VINTAGE ENERGY

Vintage Energy Pty Limited

(ABN 56 609 200 580)

Financial Report

For the 8 months ended 30 June 2016

Contents

Statement of Profit or Loss and Other Comprehensive Income

For 8 months ended 30 June 2016

	30 June 2016 $
Corporate administrative expense	(848)
(Loss) before income tax	-
Income tax expense	-
(Loss) for the period	**(848)**
Other comprehensive income	-
Total comprehensive income for the period / year	**(848)**
Earnings per share	
Basic (loss) per share from continuing operations (cents)	(18,896)

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

Statement of Financial Position

As at 30 June 2016

	Notes	30 June 2016 $
Current Asset		
Cash and cash equivalents	4	9,977
Total current assets		9,977
Total Assets		**9,977**
Current Liabilities		
Trade and other payables	6	10,818
Total current liabilities		10,818
Total Liabilities		**10,818**
Net Liabilities		**(841)**
Equity		
Share Capital	5	7
Accumulated (losses)		(848)
Total Equity / (Deficit)		**(841)**

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

Statement of Changes in Equity

For the 8 months ended 30 June 2016

	Notes	Share capital $	Accumulated losses $	Total equity $
Balance at 9 November 2015 (incorporation date)		-	-	-
(Loss) for the period		-	(848)	(848)
Total comprehensive (loss) for the period		-	-	-
Total transactions with owners				
Issue of ordinary shares		7	-	7
Balance at 30 June 2016	5	**7**	**(848)**	**(841)**

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

Statement of Cash Flows

For the 8 months ended 30 June 2016

	Notes	30 June 2016 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to Suppliers and employees		(30)
Net cash (used in) operating activities		**(30)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds		10,000
Proceeds from issues of shares		7
Net cash from financing activities		**10,007**
Net change in cash and cash equivalents		9,977
Cash and cash equivalents at the beginning of period		-
Cash and cash equivalents at end of period	4	**9,977**

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

Notes to the Financial Statements

1 General information and statement of compliance

The financial report includes the financial statements and notes of Vintage Energy Pty Limited (the "Company").

The Company has elected to adopt the Australian Accounting Standards – Reduced Disclosure Requirements (established by AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. Vintage Energy Pty Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements for the 8 months ended 30 June 2016 from the incorporation date of the company on 9 November 2015 were approved and authorised for issue by the Board of Directors on 16 May 2018.

2 Changes in accounting policies

2.1 New and revised standards that are effective for these financial statements

Australian Accounting Standards and Interpretations that have been recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the reporting period ended 28 February 2018. The entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, as set out below

AASB 9 Financial Instruments (December 2014) (Application date: 1 January 2018)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting.

AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.

The Entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the company's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2018.

AASB 16 Leases (Application date: 1 January 2019)

- replaces AASB 117 Leases and some lease-related Interpretations
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- provides new guidance on the application of the definition of lease and on sale and lease back accounting
- largely retains the existing lessor accounting requirements in AASB 117
- requires new and different disclosures about leases

The Entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

3 Summary of accounting policies

3.1 Overall considerations

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

3.2 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.

3.3 Cash and cash equivalents

Cash and cash equivalents includes 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, net of outstanding bank overdrafts.

3.4 Going Concern

The Directors believe that it is appropriate to prepare the financial statements on a going concern basis. As at 30 June 2016, the Company has only been incorporated for 8 months and has positive cash and cash equivalents. No significant transactions occurred during the 8 months ended 30 June 2016. The Company will continue to manage its evaluation and operating activities and put in place financing arrangements to ensure that it has sufficient cash reserves for the next twelve months. In the opinion of the Directors, the Company will be in a position to continue to meet its liabilities and obligations for a period of at least twelve months from the date of this report, because Vintage Energy Pty Limited believes it has adequate financing plans in place to be able to secure funding for its planned activities over the same period.

The opinion of the Directors has been determined after consideration of Vintage Energy Pty Limited's cash position and forecast expenditures and having regard for the following factors:

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

The Directors are satisfied that Company will be able to realise its assets and discharge its liabilities in the normal course of business. Uncertainty exists as to the result of the Company's exploration and appraisal/evaluation activities, access to funds and the realisation of the current value of its assets. Consequently, the Directors regularly assess Vintage Energy Pty Limited's and the Company's status as a going concern and its changing risk profile as circumstances change.

