>2C</b>	Best estimate of Contingent Resources.
<b>3C</b>	High estimate of Contingent Resources.
<b>Reserves</b>	Those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. The categories in decreasing certainty are Proved, Probable and Possible.
<b>1P, Proved</b>	Proved reserves (deterministic or probabilistic).

<b>2P, Proved and Probable</b>	Proved plus Probable reserves (deterministic or probabilistic).
<b>3P, Proved, Probable and Possible</b>	Proved plus Probable plus Possible reserves (deterministic or probabilistic).
<b>Range of Uncertainty</b>	The range of estimated quantities of potentially recoverable petroleum in any one of the three categories, Prospective Resources, Contingent Resources and Reserves. Three estimates are designated to describe the range, with decreasing certainty from low to high. Because the absolute minimum and absolute maximum outcomes are the extreme cases it is considered more practical to use low and high estimates as a reasonable representation of the range of uncertainty. There are two methods; deterministic and probabilistic.
<b>Deterministic</b>	A deterministic estimate is a single discrete scenario within a range of outcomes. Each of the input parameters is a single value.
<b>Probabilistic</b>	The statistical uncertainty of individual reservoir parameters is used to calculate the statistical uncertainty of the in-place and recoverable resource volumes. Often a stochastic (i.e., Monte Carlo) method is used to calculate probability functions by random sampling of the input distributions. The range of uncertainty is selected from volumes sampled at 90%, 50% and 10% of the output distribution.
<b>P90 Probabilistic Estimate</b>	From the probabilistic method there is a greater than 90% cumulative probability that quantities estimated would ultimately be exceeded.
<b>P50 Probabilistic Estimate</b>	This category is considered to be the most likely outcome. From the probabilistic method there is an equal (i.e., 50%) probability that quantities estimated would ultimately be greater or smaller.
<b>P10 Probabilistic Estimate</b>	From the probabilistic method there is a less than 10% cumulative probability that quantities estimated would ultimately be exceeded.

## General terms and abbreviations used in this report and the petroleum industry

<b>2D</b>	Two dimensional; usually referring to a seismic survey with a coarse grid of orthogonal lines.
<b>3D</b>	Three dimensional; usually referring to a seismic survey with a fine grid of orthogonal lines.
<b>ASX</b>	Australian Securities Exchange.
<b>ATP</b>	Authority to Prospect which is an exploration licence in Queensland.
<b>B</b>	Billion 10 <sup>9</sup> , or 1,000 million.
<b>bbl</b>	One barrel of crude oil contains 42 US gallons (or 34.97 imperial gallons, or, 159 litres).
<b>Bcf</b>	Billion cubic feet.
<b>Bloolie Line</b>	Large diameter flow line for air or gas drilling, that diverts the flow of air or gas from the rig into a discharge (flare) pit area.
<b>Boe</b>	Barrels of oil equivalent. Natural gas is converted to barrels of oil equivalent generally using a ratio of approximately 6,000 cubic feet of natural gas as an amount equivalent to one barrel of oil.
<b>Bopd</b>	A liquid flow rate expressed in barrels of oil per day.
<b>Brent</b>	Brent crude oil marker. The price of oil from the giant Brent oil field in the North Sea became a reference marker for other types of crude oil, plus or minus a differential for quality and other factors. Thus, Brent Futures Contracts became tradeable on various financial markets both for hedging purposes and as a part of commodities trading in general.
<b>Carboniferous</b>	A period 359 to 299 million years ago.
<b>Condensate</b>	A liquid hydrocarbon phase that is slightly lighter than and with less calorific content than crude oil. More usually occurs in association with natural gas. It is gaseous at reservoir conditions but will condense from gaseous vapour to a liquid at the lesser temperature and pressure at standard surface conditions.
<b>Conventional</b>	Conventional hydrocarbons or Conventional Oil and Gas refers to petroleum, (crude oil and raw natural gas) occurring in discrete accumulations or reservoirs where the source of hydrocarbons is distant, and the hydrocarbons migrate to a trap. The hydrocarbons are extracted from the ground by conventional means and methods, i.e., after drilling and using the natural reservoir pressure or pumping and can include stimulation.
<b>Cretaceous</b>	A period from 145 to 66 million years ago.
<b>CSG</b>	Coal seam gas.

