



Company Presentation

Date: 14 September 2020

ASX Code: WEL

Directors

Laurence Roe
Non-Executive Chairman

Neville Henry
Managing Director

Larry Liu
Non-Executive Director

Tony Peng
Non-Executive Director

James Allchurch
Non-Executive Director

Lloyd Flint
Company Secretary

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Please find attached the Winchester Energy Ltd presentation for the 2020 Resurgence Conference.

Authorised for release by:

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Non-Executive Chairman

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WINCHESTER

ENERGY LIMITED

2020 Resurgence Conference

15-16 September 2020
Perth, Western Australia

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*Neither Winchester Energy Limited (**Winchester**) nor any other person warrants the future performance of Winchester or any return on any investment made in Winchester. Some of the information contained in this document constitutes forward-looking statements that are subject to various risks and uncertainties, not all of which may be disclosed. These statements discuss future objectives or expectations concerning results of operations or financial condition or provide other forward looking information. Winchester's actual results, performances or achievements could be significantly different from the results or objectives expressed in, or implied by, those forward- looking statements.*

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Winchester does not make any recommendation to investors regarding the suitability of any securities and the recipient must make its own assessment and/or seek independent advice on financial, legal, tax and other matters, including the merits and risks involved, before making any investments.

The estimated petroleum reserves and resources referred to in this presentation were first announced to the ASX on 25 May 2020.

The estimated quantities of petroleum that may potentially be recovered by the application of future exploration and 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. The Company confirms that it is not aware of any new information or data that in its opinion materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

COMPETENT PERSON'S STATEMENT

The information in this document relating to petroleum resources and exploration results is based on information compiled by Mr Neville Henry. Mr Neville Henry has a BA (Honours) in geology from Macquarie University and has over 43 years experience in the technical, commercial and managerial aspects of the oil and gas industry. Mr. Henry has consented in writing to the inclusion of the information stated in the form and context in which it appears.

The Prospective Resources estimates in this report have been compiled by Kurt Mire, P.E. of Mire & Associates, Inc. from information provided by Winchester Energy. Mr Mire is a registered professional Engineer in the State of Texas and has over 30 years' experience in petroleum engineering. These Prospective Resource estimates and their associated calculations may be subject to revision if amendments to mapping or other factors necessitate such revision.

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.

Corporate

- Established US oil and gas explorer and producer
- Operations office in Houston, Texas; corporate office in Perth
- Ongoing revenue from conventional oil and gas production:
 - ✓ 310 barrels of oil per day (gross; Q2/20)¹
 - ✓ A\$707K in revenue last quarter¹
- Net Reserves and Resources total 11.2 million barrels of oil equivalent^{2,3}
- 18,400 net acres under lease in Nolan & Coke counties in the eastern Permian Basin, Texas
- Inexpensive drilling - multiple plays with stacked pay.
- No Debt

Pumpjack in Winchester's Mustang Oil Field, Nolan County, Texas



Notes:

1. Average daily production in Q2 2020 – refer to ASX release: Quarterly Activities Report to 30 June 2020.
2. 6,000 cubic feet of gas is equivalent to 1 barrel of oil on a thermal energy basis.
3. WEL ASX Release 25 May 2020.

Company Snapshot



Corporate

Key Metrics

ASX Code	• WEL
Shares on issue	• 688 m
Unlisted options on issue	• 45 m
Share price	• A\$0.027 (7 Sep 2020)
Market Capitalisation ¹	• US\$13.0 m
Cash ¹	• US\$2.4 m
Debt	• NIL

Operating Metrics

Net WI Daily Production ²	• 227 bopd
Lifting Costs	• US\$2.46 / barrel
Leasehold - Gross	• 24,019 acres
Leasehold – Net	• 18,440 acres
Net Reserves & Resources ^{3, 4}	<ul style="list-style-type: none"> • Reserves (3P): 1,653 mboe • Contingent Resources (2C): 6,727 mboe • Prospective Resources (P50): 2,821 mboe