3.5 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognized 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 Group 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.

3.6 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 sued, 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 fate 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.

3.7 Trade and other Payables

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

3.8 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.

3.9 Financial instruments

Initial recognition and measurement

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

Loans and receivables

Loans and 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 assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

These investments have fixed maturities, and it is the Entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the Entity are stated at amortised cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are held at fair value with changes in fair value taken through the financial assets reserve directly in equity.

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.

Impairment of financial assets

At each reporting date, the Entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of 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 or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in the financial assets reserve in other comprehensive income.

3.10 Critical accounting estimates and judgments

The directors evaluate estimates and judgments 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 Entity. 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.

Key estimates — Impairment of non-financial assets

The Entity assesses impairment at each reporting date by evaluating conditions and events specific to the Entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

3.11 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.

4 Cash and cash equivalents

Cash and cash equivalents consist the following:

	30 June 2016 $
Cash on hand	7
Cash at bank	9,970
	9,977

5 Issued capital

The share capital of Vintage Energy Pty Limited consists only of fully paid ordinary shares;

	June 2016 Number	June 2016 $
Shares issued and fully paid:		
Beginning of the period	-	-
Issued under share-based payments	-	-
Share issue	5	7
Total contributed equity at 30 June	**5**	**7**

6 Trade and other payables

Trade and other payables consist of the following:

	30 June 2016 $
Current:	
Accrued expenses	818
Loans(i)	10,000
Total trade and other payables	**10,818**

(i) Includes $10,000 director's loans were interest free and payment only on demand.

7 Commitments

No current commitment exists as at the date of the financial report.

8 Contingent Liabilities

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

9 Related Parties Transactions

Other than the transaction highlighted in note 7 and Messers Smart, Jackson and Howarth subscribed for a share each on registration

No related parties transactions other than disclosed in Note 6 occurred during the 8 months ended 30 June 2016

10 Key Management Remuneration

No key management remuneration was being paid during the 8 months ended 30 June 2016

11 Subsequent Events

Other than the matters disclosed in Directors' Report, the Directors are not aware of any other matters or circumstances, other than those referred to in this report, that have significantly affected or may significantly affect

- the entity's operations
- the results of the operations in the future financial years; or
- the entity's state of affairs in future financial years.

In October 2017 the company issued 20,500,000 Ordinary shares to raise $1,025,000.

On the 1 November 2017 the Company entered into an agreement with Comet Ridge Limited to acquire an interest in ATP 743,744 and 1015 in the Galilee basin. $50,000 deposit was paid to secure the interest.

On the 10 November 2017 the company entered into an agreement with Otway Energy Pty Limited to acquire up to 50 percent interest in PEL 155 in the Otway basin. $100,000 deposit was paid to secure the interest.

On the 6 December 2017 the Company converted to a public company

In February 2018 the Company Issued 54,060 000 Ordinary shares to raise $5,406,000.

On 17 April 2018, the Company entered into a binding Heads of Agreement with Cooper Energy Limited to acquire up to 50% equity in PEP 171, in the Victorian section of the onshore Otway Basin.

12 Company details

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 Pty Limited:

a The financial statements and notes of Vintage Energy Pty:

   i Present fairly the financial position as at 30 June 2016 and the performance for the financial period ended on that date; and

   ii Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations); and

b There are reasonable grounds to believe that Vintage Energy Pty 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.

R G Nelson
Chairman

Dated the 16th day of May 2018

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Independent Auditor's Report
To the Members of Vintage Energy Pty Limited

We have audited the accompanying financial report of Vintage Energy Pty Limited (the "Company"), which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the 8 months then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Directors of the company.

Responsibility of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Accounting which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion, the financial report of Vintage Energy Pty Limited,

i presents fairly, in all material respects, the Company's financial position as at 30 June 2016 and of its performance and cash flows for the 8 months then ended; and

ii complies with Australian Accounting Standards - Reduced Disclosure Requirements.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to Note 3.4 in the financial report which indicates that the Company incurred a net loss of $848, with a net liability position of $841 at 30 June 2016.

These conditions, along with other matters as set forth in Note 3.4, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B K Wundersitz
Partner – Audit & Assurance

Adelaide, 16 May 2018