

Placement Raises \$6.4 Million to Accelerate Oil Exploration and Production Activity

HIGHLIGHTS

- **Placement of \$6.4 million to accelerate oil exploration and production activity in Winchester's 17,266 acre lease position in the Permian Basin, Texas.**
- **Placement well supported by sophisticated investors and new cornerstone institutional investors.**

Winchester Energy Limited (Winchester; ASX:WEL) is pleased to announce it has received firm commitments for a placement to fund accelerated oil exploration and production in its 17,266 acre lease hold position in the Permian Basin, Texas ("Placement").

The Placement to institutional and sophisticated investors will raise \$6.4 million (before costs) through the issue of 128,000,000 new shares at an issue price of \$0.05 per share, representing a 14% discount to the 10-day VWAP up to and including 19 November 2019.

Shares will be issued under the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacity. A total of 72,175,415 shares will be issued under the Company's Listing Rule 7.1 allowance and 55,824,585 shares being issued in accordance with Listing Rule 7.1A.

Gleneagle Securities and CPS Capital are the Lead Managers to the Placement.

With production from both the Mustang Field and the discovery well at the Lightning prospect along with existing Ellenburger production, Winchester is now positioned to significantly and systematically build oil production and plans are underway to increase development drilling and cash flow while maintaining an ongoing exploration program focused on:

- Further lower risk development oil wells in the Mustang Oil Field
- New offset wells on the Lightning Prospect
- Drilling of additional high-impact prospects, El Dorado and Spitfire

Date: 21 November 2019

ASX Code: WEL

Directors

Laurence Roe
Non-Executive Chairman

Neville Henry
Managing Director

John Kopcheff
Non-Executive Director

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Tony Peng
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Managing Director Neville Henry commented:

“Following recent drilling success at the Mustang Oil Field and the exciting new Lightning Prospect discovery, Winchester has recorded increases in oil production to an average of 506 gross barrels of oil per day (bopd) (Winchester Working Interest (WI): 381 bopd) resulting in a significant increase in revenue, as announced on November 4th, 2019. The Placement was strongly supported and we look forward to putting the capital to work over the coming months in the program outlined in the previous quarterly report. We appreciate the assistance of our lead brokers, Gleneagle Securities and CPS Capital in securing several new cornerstone institutional investors.”

For further information, please contact:

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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.

Competent Person's Statement

The information in this ASX announcement is based on information compiled or reviewed by Mr Neville Henry. Mr Henry is a qualified petroleum geologist with over 43 years of Australian, USA and other international technical, operational and executive petroleum experience in both onshore and offshore environments. He has extensive experience of petroleum exploration, appraisal, strategy development and reserve/resource estimation, as well as new oil and gas ventures identification and evaluation. Mr Henry has a BA (Honours) in geology from Macquarie University.