Directors and Management

Laurence Roe - Non Executive Chairman	40 years technical experience & exploration success – USA (inc Permian Basin, Texas), Australia, International
Neville Henry - Managing Director (Houston)	Over 40 years technical experience - successful start-ups (Aurora), extensive US (Texas) business & technical experience
James Allchurch - Non Executive Director	Technical & investment experience – ASX
Larry Liu - Non Executive Director	Commercial & investment experience – China
Tony Peng - Non Executive Director	Finance & merchant banking experience, USA, CFO Helios Energy
Hugh Idstein – CFO (Houston)	Financial and Leasing Manager
Doug Holland - VP Operations (Houston)	Extensive US operational experience

Notes:

1. A\$/US\$ exchange rate: \$0.70
2. Average daily production in Q2 2020 – refer to ASX release: Quarterly Activities Report to 30 June 2020.
3. 6,000 cubic feet of gas is equivalent to 1 barrel of oil on a thermal energy basis; mboe = thousand barrels of oil equivalent; mmboe = million of barrels of oil equivalent.
4. WEL ASX Release 25 May 2020.

Go where the oil is

Eastern Permian Basin, Texas

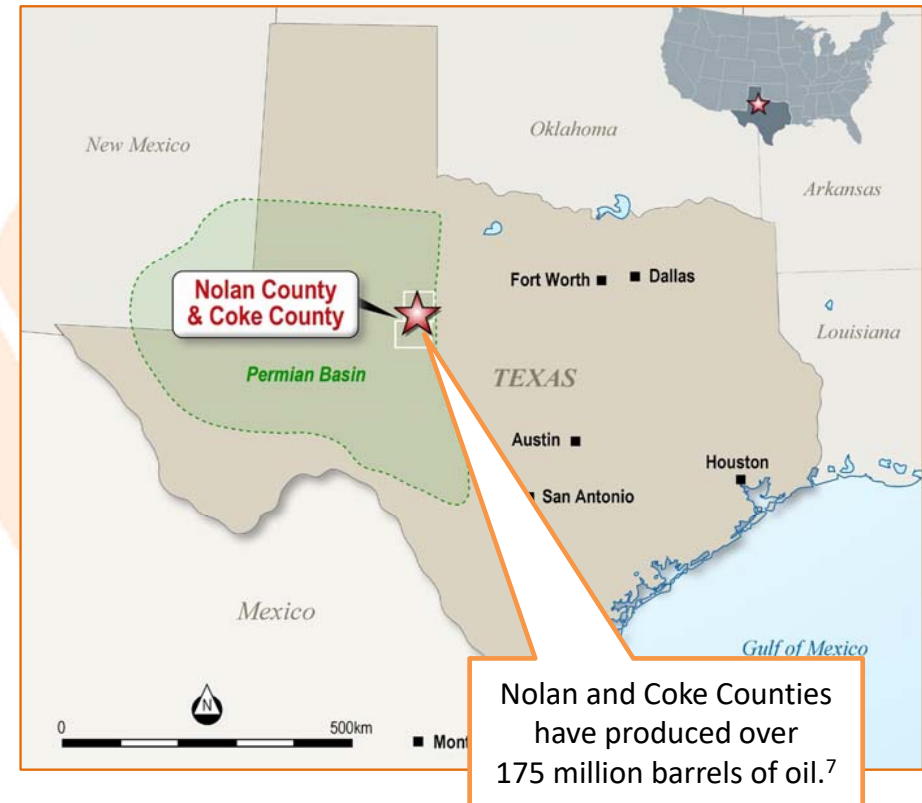
“The Permian Basin Is Now The World's Top Oil Producer”¹

Permian Basin	
Stacked, proven, prolific oil producing horizons	
Technical Remaining Recoverable Resources ²	20 billion bo & 16 TCF (Midland) 46 billion bo & 218 TCF (Delaware)
Total oil and gas production to 2018 ³	33 billion bo & 118 TCF
Daily oil & gas production ⁴ :	4.2 million bopd & 15.4 BCFG
Proportion of current US oil production (4.3 mmbo/10.7 mmbo) ⁵	40%
Proportion of US onshore rigs in Permian Basin: ⁶	52%
Number of ASX Juniors exclusively focused on the Permian:	1

Notes:

1. Forbes Magazine – April 2019
2. USGS - 2016 (Midland Basin); USGS - 2018 (Delaware Basin).
[en.wikipedia.org/wiki/Permian_Basin_\(North_America\)](https://en.wikipedia.org/wiki/Permian_Basin_(North_America))
3. US EIA Drilling Productivity Report, 13 July 2020.
4. U.S. Crude Oil Production - Historical Chart | MacroTrends
5. Baker Hughes Rig Count 14 Aug 2020.
6. WEL Internal Assessment.

