



Securities on issue and Thomas Well update

Date: 23 September 2014

ASX Code: WEL

Directors

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Non-Executive Chairman

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Securities on issue

Further to the close of the offer under its Prospectus dated 8 August 2014, Winchester Energy Limited (**Winchester Energy**) is pleased to confirm that, as at the date of this announcement, it has the following securities on issue:

SHARES	
Fully paid ordinary shares on issue and quoted with no escrow restrictions	115,156,250
Fully paid ordinary shares subject to escrow restrictions	100,260,422
Total shares on issue	215,416,672
OPTIONS	
Total number of options (all of which are subject to escrow restrictions)	30,000,000
CONVERTIBLE MILESTONE NOTES	
Total number of convertible milestone notes on issue (all of which are subject to escrow restrictions)	60,000

Permian Basin Operations, Texas USA

The **Thomas 119-1H exploration well** was drilled just over 2500 feet (762 metres) horizontally in the Ellenburger Formation target zone at about 7200 feet (2195 metres) vertically below surface.

Oil and gas shows were encountered throughout the horizontally drilled section and independent log interpretation indicates just over 700 feet (213 metres) of conventional pay zones spread irregularly along the horizontally drilled section.

Production liner with 20 external swellable packers was run to total depth of 10,265 feet (3128.8 metres). The swellable packers separate the target Ellenburger Formation into 20 intervals of approximately equal length but with different amounts of interpreted pay zones. This well configuration will allow each interval to be perforated and tested without interference from other intervals.

The operator of the **Thomas 119-1H well**, Craruth Energy Corporation, is presently preparing to test the first interval at the "toe" (the end of the horizontal) of the well and is installing surface facilities (tanks, separator, gas



and salt water pipe lines). This interval is approximately 140 feet (42 metres) long and has 19 feet (5.8 metres) of log interpreted pay. The operator intends to perforate adjacent to the log pay zones, circulate to remove drilling mud and other drilling contamination and production test the interval at varying rates to obtain reservoir characteristics. It is envisaged that the same test routine will be applied to each of the remaining 19 packer intervals (total 2360 feet or 719 metres).

Winchester Energy has a 50% working interest in the **Thomas 119-1H well** which reduces to a 25% working interest after well payback (that is after payback of its USD 2 million investment in the well from its 50% share of the net revenues from oil and gas from the well). The well is located 21 miles (34 kilometres) South of the town of Sweetwater, in Nolan County, Texas, on the Eastern Shelf of the Permian Basin.

Competent Persons Statement

Mr Henry is a qualified petroleum geologist with over 40 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.

—ENDS—

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