



Date: 10 September 2021

ASX Code: WEL

Capital Structure

Ordinary Shares:
1,006,366,497
Current Share Price: 1.5c
Market Cap: \$15M
Debt: Nil

Directors

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Non-Executive Director

Larry Liu
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Tony Peng
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Back-to-Back Fracture Stimulations Successfully Completed

Designed to increase Winchester's Net Oil Production at low cost

- **Following on from the recent 2.5 times increase in total oil production attributable to the highly successful White Hat 2106 well, Winchester has successfully completed two pivotal fracture stimulation programmes**
- **White Hat wells 1703 and 1705 were fracture stimulated in succession which is expected to result in increased oil and gas production at a cost of less than US\$100,000 each**
- **Both wells will now commence flow back with results to be known in the coming weeks**

Fresh off the back of the successful White Hat 2106 well, Winchester Energy Limited (Winchester or Company), as operator, is pleased to advise of fracture stimulation activities at its extensive lease position in the East Permian Basin, Texas.

White Hat 2106 effectively increased Winchester's production by 2.5 times with flow testing of the well producing 217 barrels of oil per day (bopd) plus gas.

In a programme estimated to cost less than US\$100,000 per well, the Company has successfully fracture stimulated the White Hat 1703 and 1705 wells in succession, with the wells to move to flow back in the next 24 hours. Winchester expects that these activities will deliver a further increase in production.

The sequential perforation/stimulation of the two wells allowed the Company to realise cost efficiencies as related to equipment and consumables.

McLeod 1705 Frac (100% working interest)

McLeod 1705 was drilled in June 2021 with subsequent wireline logs identifying an encouraging 8-foot gross pay interval (6,461 - 6,469 feet depth) in the Strawn Sand formation. The sand is correlated to four wells immediately to the east that produced a total of 200,000 barrels of oil.

Operations included the successful perforation of the 8-foot interval and a 120,000-pound sand frac to stimulate the reservoir. The well is now being prepared for flow back in the next 24 hours.

If productive, McLeod 1705 would significantly expand the areal extent of the Bast 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.

McLeod 1703 Frac (100% working interest)

McLeod 1703 was drilled in February 2020 with a total depth targeting the Cisco Sands, short of the Strawn Sands. The well encountered the thick Upper Cisco A unit and a very thick 197-foot gross Upper Cisco B sand package. The entire sand package is interpreted as oil bearing however the reservoir quality and details of the reservoir architecture are uncertain.

The Upper Cisco B was perforated and acidised in February 2020 but was not fracture stimulated. McLeod 1703 has produced over 5,000 barrels of oil equivalent¹ to date from this zone.

The successfully completed fracture stimulation program used the 66 feet of existing perforations to perform a similar completion as White Hat 1705 designed to optimise the flow rate from the perforations.

If a commercial rate can be achieved, a development plan for the Upper Cisco will be formulated.