Winchester Area Of Operations – Nolan and Coke Counties



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Eastern Permian Basin, Texas

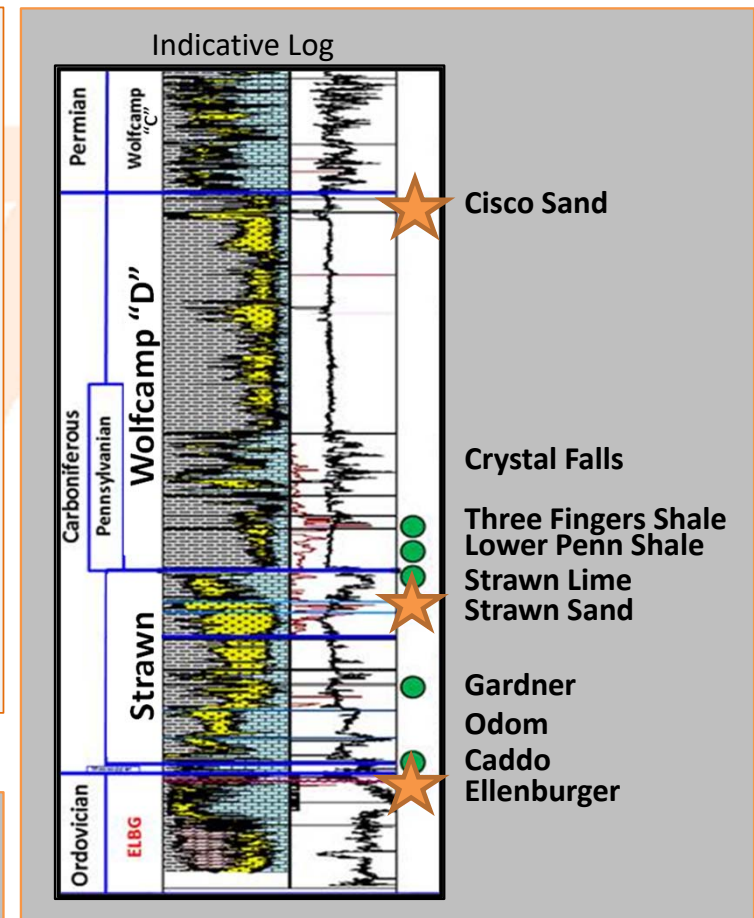
- Winchester offers best ASX leverage into the Permian
- Large lease position in the Eastern Shelf (Nolan & Coke Counties)
- High Working Interests
- Leases covered by 3D seismic (exclusive to Winchester)
- Multiple stacked targets - typically extending over a 3,000 ft interval
- Drilling is typically vertical, shallow (around 7,000 ft) and inexpensive (US\$700K D&C)¹
- Extensive local infrastructure means a new well can be selling oil almost immediately after it is completed for production
- Winchester operates – controls its own destiny
- Strategy to create shareholder value by leveraging modern exploration science and technology to find and develop conventional oil and gas assets overlooked by previous explorers

- ★ WEL production
- Locally productive

Notes:

1. Depths and costs are indicative only and will vary from well to well & subject to prevailing market conditions.

Eastern Shelf Stratigraphy (in part)



