

Production Testing to Commence at McLeod 1705

Date: 28 June 2021

ASX Code: WEL

Capital Structure

Ordinary Shares:
863,806,109
Current Share Price: 1.5c
Market Cap: \$13M
Cash: \$1.1M
Debt: Nil

Directors

James Allchurch
Non-Executive Director

Larry Liu
Non-Executive Director

Tony Peng
Non-Executive Director

Lloyd Flint
Company Secretary

Contact Details

Australia

Ground Floor
24 Outram Street
West Perth WA 6005
Australia

PO Box 641
West Perth WA 6872
Australia

Tel: +61 8 9200 3743
Fax: +61 8 9200 3742

USA

Two Riverway
17th Floor
Suite 1700
Houston Texas USA 77056

Tel: +1 713 333 0610

winchesterenergyltd.com

- **Wireline logs have identified an encouraging 8 foot gross pay interval in the Strawn Sands formation in the McLeod 1705 well – the same interval interpreted to have produced over 200,000 barrels of oil in the nearby Bast Oil Field**
- **If successful, production from this interval would significantly expand the Bast Oil Field to the west, opening numerous opportunities to further expand production**
- **The Strawn Sand section in McLeod 1705 will be perforated and fracture stimulated in late July**
- **An image log analysis is underway and will tabulate reservoir properties in the Upper Cisco sands – this zone may be completed for production following results from the underlying Strawn interval**

Winchester Energy Limited ("Winchester"; ASX: WEL) is pleased to advise that preliminary wireline log analysis of the McLeod 1705 well located at the Bast Deep prospect within its extensive lease position in the East Permian Basin, Texas has been completed.

McLeod 1705 (Winchester 100% WI)

Wireline logs have identified an encouraging 8 foot gross pay (5 foot net pay) interval (6,461 - 6,469 feet depth) in the Strawn Sand formation in the newly drilled McLeod 1705 well.

This same approximately 8 foot thick interval is interpreted to have produced some 200,000+ barrels of oil from 4 wells located approximately 3,000 feet to the east (Bast Oil Field). If productive, McLeod 1705 would significantly expand the areal extent of this field to the west which would open numerous opportunities to significantly and inexpensively lift oil production through re-completions of existing wells as well as new drill locations.

The Company is currently running casing to incorporate the entire prospective 50 foot Strawn Sand section where strong oil and gas shows were observed. The Upper Cisco Sands will also be cased to ensure flow testing can be completed across this encouraging interval.

A perforation and fracture stimulation programme will now be designed targeting the broad Strawn Sand section (incorporating the gross pay identified plus other prospective zones). This programme will occur in late July with any resultant production able to be put to sales immediately.

A formation image log analysis (FMI) is underway and will tabulate reservoir properties in the Upper Cisco sands. This zone appears highly prospective and, depending on results, may be completed for production following results (or potentially oil production) from the underlying Strawn interval.

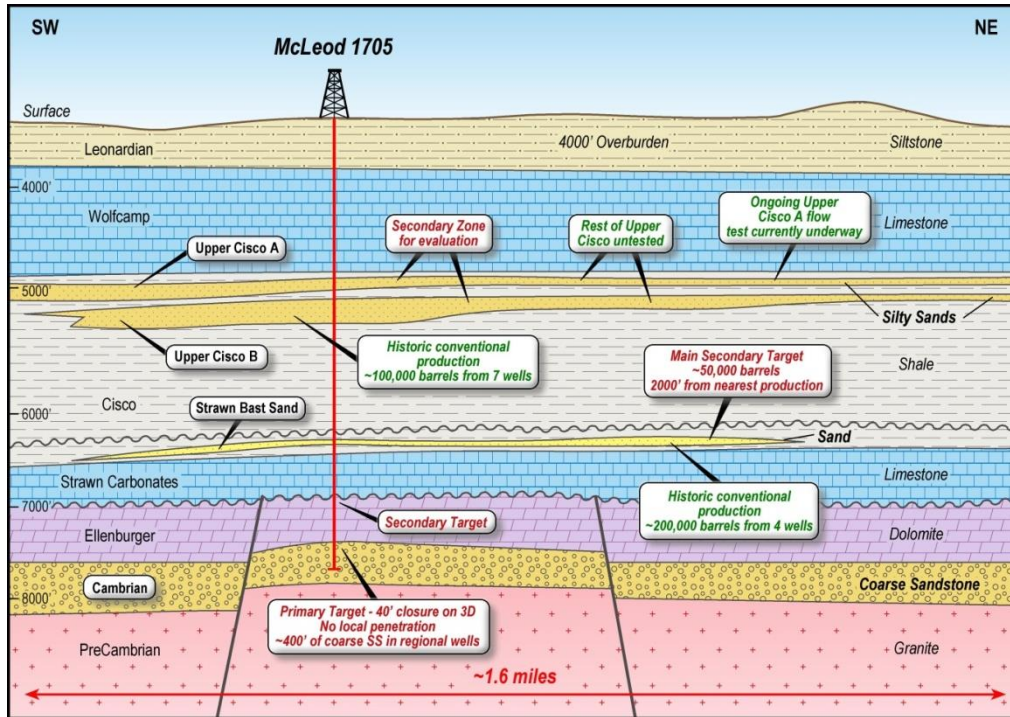


Figure 1: Stylized section showing proposed McLeod 1705 penetration and formations

