



Oden A#2 Well – 25%WI

Highlights

- **Winchester participating in a new well, Oden A#2, with a 25%WI.**
- **Based on oil and gas shows during drilling and logging results, two formations in the Oden A#2 well, the Strawn and Ellenburger Formations, are prospective for commercial hydrocarbons.**
- **The operator, Clear Fork, is running casing and will first look to complete the well in the Ellenburger Formation with potential subsequent completion in the overlying Strawn Formation as production dictates.**

Winchester Energy Limited (**Winchester** or **Company**) is pleased to announce its 25% working interest (**WI**) participation in a new vertical well, Oden A#2, with Clear Fork Inc. (**Clear Fork**), an oil and gas company active in Nolan County, Texas. Clear Fork is the operator of the Oden A#2 vertical well.

Oden A#2 is located approximately 2 miles south-east of the White Hat 21#5 vertical well (see map below) in which Winchester has a 50%WI. In addition to the 25%WI in the Oden A#2 vertical well, Winchester has earned a 25%WI in 400 acres which surround the Oden A#2 well (100 acres net to Winchester).

The operator, Clear Fork, has advised that Oden A#2 reached a total depth (**TD**) of 6,730 feet on 13 May 2017 and was immediately logged.

Based on oil and gas shows during drilling and logging results, two formations in the Oden A#2 vertical well, the Strawn and the Ellenburger, are prospective for oil and gas.

The drilling unit for Oden A#2 is 40 acres and is offset to existing production wells, including a well that produced 81,000 barrels of oil (**bo**) from the Ellenburger Formation and another well that produced 75,000 bo from the Strawn Formation.

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ASX Code: WEL

Directors

Peter Allchurch
Non-Executive Chairman

Neville Henry
Managing Director

James Hodges
Non-Executive Director

John D Kenny
Non-Executive Director

Larry Liu
Non-Executive Director

Nicholas Calder
Company Secretary

Contact Details

Australia

Level 3
18 Richardson Street
West Perth WA 6005
Australia

PO Box 641
West Perth WA 6872
Australia

Tel: +61 1300 133 921
Fax: +61(8) 6298 6191

USA

Two Riverway
17th Floor
Suite 1700
Houston Texas USA 77056

Tel: +1 713 333 0610

winchesterenergytld.com

The Managing Director of Winchester, Mr Neville Henry, commented:

"The good oil and gas shows and logging results of Oden A#2 demonstrate the 'stacked pay' potential of Winchester's 19,110 net acres. In addition to the Ellenburger Formation, Winchester's primary target formation, there were good oil and gas shows and interpreted pay in sand units within the Strawn Formation. As a result, Oden A#2 is providing Winchester and the other participants in the well with two separate commercial oil targets".

10,000 ACRE OIL TRAP

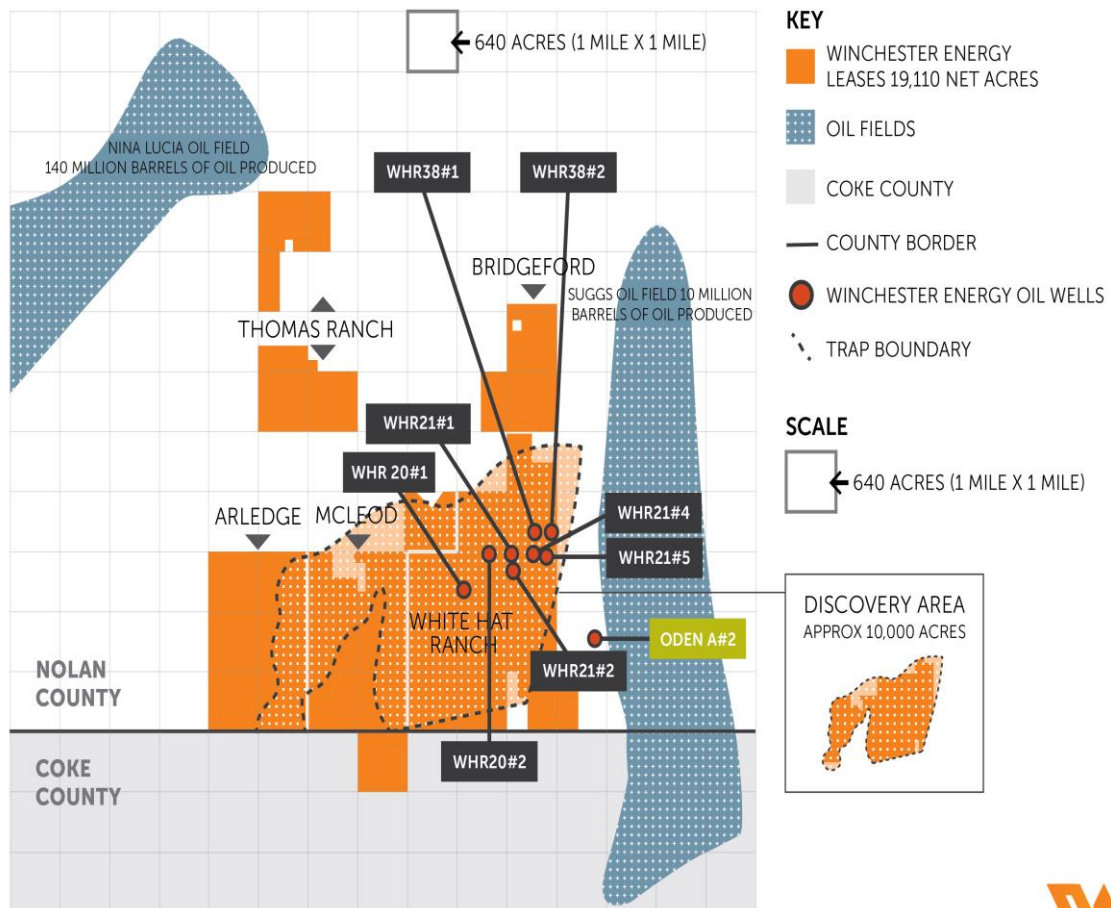


Figure 1: Location of Oden A#2 in Nolan County, Texas.



The operator, Clear Fork, has advised Winchester that it is running casing in Oden A#2 and will initially test the well in the Ellenburger Formation with potential subsequent completion in the overlying Strawn Formation as production dictates.

On 19 April 2017, Winchester announced to ASX that oil is being produced on pump from a sand unit within the Strawn Formation in the White Hat 20#2 well. Winchester has a 50%WI in White Hat 20#2. The result in White Hat 20#02 constitutes a significant new oil discovery in a sand unit within the Strawn Formation. White Hat 20#02 is currently producing oil at a rate within the range of 100 to 120 bopd and this production arose from simple, low cost, small scale fracking of this sand unit within the Strawn Formation. This result constitutes a new, valuable oil play across Winchester's 19,110 net acres. The oil and gas shows during drilling and the interpreted log pay from the Strawn Formation in the Oden A#2 well, are from a separate and distinct sand unit within the Strawn Formation to that sand unit producing in White Hat 20#02, thereby demonstrating that multiple stratigraphic units comprise the 'stacked pay' potential within Winchester's 19,110 net acres.

—ENDS—

For further information, please contact:

Neville Henry
Managing Director
T: +1 713 333 0610
E: nh@winchesterenergyltd.com

Competent Person's Statement

The information in this ASX announcement is based on information compiled or reviewed by Mr Neville Henry. 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.