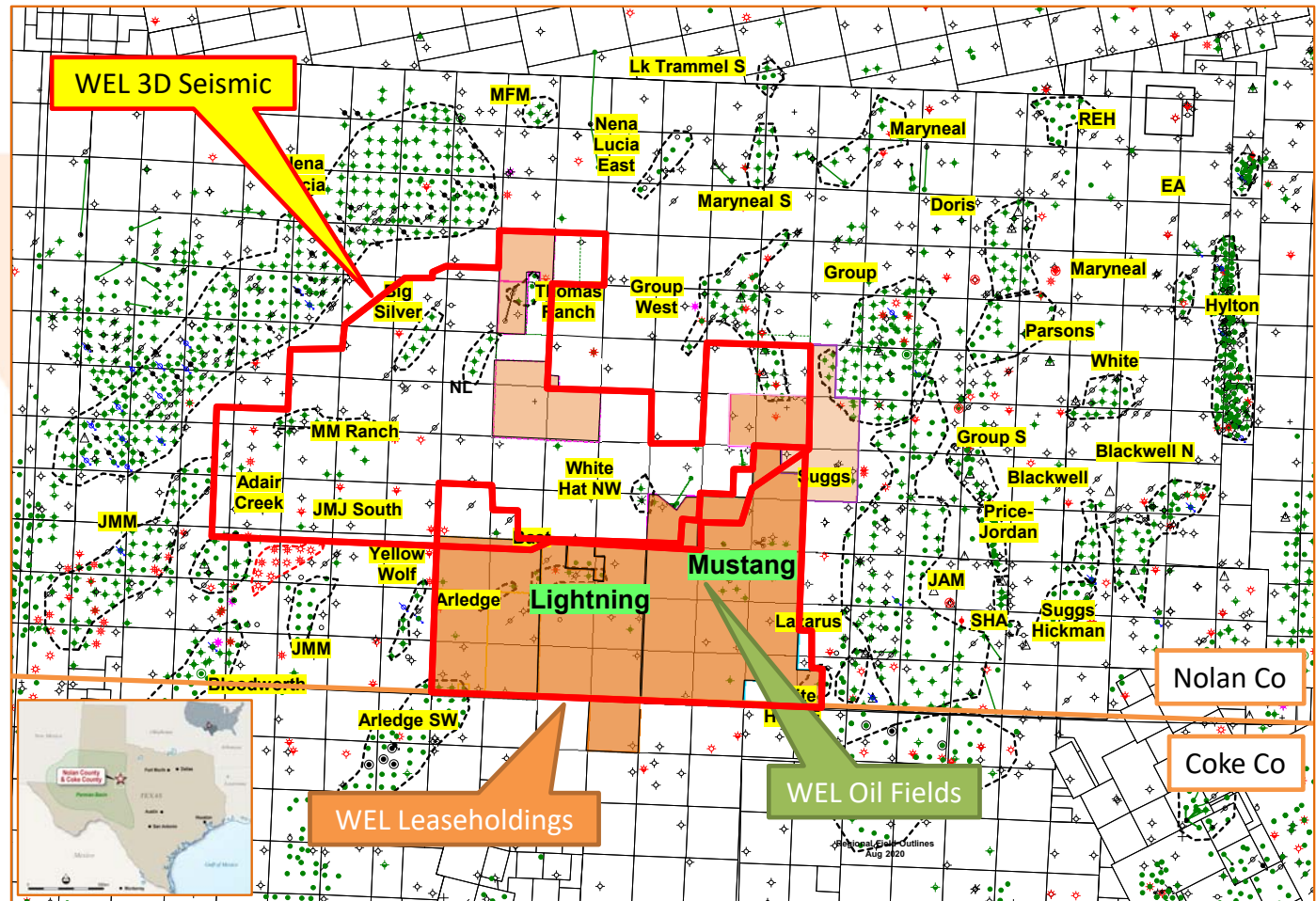
Winchester Operations

Area of Operations – Nolan Co.

Nolan and Coke Counties have produced
175 million barrels
from conventional reservoirs

- Over 18,000 contiguous net acres under lease, primarily in Nolan County.
- Leases covered by 65 mi² of 3D seismic – exclusive to Winchester.
- Current focus is on development of Mustang Field (Strawn Fry Sand) and Lightning Prospect (Cisco Sands).
- Significant conventional oil potential in untested Cambrian prospects and leads.
- Significant unconventional oil potential in Wolfcamp D shale within Winchester leases.

