

Contract for Sale of entire 25% interest in PEP 171, onshore Otway Basin

- **Contracts signed with Beach Energy for sale of stake in PEP 171, Victoria**
- **Sale subject to conditions precedent**
- **Consideration of \$1.25 million**
- **Sale advances Vintage strategy of concentrating resources on maturation of existing reserves and resources**

Vintage Energy Ltd (ASX: VEN, "Vintage") announces the signing of contracts with Adelaide Energy Pty Ltd (a wholly-owned subsidiary of Beach Energy Limited "Beach", ASX: BPT) for the sale of Vintage's entire 25% stake in PEP 171, onshore Otway Basin, Victoria. Completion of the sale is subject to conditions precedent, including joint venture and regulatory and Ministerial approvals.

Consideration of \$1.25 million will be paid to Vintage on completion, including cash of \$1.0 million and waiver of \$0.25 million in a milestone payment otherwise due from Vintage. The sale is subject to a waiver of pre-emptive rights by Amplitude Energy (ASX: AEL, 75% interest) and agreement with Amplitude Energy that Beach will be appointed as operator of PEP 171.

Divestment of the PEP 171 interest was initiated to advance Vintage Energy's strategy of concentrating its resources on the advancement of its Southern Flank gas fields project in the Cooper Basin and the Nangwarry Contingent Resource in the Otway Basin.

MD comment

"We remain enthusiastic on the gas prospectivity of PEP 171, and its relevance for eastern Australia's gas supply needs. However, the existing cash generation and expenditure requirements of our Southern Flank gas fields are an immediate priority for Vintage Energy," said Managing Director Neil Gibbins.

"The sale, together with the \$2.1 million from the recent and fully subscribed capital raising, and expenditure reduction, has Vintage on a stronger footing as we approach execution of the Production Uplift Program, and other initiatives."

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

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Location of PEP 171 Otway Basin, Victoria

