

Secondary Trading Notice - 708A(5)

Winchester Energy Limited (**Winchester** or **Company**) announced on 7 August 2019 that the Company was undertaking a placement of shares to raise approximately \$2.5m. The Company advises that it has issued 83,900,000 in a first tranche of cleared funds to raise \$2,097,500. The Shares were issued to sophisticated and professional shareholders at \$0.025 cents each and raised \$2,097,500 before costs.

The Company anticipates that it will issue a second tranche of up to 23,936,463 Shares to complete the placement, to professional and sophisticated investors to raise a further \$ 598,411 before costs shortly.

An Appendix 3B is attached to this notice detailing the issues. The disclosure required under LR 3.10.5A will follow on completion of Placement.

Secondary Trading Exemption

The Corporations Act 2001 ("**Act**") restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- (a) the Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
- (b) as at the date of this notice the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at the date of this notice there is no information:
 - i. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - ii. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - b. the rights and liabilities attaching to the Securities.

Lloyd Flint
Company Secretary

Date: 19 August 2019

ASX Code: WEL

Directors

John Kopchreff
Non-Executive Chairman

Neville Henry
Managing Director

Larry Liu
Non-Executive Director

Lloyd Flint
Company Secretary

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

WINCHESTER ENERGY LIMITED (ASX CODE: WEL)

ABN

21 168 586 445

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary share |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 83,900,000 shares |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares ranking equally with existing fully paid ordinary shares. |

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Appendix 3B
New issue announcement

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes – Shares (WEL)</p>
<p>5 Issue price or consideration</p>	<p>\$0.025 cents per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds 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</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>31 May 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>40,765,415</p>

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6d	Number of +securities issued with security holder approval under rule 7.1A	43,134,585				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil				
6f	Number of +securities issued under an exception in rule 7.2	Nil				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	<p>Issue price \$0.025 15 day VWAP \$0.032104 Issue date 19 August 2019 VWAP source: CPS Capital Group (IRESS)</p>				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<p>LR7.1 23,936,463 LR7.1A nil</p>				
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	19 August 2019				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">515,245,850</td> <td>Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	515,245,850	Fully Paid Ordinary Shares
Number	+Class					
515,245,850	Fully Paid Ordinary Shares					

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Appendix 3B
New issue announcement

	Number	+Class
9	20,000,000	Options exercisable at \$0.12 each on or before 31 January 2022.
	6,200,000	Options exercisable at \$0.05 each on or before 14 June 2024.
	7,700,000	Options exercisable at \$0.10 each on or before 14 June 2024.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	Not Applicable	

Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	

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20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

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Appendix 3B
New issue announcement

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1
Fully paid ordinary shares only. Not the unlisted options.

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<input type="text"/>	<input type="text"/>

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
Company secretary

Date: ..19 August 2019...

Print name:Lloyd Flint.....

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital											
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated											
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	285,148,832										
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 <table style="margin-left: 20px; border: none;"> <tr> <td style="padding-right: 20px;">42,399,079</td> <td>Issued 11/2/19</td> </tr> <tr> <td>59,301,609</td> <td>issued 5 April 2019</td> </tr> <tr> <td>27,623,750</td> <td>issued 9 April 2019</td> </tr> </table> • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval <table style="margin-left: 20px; border: none;"> <tr> <td style="padding-right: 20px;">16,872,580</td> <td>Approved 31/5/19 Iss. 14/6/19</td> </tr> </table> • Number of partly paid +ordinary securities that became fully paid in that 12 month period <table style="margin-left: 20px; border: none;"> <tr> <td style="padding-right: 20px;">-</td> <td></td> </tr> </table> <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	42,399,079	Issued 11/2/19	59,301,609	issued 5 April 2019	27,623,750	issued 9 April 2019	16,872,580	Approved 31/5/19 Iss. 14/6/19	-		
42,399,079	Issued 11/2/19										
59,301,609	issued 5 April 2019										
27,623,750	issued 9 April 2019										
16,872,580	Approved 31/5/19 Iss. 14/6/19										
-											
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil										
“A”	431,345,850										

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Appendix 3B
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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	64,701,878
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	40,765,415
“C”	40,765,415
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	64,701,878
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	40,765,415
Total [“A” x 0.15] – “C”	23,936,463 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	431,345,850
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	43,134,585
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	43,134,585
“E”	43,134,585

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	43,134,585
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	43,134,585
Total ["A" x 0.10] – "E"	- <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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