SW Nolan County – Oil and Gas fields with Winchester leases and oil fields

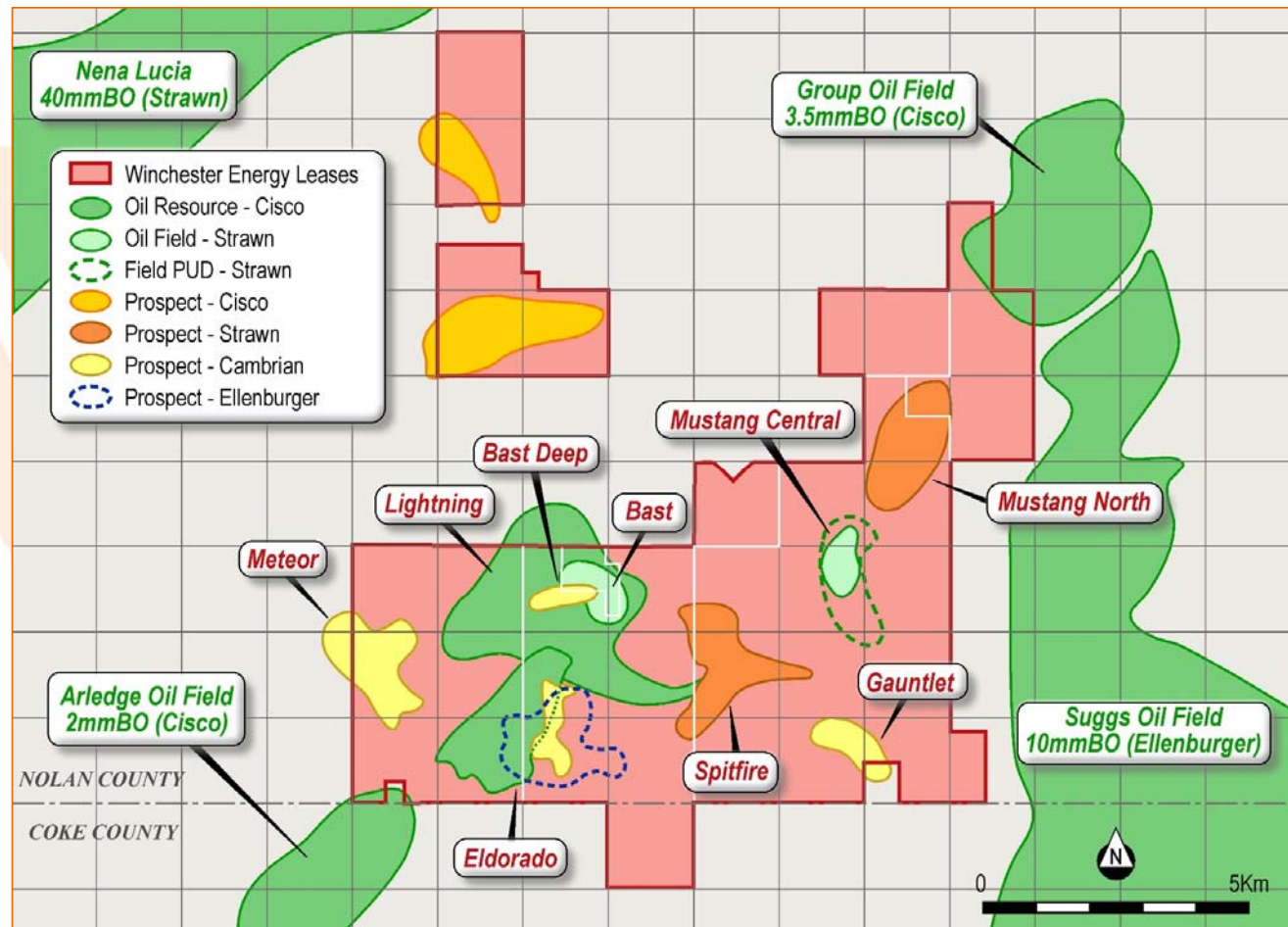


Winchester Operations

Area of Operations – Nolan Co.

Winchester Production	<ul style="list-style-type: none"> Mustang Field Bast Field Lightning
Winchester Resources	<ul style="list-style-type: none"> Greater Lightning (Cisco)
Fry Sand Prospects	<ul style="list-style-type: none"> Mustang North Hurricane
Strawn Prospects	<ul style="list-style-type: none"> Spitfire Bast East (+ Cisco)
Cambrian Prospects	<ul style="list-style-type: none"> Meteor Prospect Bast Deep Prospect El Dorado Prospect (+ ELB) Gauntlet Lead
Ellenburger Prospects	<ul style="list-style-type: none"> Mustang El Dorado Prospect Thomas Ranch
Wolfcamp Prospect	<ul style="list-style-type: none"> Bonus Sands Play
Horizontal Plays	<ul style="list-style-type: none"> Cisco Fan Plays Three Fingers Shale Strawn Sands

