

Excess Demand for \$2.5 Million Placement

Highlights

- Firm commitments received for a share placement to raise gross proceeds of approximately \$2,500,000.
- Strong demand from existing shareholders and new investors.
- Proceeds from the placement will primarily be used to accelerate development drilling activities over the Company's Mustang Oil Field, continue assessment of recently identified prospects and for general working capital purposes.
- The Company will undertake completion activities at the recently drilled Arledge 16#2 well (Lightning Prospect) and spud a new development well at Mustang in the coming weeks.
- CPS Capital Group Pty Ltd (CPS) acted as Lead Manager for the placement.

Winchester Energy Ltd (ASX: WEL) (Winchester or Company) is pleased to announce that it has received firm commitments for the placement of approximately 100 million shares at an issue price of A\$0.025 per share to raise approximately \$2,500,000 before costs (Placement). Net proceeds from the Placement will be used to undertake development drilling activities at the Mustang Oil Field at the Company's 17,000 acre leasehold position in the eastern shelf of the Permian Basin, Texas as well as the continued assessment of recently identified prospects and for general working capital purposes.

The new shares will rank equally with existing fully paid ordinary shares, increasing the total number of shares on issue to approximately 531 million.

Managing Director Neville Henry commented:

"Recently drilled discovery well White Hat 20#3 at the Mustang Oil Field has already provided the Company with enhanced revenue in a short period. This highly successful capital raising will provide the Company with adequate funding to immediately commence the drilling of a series of high-confidence development wells which have the potential to significantly enhance oil production. The next Mustang well will spud in the coming weeks and the Company will also immediately commence completion activities at the recently drilled Arledge 16#2 well at the Lightning Prospect which recorded a highly encouraging 45 feet of calculated net oil pay in the Cisco Sands".

Date: 7 August 2019

ASX Code: WEL

Directors

John Kopcheff
Non-Executive Chairman

Neville Henry
Managing Director

Larry Liu
Non-Executive Director

Lloyd Flint
Company Secretary

Contact Details

Australia
Level 3
18 Richardson Street
West Perth WA 6005
Australia

PO Box 641
West Perth WA 6872
Australia

Tel: +61 1300 133 921
Fax: +61(8) 6298 6191

USA

Two Riverway
17th Floor
Suite 1700
Houston Texas USA 77056

Tel: +1 713 333 0610

winchesterenergy.com



The Placement, managed by CPS, was offered to investors satisfying the requirements of either s708(8), 708(10) or 708(11) of the Corporations Act, and will be issued using the Company's placement capacity under ASX Listing Rule 7.1 (56,865,415 shares) and 7.1A (43,134,585 shares) to raise approximately \$2.5m. Settlement of the Placement shares is expected to occur on or around 14 August 2019. CPS will receive a placement fee of 6% of the funds raised by CPS.

About Winchester Energy Ltd (ASX Code: WEL)

Winchester Energy Ltd (ASX Code: WEL) is an Australian ASX listed energy company with its operations base in Houston, Texas. The Company has a single focus on oil exploration, development and production in the Permian Basin of Texas. The Company has established initial oil production on its large 17,000 net acres leasehold position on the eastern shelf of the Permian Basin, the largest oil producing basin in the USA. Winchester's lease position is situated between proven significant oil fields. Winchester has identified several prospects across its leasehold and is currently undertaking development drilling at the newly discovered Mustang Oil Field where the recently drilled and highly successful White Hat 20#3 has initial production (IP) of 306 bopd.

Lloyd Flint
Company Secretary
T: +61 1300 133 921

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