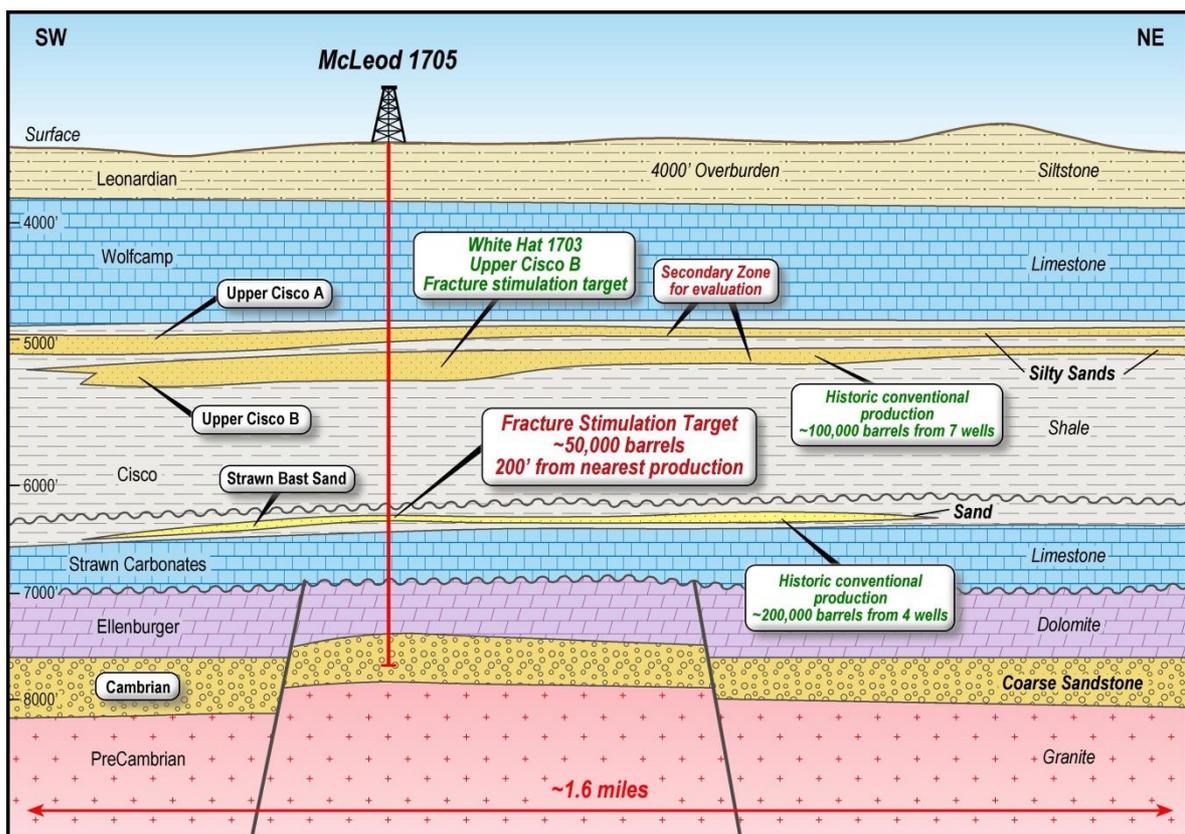


Figure 1: Stylized section showing McLeod 1705 well and completion target

¹ boe (barrels of oil equivalent) - gas quantities are converted to boe using 6,000 cubic feet of gas to one barrel of oil. The 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency. Estimates are rounded to the nearest boe.

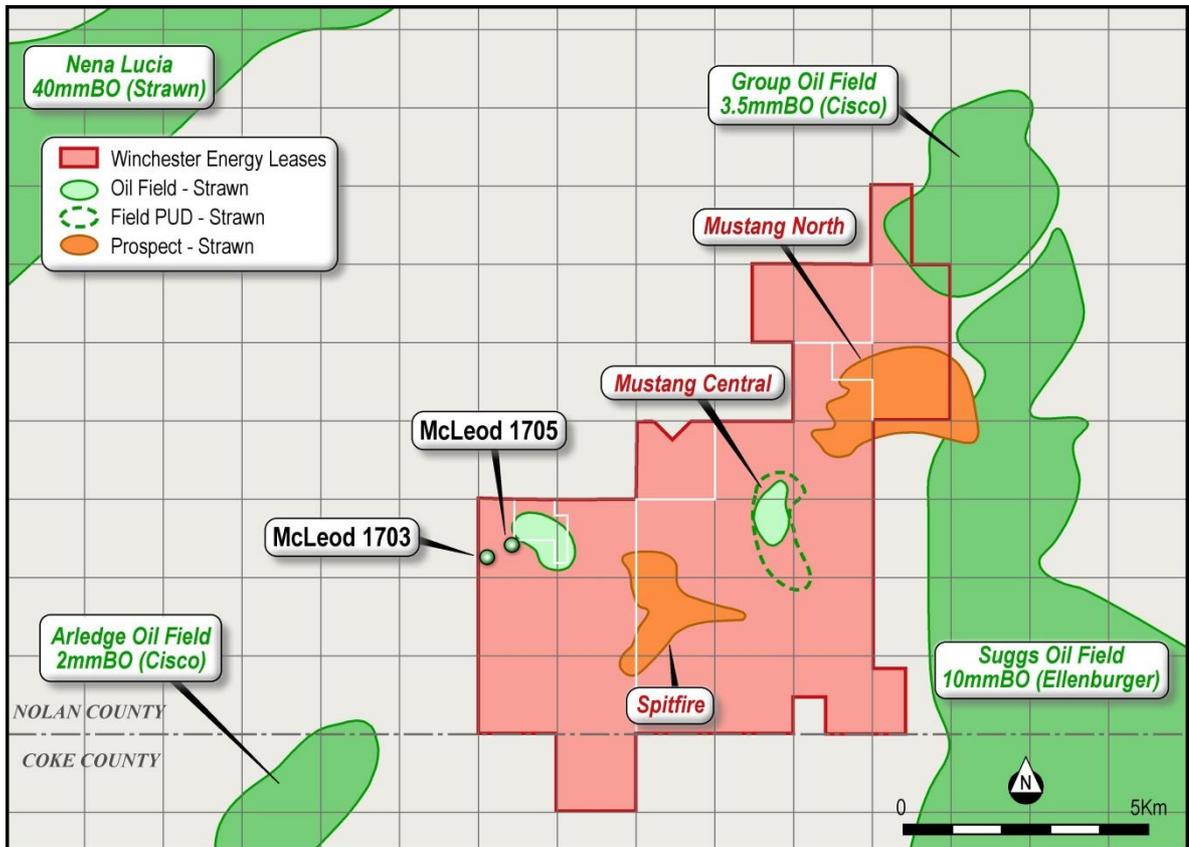


Figure 2: Winchester leaseholding showing the McLeod 1703 and 1705 well locations

-ENDS-

This announcement has been authorised for release by the Board.

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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 130 barrels of oil equivalent per day (boepd) net to its Working Interests (WI), generating revenue of AUD\$661,805 in the June 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.