Winchester Energy leases and oil fields, prospects and leads



Gross Reserves and Resources

Effective 31 December 2019

Mustang/Ellenburger	Lightning	Spitfire	El Dorado
Strawn Fm (Fry Sand) & Ellenburger Limestone	Cisco stacked sands	Strawn Sand & Ellenburger Limestone	Cisco Sand, Odom & Ellenburger Limestones
<i>Gross Recoverable Reserves</i>	<i>Gross Contingent Recoverable Resource</i>	<i>Gross Prospective Recoverable Resource</i>	<i>Gross Prospective Recoverable Resource</i>
2P Reserves: 1.25 mill boe*	Best estimate: 9.46 mill bbls*	Best estimate: 2.94 mill bbls*	Best estimate: 1.36 mill bbls*
3P Reserves: 2.43 mill boe*	High estimate: 26.10 mill bbls*	High estimate: 5.53 mill bbls*	High Estimate: 2.41 mill bbls*
Multiple oil producers - Ongoing field development	Oil Discovery	CHANCE OF SUCCESS** 28% (WEL Ranking)	CHANCE OF SUCCESS** 36% (WEL Ranking)

*Cautionary Statement: The estimates quoted above were announced to the ASX on 25 May 2020. The estimated quantities of petroleum that may potentially be recovered by the application of future exploration and 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. The Company confirms that it is not aware of any new information or data that in its opinion materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Gas quantities are converted to boe (barrels oil equivalent) using 6,000 cubic feet of gas per barrel.

See Disclaimers for further information. ** Estimated chance of finding oil based on risk relating to presence of : Trap X Reservoir X Source X Charge.

Forward Program

Wide range of opportunities

Field Optimisation – more oil for less cost

Underway and Ongoing	<ul style="list-style-type: none">➤ Lifting costs reduced to less than half of our peers at \$2.41/barrel¹➤ 23% reduction in Drilling and Completion Costs to approx US\$700k¹➤ Development costs equivalent to only US\$10.51 per boe¹
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Re-entries and Recompletions – cost-effective production boosts

Underway and Ongoing	<ul style="list-style-type: none">➤ 1 underway (Cisco)➤ 1 upcoming (Bonus Sands)➤ 6 other wells identified for re-entries and recompletions (Bonus, Fry, Ellenburger, Cisco)
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Field Extensions – low risk appraisal and development drilling

Locations Identified	<ul style="list-style-type: none">➤ 6 locations at Mustang➤ 1 location at Mustang North (success will add more)
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2021 Exploration Drilling – balancing risk and reward – success in any of these could add up to 50 new locations

Prospects Identified and Ready To Drill ²	<ul style="list-style-type: none">➤ Bast Deep (Cambrian/Strawn) – Cambrian success will open major new play➤ Spitfire (Strawn) – Strat play adjacent to Mustang Field➤ El Dorado (Cisco, Ellenburger/Cambrian) – multi-target prospect➤ Meteor (Cambrian, Ellenburger, Strawn)
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Notes:

1. ASX release 11 June 2020 and ASX release: Quarterly Activities Report to 30 June 2020.
2. Ultimate decision to proceed with drilling subject to prospect meeting requisite financial and technical thresholds.

