

Operations Update

Date: 27 April 2021

ASX Code: WEL

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Winchester Energy Limited ("Winchester"; ASX:WEL) is pleased to provide an update of exploration and development activities within its extensive lease position in the East Permian Basin, Texas.

- **Strong encouragement in first project in 2021 program.**
- **Following a workover and fracture stimulation in the Cisco Sands in the Bast #1 well, in the first 23 hours on pump the well produced 35 barrels of oil with 143 barrels of load water and minor gas.**
- **First day's oil production rate has already exceeded pre-workover estimates and further improvement is expected as pumping continues and more load water drawn down.**
- **More workovers planned during the year at the Lightning and Bast Fields.**
- **First new well planned to be drilled in June to test the Bast Deep prospect, with a best estimate (i.e. most likely) Gross Prospective Resource¹ of 948,000 barrels of oil equivalent (boe).**
- **Success in the Cambrian target at Bast Deep will allow prioritisation of drilling additional prospects with Cambrian potential at Meteor and El Dorado with a combined best estimate Gross Prospective Resource¹ of 3.2 million boe.**

¹Cautionary Note: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

After a Covid 19-driven operational hiatus in 2020 and following a full review of its Nolan County assets in the east Permian Basin, Winchester Energy has recommenced field operations.

More details in Table 1 below and in our ASX release of April 15, 2021 and in other ASX Releases: 16 March, 2021, "Reserves and Resources Update" and 17 March, 2021 "AEMIC" Presentation.

Bast #1 Workover (Winchester 92% WI)

Low-risk Operation to Increase Production and Cash-flow

The Bast #1 well was recompleted and fracture stimulated in the Upper Cisco Formation on April 13, 2021. The stimulation was significantly larger than those previously implemented by Winchester in Nolan County and was undertaken successfully.

After a short swabbing program, the well was put on pump. The fluid level in the borehole remained high during the swabbing program, indicating good pressure support.

The first full day of production was April 24th, with the well producing 35 barrels of oil, 143 barrels of load water and minor gas over a 23-hour interval. Further improvement is expected as pumping continues and more load water is drawn down.

Chairman Laurence Roe noted, "Success at Bast #1 is a validation of Winchester's 'attention to detail' approach to asset development. We can balance low-risk operations such as workovers that add meaningful volumes of oil to our production with exciting high-impact wells such as our upcoming Bast Deep well. There is plenty more potential here."

Gross Prospective Resources ¹	Low Estimate mboe	Best Estimate mboe	High Estimate mboe
Bast Deep	381.8	948.2	2,340.5
Meteor	694.8	1,934.5	4,685.8
El Dorado	519.2	1,358.5	3,516.8
Total (mboe)	1,596	4,241	6,543

Table 1: Prospects with Cambrian Targets

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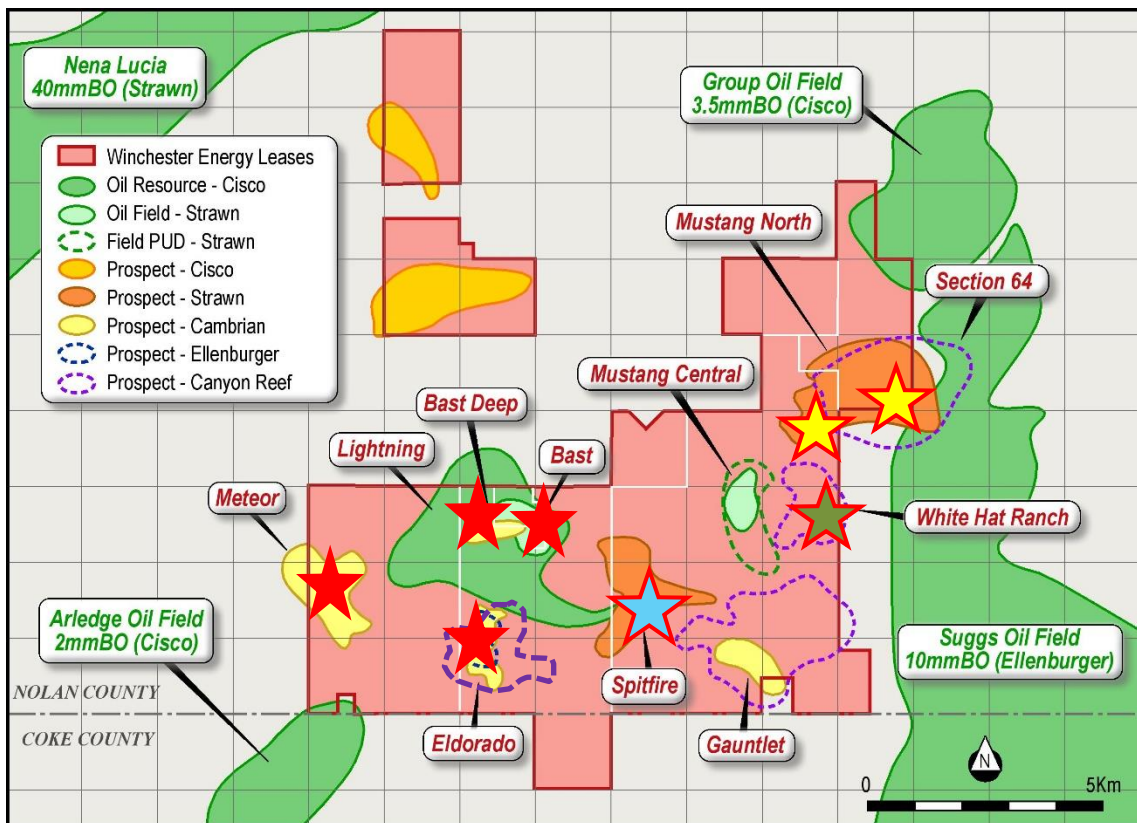


Figure 1: Winchester Energy Assets

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About Winchester Energy Ltd (ASX Code: WEL)

Winchester Energy Ltd (ASX Code: 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.

The Company currently produces approximately 187 barrels of oil equivalent per day (boepd) net to its Working Interests (WI), generating revenue of over AUD\$500,000 in the December 2020 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.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Winchester Energy Limited's planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Winchester Energy Limited believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements. Winchester Energy Limited confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

Competent Persons Statement

The information in this ASX announcement is based on information reviewed by Mr Laurence Roe. Mr Roe is a petroleum geophysicist with over 40 years of Australian, USA and other international technical, operational and executive petroleum experience in both onshore and offshore environments. Mr. Roe 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 Roe has a BSc in Geophysics from the University of Adelaide.

Notes

- Gas quantities are converted to boe (barrels of oil equivalent) using 6,000 cubic feet of gas per barrel; quoted estimates are rounded to the nearest barrel.
- bopd; boepd= barrels of oil per day; barrels of oil equivalent per day
- mbo; mboe = thousand barrels of oil; thousand barrels of oil equivalent
- mmbo; mmboe = million barrels of oil; million barrels of oil equivalent