



Secondary Trading Notice - 708A(5)

On 21 November Winchester Energy Limited (**Winchester** or **Company**) announced a share placement to raise approximately \$6.4m. The Company has today issued 128,350,000 shares to sophisticated and professional investors at \$0.05 cents each, raising \$6,417,500 before costs. The Company has also issued 10m options forming part of the fees for arranging the placement.

An Appendix 3B is attached to this notice which details the issue.

Secondary Trading Exemption

The Corporations Act 2001 ("**Act**") restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the Securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- (a) the Company issued the Securities without disclosure to investors under Part 6D.2 of the Act;
- (b) as at the date of this notice the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at the date of this notice there is no information:
 - i. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - ii. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - b. the rights and liabilities attaching to the Securities.

The accompanying document has been authorised for release by Company Secretary, Lloyd Flint, in accordance with delegated authority.

Lloyd Flint
Company Secretary

Date: 2 December 2019

ASX Code: WEL

Directors

Laurence Roe
Non-Executive Chairman

Neville Henry
Managing Director

John Kopcheff
Non-Executive Director

Larry Liu
Non-Executive Director

Tony Peng
Non-Executive Director

Lloyd Flint
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

winchesterenergyltd.com

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

WINCHESTER ENERGY LIMITED (ASX CODE: WEL)

ABN

21 168 586 445

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary share |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 128,350,000 Ordinary fully paid shares 10,000,000 unlisted options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares ranking equally with existing fully paid ordinary shares. The options are unlisted expiring on 15 December 2022 with an exercise price of \$0.10 per share. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | | |
|----|---|--|
| 4 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Yes – Shares (WEL) Options - No</p> <p>Options on exercise on or before 15/12/2022 Options do not participate in dividends</p> <p>Options do not have voting rights</p> |
| 5 | Issue price or consideration | <p>Shares \$0.05 cents/share cash Options -nil consideration</p> |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | <p>Proceeds will primarily be used to accelerate development drilling activities over the Company's Mustang Oil Field, continue assessment of recently identified prospects and for general working capital purposes.</p> <p>The options form part of the fee structure for arranging the placement.</p> |
| 6a | <p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p> | Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 31 May 2018 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | <p>72,525,415 shares 10,000,000 Options</p> |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | 55,824,585 shares |

+ See chapter 19 for defined terms.

| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil | | | | |
|-------------|---|--|--------|--------|-------------|----------------------------|
| 6f | Number of +securities issued under an exception in rule 7.2 | Nil | | | | |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | Issue price 5c per share 15 day VWAP \$0.059 Issue date 2/12/19 Source: Gleneagles Securities | | | | |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | Not applicable | | | | |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | LR7.1 198,218 LR7.1A nil | | | | |
| 7 | +Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B. | 2 December 2019 | | | | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | <table><tr><th>Number</th><th>+Class</th></tr><tr><td>687,609,095</td><td>Fully Paid Ordinary Shares</td></tr></table> | Number | +Class | 687,609,095 | Fully Paid Ordinary Shares |
| Number | +Class | | | | | |
| 687,609,095 | Fully Paid Ordinary Shares | | | | | |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

| | Number | +Class |
|---|----------------|--|
| 9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | 20,000,000 | Options exercisable at \$0.12 each on or before 31 January 2022. |
| | 6,200,000 | Options exercisable at \$0.05 each on or before 14 June 2024. |
| | 7,700,000 | Options exercisable at \$0.10 each on or before 14 June 2024. |
| | 10,000,000 | Options exercisable at \$0.10 each on or before 15 December 2022 |
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Not Applicable | |

Part 2 - Pro rata issue

| | | |
|----|--|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | |

+ See chapter 19 for defined terms.

| | | |
|----|---|--|
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ☒ ⁺Securities described in Part 1
- Fully paid ordinary shares only. Not the unlisted options.
- (b) ☐ All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

| 38 | Number of +securities for which +quotation is sought | | | | | |
|--------|---|--|--------|--------|--|--|
| 39 | +Class of +securities for which quotation is sought | | | | | |
| 40 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | | | | | |
| 41 | <p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p> | | | | | |
| 42 | Number and +class of all +securities quoted on ASX (including the +securities in clause 38) | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td></td> </tr> </tbody> </table> | Number | +Class | | |
| Number | +Class | | | | | |
| | | | | | | |

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
Company secretary

Date: ..2 December 2019...