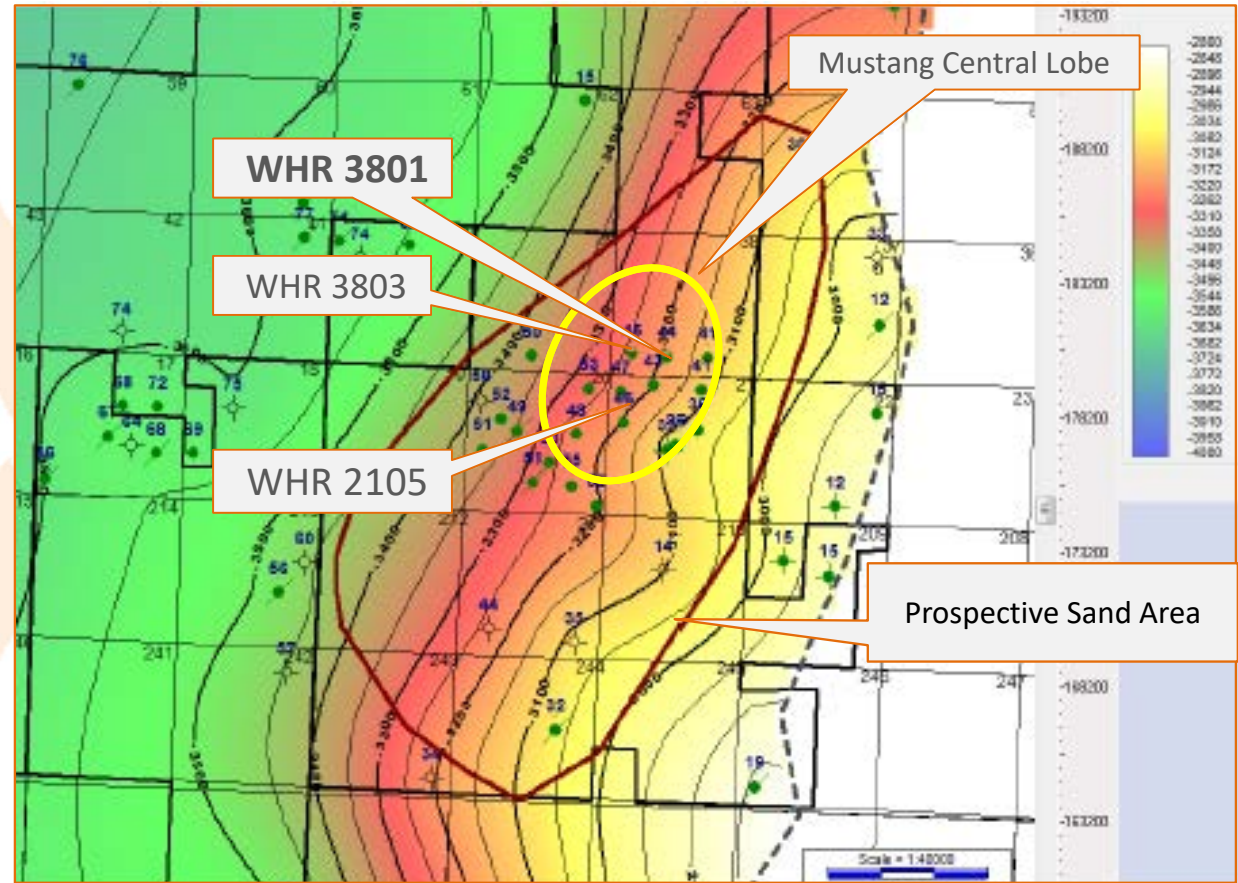
Recompletion - Three Fingers Shale / Bonus Sand

Recompletion – Potential by-passed pay

Good follow-up potential

- ✓ High-priority recompletion
- ✓ Three Fingers Shale sand laminations (Bonus Sands), 15% Sandstone, 60 feet gross interval
- ✓ Detailed log interpretation suggests the three porous 'sands' may have been obscured by the hot shale.
- ✓ Prospective area covers 5,000 - 7,000 acres
- ✓ Potential shallow bail out for future Strawn and Ellenburger drilling
- ✓ Present in several wells as future behind-pipe completions
- ✓ First well to be re-entered and tested will be WHR 3801 – likely in early October.