<b>Devonian</b>	A period from 419 to 359 million years ago.
<b>DST</b>	Drill stem test. A procedure for isolating and testing the pressure, permeability, and flow capacity of a geological formation during the drilling of a well. Mechanical valves are in a special cylindrical tool and connected at the base of a drill string and are activated into the set, and open or closed position by applying weight or rotation of the drill pipe respectively.
<b>EP</b>	Exploration Permit for petroleum as in the Northern Territory.
<b>Fault</b>	A fracture in a rock mass, with the movement of one side past the other.
<b>Gas Condensate</b>	Hydrocarbons which are gaseous at reservoir conditions, but which condense to liquids when the temperature and pressure falls below the dewpoint. Refer also to condensate.
<b>GJ</b>	Gigajoule. A joule is a measure of heating value. 1 GJ is equal to $1 \times 10^9$ joules.
<b>Graben</b>	Is a fault block, generally greater in length than its width that has been downfaulted relative to the adjacent blocks.
<b>Hydraulic fracturing</b>	The high pressure injection of "fracking fluid", primarily water, minor thickening agents and suspended proppants (e.g., sand or aluminium oxide micro-pellets) into a well to create cracks propagated in the subsurface rocks for a small radius around the wellbore. When the pressure is released, the solid proppants prevent the cracks from closing (i.e., hold the fractures open) and allow petroleum to flow more freely into the wellbore as an aid to the production recovery process.
<b>Hydrocarbon</b>	A naturally occurring organic compound comprising hydrogen and carbon. Hydrocarbons can be as simple as methane ( $\text{CH}_4$ ), but many are highly complex molecules and can occur as gases, liquids, or solids.
<b>Improved Recovery</b>	The extraction of additional petroleum, beyond primary recovery, from naturally occurring reservoirs by supplementing the natural forces in the reservoir. It includes waterflooding and gas injection for pressure maintenance, secondary processes, tertiary processes, and any other means of supplementing natural reservoir recovery processes. Improved recovery also includes thermal and chemical processes to improve the in-situ mobility of viscous forms of petroleum (also called Enhanced Recovery).
<b>Joule</b>	Is the energy dissipated as heat when an electric current of one ampere passes through a resistance of one ohm for one second.
<b>Jurassic</b>	A period from 201-145 million years ago
<b>KB</b>	Kelly bushing. A hexagonal spline, the kelly drive slides through the kelly bushing and permits a length of drill pipe to be drilled into the wellbore. When the kelly is fully descended, the drillstring is lifted, the kelly disconnected and a new length of drillpipe re-connected and the drilling process continues. The kelly bushing fits into the rotary turntable fixed into the floor of the drill rig. Depth measurement is relative to the top of KB (usually around one foot above the rig floor) but otherwise may be relative to the top of the rotary table; RT.
<b>Km</b>	Kilometres.
<b>Km<sup>2</sup></b>	A square kilometre.
<b>LNG</b>	Liquefied natural gas.
<b>LNG Netback Price</b>	Free on board ("FOB") export price of LNG at the receiving terminal. The buyer is responsible for shipping and transportation.
<b>Logs</b>	The measurement versus depth or time, or both, of one or more physical quantities in or around a well. Logs are measured downhole and transmitted through a wireline for recording at the surface. Common measurements include the background gamma radiation, acoustic velocity, density, and resistance of rocks and the pressure, temperature, and flow rates of petroleum fluids.
<b>m</b>	Metres
<b>M</b>	1,000
<b>MM</b>	Millions $10^6$
<b>Net pay</b>	The thickness of reservoir considered to be gas or oil bearing and capable of contributing to production into the wellbore. Usually there will be several cutoff parameters including a porosity minimum, a shale maximum and a water saturation maximum.
<b>OGIP, OGIIP</b>	Original gas (initially) in place. The estimated quantity of gas which may originally have occurred in a reservoir.
<b>OOIP, OOIP</b>	Original oil (initially) in place. The estimated quantity of oil which may originally have occurred in a reservoir.

