

Date: 14 October 2021

ASX Code: WEL

Capital Structure

Ordinary Shares:
1,006,366,497
Current Share Price: 1.7c
Market Cap: \$17M
Debt: Nil

Directors

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Non-Executive Director

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Recompletion Underway at White Hat 3902

Follow-up of White Hat 2106 (now producing 375 boepd¹)

- **Following the success in the Ellenburger Formation at White Hat 2106, a recompletion targeting the same prospective formation is now underway at White Hat 3902**
- **The recompletion, costing approximately US\$100,000, involves the perforation and acidisation of a 74 foot Ellenburger interval identified as prospective on logs**
- **White Hat 2106 production has increased with an October average of 375 boepd¹ (initial production was 352 boepd) with no pressure decline or significant water**
- **Recompletions at McLeod 1703 and 1705 – both wells placed on production with results to be released once production stabilises**

Winchester Energy Limited (Winchester or Company), as operator, is pleased to advise of the commencement of recompletion activities at White Hat 3902 at its extensive lease position in the East Permian Basin, Texas.

White Hat 3902 (100% working interest) – Ellenburger Recompletion

White Hat 3902 was drilled by the Company in December 2019 targeting the Fry Sand, returning a modest initial production rate of 30 barrels of oil per day (bopd) before failing to maintain a commercial flow rate. White Hat 3902 penetrated the Ellenburger Formation to a total depth of 7,061 feet with logs run over all prospective formations.

In a programme costing less than US\$100,000, the Company has successfully perforated 74 feet of the Ellenburger Formation identified as prospective by logs. The interval will now be acidized to clean up the annulus prior to the commencement of testing.

White Hat 2106 (100% working interest) – Production Update

White Hat 2106 continues to perform very strongly with the first 12 days of October averaging 375 barrels of oil equivalent per day (boepd), up from the initial production previously reported of 352 boepd. On the most recent day of full production, 12 October 2021, White Hat 2106 produced 409 boepd.

The current 375 boepd average comprises 93% oil (350 bopd and 149 thousand cubic feet of gas per day (mcfpd))¹. To date there is no indication of pressure decline or significant water.

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 conversion ratio is based on energy equivalency and does not represent value equivalency. Estimates are rounded to the nearest boe.



Figure 1: Pump installation at McLeod 1705

McLeod 1703 and 1705 Frac (100% working interest)

The McLeod 1703 (recent recompletion targeting the Cisco Sands) and McLeod 1705 (recent recompletion targeting the Strawn Sands) have both been placed on production. Results from these wells will be released once production stabilizes which is anticipated to be next week.

The cost of the recompletions was approximately US\$100,000 each.

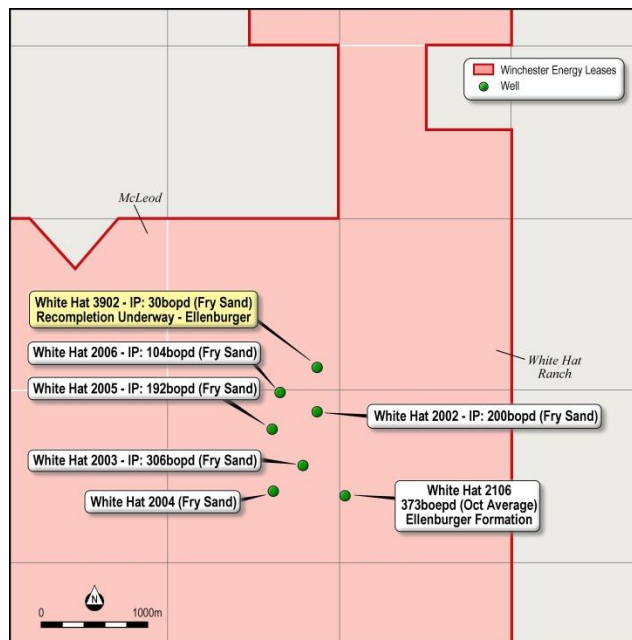


Figure 2: Location of White Hat 3902



-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.

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 (mboe) 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.