Print name:Lloyd Flint.....

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | | | | | | | | | | | | | | | | | |
|---|---|------------|----------------|------------|---------------------|------------|---------------------|------------|-------------------------------|------------|--------------------------------|------------|-------------------------------|------------|--------------------------------|---|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | | | | | | | | | | | | | | | | | |
| Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 285,148,832 | | | | | | | | | | | | | | | | |
| Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items | <table> <tr> <td>42,399,079</td><td>Issued 11/2/19</td></tr> <tr> <td>59,301,609</td><td>issued 5 April 2019</td></tr> <tr> <td>27,623,750</td><td>issued 9 April 2019</td></tr> <tr> <td>16,872,580</td><td>Approved 31/5/19 Iss. 14/6/19</td></tr> <tr> <td>83,900,000</td><td>Iss. 19/08/19 approved 3/10/19</td></tr> <tr> <td>23,000,000</td><td>Iss.23/08/19 approved 3/10/19</td></tr> <tr> <td>20,000,000</td><td>approved 3/10/19 Iss. 18/10/19</td></tr> <tr> <td>-</td><td></td></tr> </table> | 42,399,079 | Issued 11/2/19 | 59,301,609 | issued 5 April 2019 | 27,623,750 | issued 9 April 2019 | 16,872,580 | Approved 31/5/19 Iss. 14/6/19 | 83,900,000 | Iss. 19/08/19 approved 3/10/19 | 23,000,000 | Iss.23/08/19 approved 3/10/19 | 20,000,000 | approved 3/10/19 Iss. 18/10/19 | - | |
| 42,399,079 | Issued 11/2/19 | | | | | | | | | | | | | | | | |
| 59,301,609 | issued 5 April 2019 | | | | | | | | | | | | | | | | |
| 27,623,750 | issued 9 April 2019 | | | | | | | | | | | | | | | | |
| 16,872,580 | Approved 31/5/19 Iss. 14/6/19 | | | | | | | | | | | | | | | | |
| 83,900,000 | Iss. 19/08/19 approved 3/10/19 | | | | | | | | | | | | | | | | |
| 23,000,000 | Iss.23/08/19 approved 3/10/19 | | | | | | | | | | | | | | | | |
| 20,000,000 | approved 3/10/19 Iss. 18/10/19 | | | | | | | | | | | | | | | | |
| - | | | | | | | | | | | | | | | | | |
| Subtract the number of fully paid +ordinary securities cancelled during that 12 month period | Nil | | | | | | | | | | | | | | | | |
| “A” | 558,245,850 | | | | | | | | | | | | | | | | |

+ See chapter 19 for defined terms.

| | |
|---|---|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 83,736,878 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>1,013,245 shares Issued 18/10/19 72,525,415 shares This App3b 10,000,000 options This App 3b</p> |
| “C” | 83,538,660 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 83,736,878 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 83,538,660 |
| Total [“A” x 0.15] – “C” | <p>198,218</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p> |

+ See chapter 19 for defined terms.

Part 2

| | |
|--|---|
| Rule 7.1A – Additional placement capacity for eligible entities | |
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 558,245,850 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 55,824,585 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items | 55,824,585 |
| “E” | 55,824,585 |

+ See chapter 19 for defined terms.

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|--|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 55,824,585 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | 55,824,585 |
| Total [“A” x 0.10] – “E” | - <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.