<b>Oil Shale</b>	Shale, siltstone and marl deposits highly saturated with kerogen. Whether extracted by mining or in-situ processes, the material must be extensively processed to yield a marketable product (synthetic crude oil). They are totally different from Shale Oil
<b>P&amp;A</b>	Plugged and abandoned. Refers to the process of the final abandonment of petroleum wells usually by spotting cement plugs at key intervals within the well to ensure the protection and isolate of aquifers and depleted reservoirs. Any surface wellheads are removed and the general location restored to a natural state.
<b>PEL</b>	Petroleum Exploration Licence as used in South Australia.
<b>Permian</b>	A period 299 to 252 million years ago.
<b>Permit Areas</b>	The land subject of the Permits in which Vintage Energy has an interest from time to time.
<b>PJ</b>	Petajoule. A joule is a measure of heating value. 1 PJ is equal to $1 \times 10^{15}$ joules
<b>Pool</b>	An individual and separate accumulation of petroleum in a reservoir.
<b>Porosity</b>	The pore space in a reservoir which can contain fluids, either water, oil, or gas. (i.e., the space between beach sand grains).
<b>PRL</b>	Petroleum Retention Licence as used in South Australia
<b>Reflectors</b>	As in seismic reflectors. Refer to Seismic.
<b>Reservoir</b>	A subsurface rock formation containing an individual and separate natural accumulation of moveable petroleum that is confined by impermeable rocks/ formations and is characterised by a single-pressure system.
<b>Resources</b>	The term "Resources" as used herein is intended to encompass all quantities of petroleum (recoverable and unrecoverable) naturally occurring on or within the Earth's crust, discovered and undiscovered, plus those quantities already produced.
<b>Risk</b>	The probability of loss or failure. As "risk" is generally associated with the negative outcome, the term "chance" is preferred for general usage to describe the probability of a discrete event occurring.
<b>RT</b>	Rotary Table. Refer to KB, Kelly bushing.
<b>RTSTM</b>	Refers to a flow of gas recovered at the surface as a consequence of well testing but flows at a rate too small to measure. There is sufficient flow to light a flare but insufficient pressure to register on the gauge or enable the flow rate to be calculated.
<b>scf</b>	Standard cubic feet. Usually referring to gas at standard conditions.
<b>scf/d</b>	A flow rate in standard cubic feet per day.
<b>Seismic</b>	A seismic survey measures at geophone locations the time for a shock wave propagated at the surface to travel deep into the earth, strike rock strata and reflect back to the surface. Dynamite as the historical source has almost entirely been replaced with vibroseis onshore (i.e., truck mounted and weighted vibrator plates) or acoustic source offshore. A good reflector is the interface between two rock strata of differing density and or acoustic velocity e.g., between sandstone and shale or limestone and mudstone. Interbedded strata thinner than ~10 metres are more difficult to resolve. A survey progresses along lines aligned in a grid and with orthogonal cross lines. After suitable computer processing to "stack" the traces of individual source points and geophones into seismic sections these provide a "picture" of the structure of the subsurface reflectors.
<b>Shale volume</b>	This is the portion of rock which is occupied by "shales" (in fact, usually more correctly called mudstone). For example, a "shaly" sandstone interval may contain 15% shale either as thin laminations or clay minerals within the sandstone matrix. At a certain maxima, the shale volume may preclude the occurrence of any effective porosity.
<b>Standard conditions</b>	Measurements of volumes at standard conditions means 14.7 psia and 60°F (US).
<b>Sub-blocks</b>	Petroleum tenements are often defined as blocks. In Queensland there are 25 (5 x 5) sub-blocks within a block.

<b>TCF</b>	Trillion cubic feet of gas.
<b>TD</b>	Total depth of the well.
<b>Tectonic</b>	Pertaining to forces and the geological architecture that results, such as faults, folds etc.
<b>Tenement</b>	Ground granted for exploration or production purposes.
<b>TJ</b>	Terajoule; a joule is a measure of heating value. 1 TJ is equal to $1 \times 10^{12}$ joules
<b>TOC</b>	Total organic carbon, a measure of the dry weight percent of organic carbon within rocks.
<b>Triassic</b>	A period from 252-201 million years ago
<b>Unconventional oil and gas</b>	Oil and gas produced by non-traditional sources, means or methods. This covers oil and gas produced from shale formations and coal seams. The formation contains both the hydrocarbon source and reservoir.
<b>VR</b>	Vitrinite reflectance. It is a measure of light reflectance from organic matter in sediments. It provides an indication of the organic maturity of source rocks and whether petroleum may have been generated under heat and pressure and expelled for potential capture and preservation in reservoir traps.
<b>Water saturation</b>	Is the percentage of water occupying the pore space. For an aquifer the water saturation is 100%. For an oil or gas field a portion of the water is displaced and for example, SW of 25% indicates 75% gas or oil within the porosity. Usually, reservoirs are water wet and therefore there must be a layer of water coating the surface of the grains of the pore space. This is the connate or irreducible water saturation.
<b>WTI</b>	The price of West Texas Intermediate crude oil as at the delivery point at Cushing, Oklahoma. It is used as a benchmark for oil pricing but has declined in importance in recent years. Refer to Brent.



# CORPORATE DIRECTORY

Vintage Energy Ltd (ASX: VEN)

ABN 56 609 200 580

## Chairman

Reg Nelson

## Directors

Neil Gibbins | Managing Director

Nick Smart | Non-executive

Ian Howarth | Non-executive

## Company Secretary

Simon Gray

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