

**Operations Update,
Mustang Prospect & White Hat Ranch Oil Field
Permian Basin, Texas**

Highlights

- **The recently drilled White Hat 20#3 well, targeting the Strawn Sand in the Mustang Prospect, has been fracked. 300 barrels of fluid have been recovered with an oil cut of 10% after two days of swabbing (daylight only). The oil cut is anticipated to increase as the remaining frack fluid is recovered**
- **White Hat 38#3ML has been fracked (targeting the Strawn Sand in the Mustang Prospect) and is currently in the early stages of flowing back. To date, 1,100 barrels of fluid have been recovered with increasing oil cut from 5-10%**
- **Winchester is awaiting a stabilized flow rate in White Hat 39#1L in the White Hat Ranch Oil Field as the well continues to flow back following the previously announced fracking of the Strawn Formation**

Following the announcement on 26 April 2019 of the successful frack of the Strawn Formation in White Hat 39#1L, Winchester Energy Limited (Winchester), as operator, is pleased to advise the completion of two Strawn Sand fracks in the Mustang Prospect:

1. A successful frack of the Strawn Sand in the recently drilled White Hat 20#3 well targeting the Mustang Prospect; and
2. a successful frack of the Strawn Sand in the existing Mustang Prospect well White Hat 38#3ML.

Date: 8 May 2019

ASX Code: **WEL**

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White Hat 20#3 – Mustang Prospect (75% working interest)

Winchester has successfully undertaken fracking of the Strawn Sand in the recently drilled White Hat 20#3 well.

In the most recent two day period the well swabbed at a rate of 150 barrels of fluid per day (total of 300 barrels of fluid recovered) with an oil cut of 10%. Under local regulations the swab unit can only operate in daylight hours. The oil cut is anticipated to increase in White Hat 20#3 as the remainder of the frack fluid, being 1,064 barrels, is recovered. The market will be informed once final consistent flow rates are established.

White Hat 38#3ML – Mustang Prospect (78.5% working interest)

The existing Mustang Prospect well White Hat 38#3ML has been successfully fracked in the Strawn Sand and is in the early stages of flowing back. The well flowed back 700 barrels with minor oil shows prior to swabbing. To date, 1,100 barrels of frack fluid have been recovered with increasing oil cut from 5–10%. The well will be put on pump in the next 24 hours. The market will be informed once final consistent flow rates are established.

White Hat 39#1L-White Hat Ranch Oil Field (31.5% working interest before payout)

On 26 April 2019 Winchester announced the successful frack of the White Hat 39# 1L Strawn Formation together with initial recoveries of both oil and frack fluid from the well. Over 2,100 barrels of frack fluid and acid were used with 1,200 barrels recovered to date. After successful swabbing the well was put on pump which encountered mechanical problems possibly as a result of frack sand flow. To date, 124 barrels of oil have been recovered.

Winchester is still awaiting the recovery of all fluid introduced to the well during the frack procedure. The market will be informed once final consistent flow rates are established.

Neville Henry, Managing Director of Winchester commented:

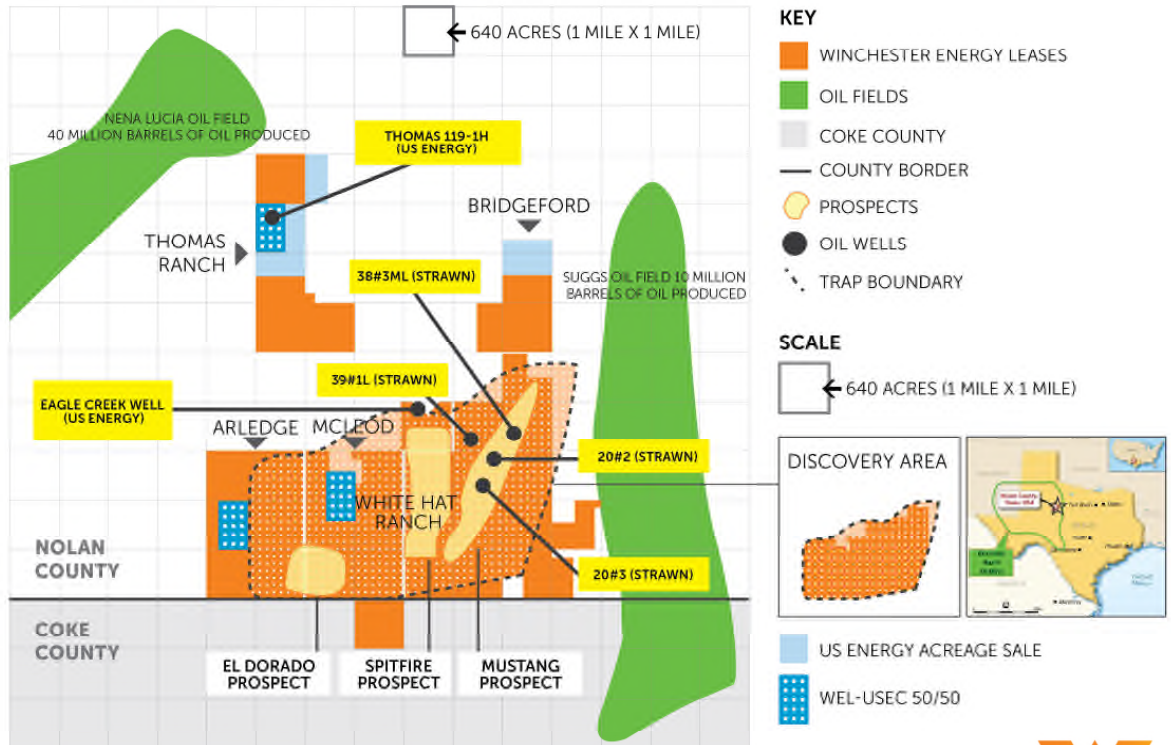
“Initial swabbing and pump results from the Mustang Prospect wells and the White Hat Ranch Oil Field well are encouraging in that oil is present and being recovered. Winchester will continue to unload these wells and looks forward to updating the market once final consistent oil flow rates are achieved.

The fracking results of the Strawn Sand in the current Mustang Prospect wells will provide further input to the company’s Mustang Prospect development options.”



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About Winchester Energy Ltd (ASX Code: WEL)

Winchester Energy Ltd (ASX Code: WEL) is an Australian ASX listed energy company 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 has established initial oil production on its large 17,000 net acres leasehold position on the eastern shelf of the Permian Basin, the largest oil producing basin in the USA. Winchester's lease position is situated between proven significant oil fields. Winchester is of the view that with the several known oil productive horizons in its lease holding, that it can build through the application of modern geology, 3D geophysical analysis, drilling and completion methods, a potentially significant proven reserves and oil production asset.

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 43 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.