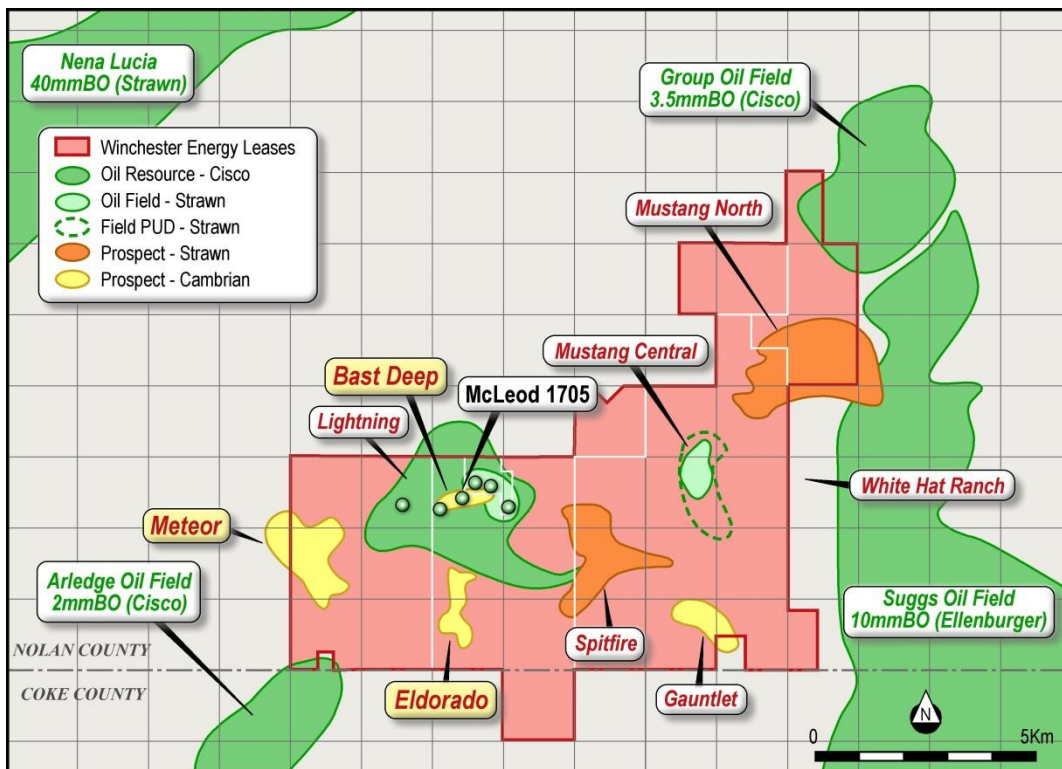


Figure 2: Winchester leaseholding showing the McLeod 1705 well location and Cambrian targets



This announcement has been authorised for release by the Board.

For further information, please contact:

James Allchurch
Director

T: +61 8 9200 3743

E: admin@winchesterenergy.com

About Winchester Energy Ltd (ASX Code: WEL)

Winchester Energy Ltd (ASX: WEL) is an Australian ASX-listed oil and gas explorer and producer 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.

Winchester currently produces approximately 144 barrels of oil equivalent per day (boepd) net to its Working Interests (WI), generating revenue of over AUD\$500,000 in the March 2021 quarter.

As at 31 December 2020 Winchester's Resources and Reserves were calculated at 495,800 barrels of oil equivalent of 3P reserves and a combined 11.1 million barrels of oil equivalent (mmboe) in Contingent and Prospective Resources. Please refer to Winchester's 16 March 2021 ASX release for more details.

Competent Persons Statement

The information in this report is based on information compiled or reviewed by Mr Keith Martens, consulting geologist/geophysicist to Winchester Energy. Mr Martens is a qualified petroleum geologist/geophysicist with over 45 years of Australian, North American and other international executive petroleum experience in both onshore and offshore environments. He has extensive experience of petroleum exploration, appraisal, strategy development and reserve/resource estimation. Mr Martens has a BSc. (Dual Major) in geology and geophysics from The University of British Columbia, Vancouver, Canada.