Depth Structure Map – Three Fingers Shale



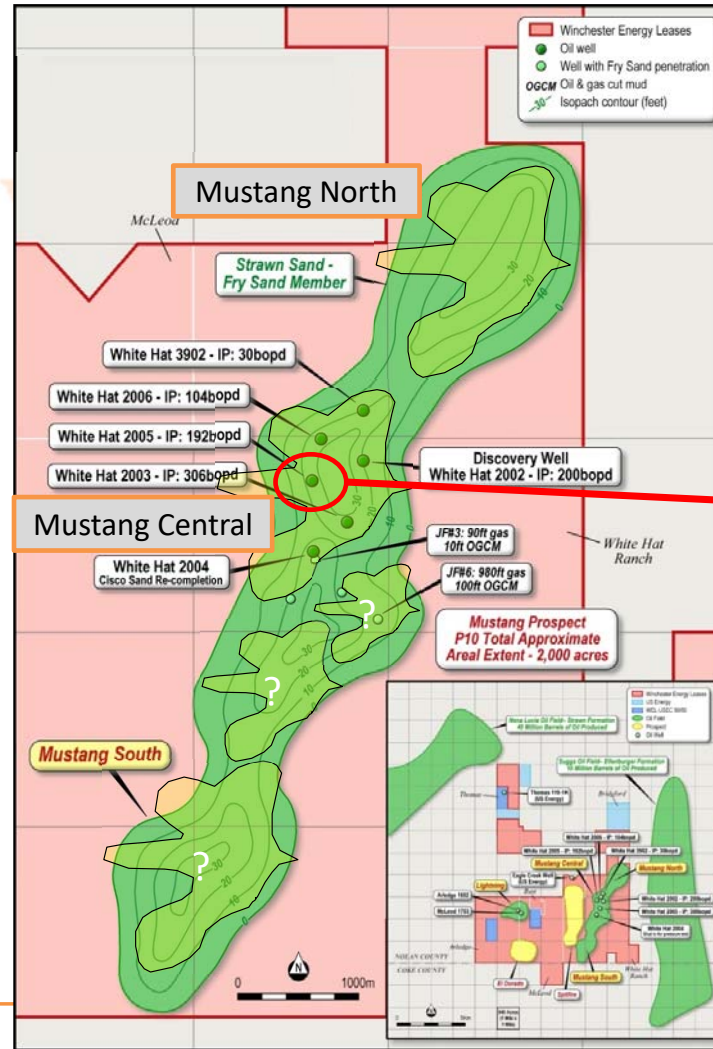
Oil Field - Mustang

Strawn Formation

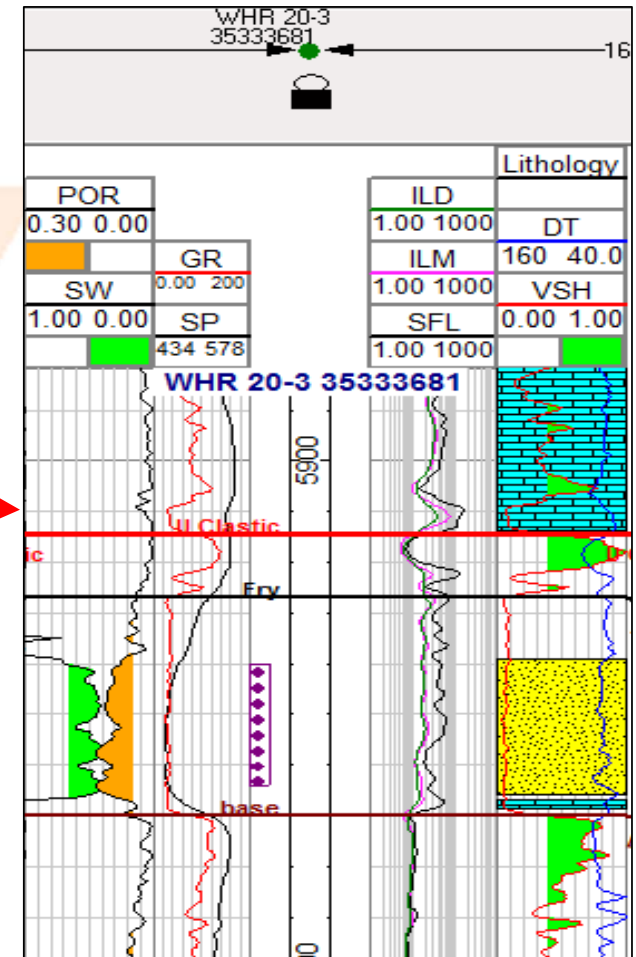
Field discovered by Winchester in 2018

- Reserves:
 - ✓ 1.25 mmBO (gross 2P)
 - ✓ 2.43 mmBO (gross 3P)
- WEL WI: 50 —100% WI / Operator.
- 5 wells are currently on production in a local Strawn Formation sand pod (Fry Sand) – three of these have had IPs of 200 to 300 bopd.
- Oil production to date exceeds 200,000 barrels.
- Additional sand pods are potentially located to the northeast and southwest of the main pod.
- Play is defined by 15 wells including wells to the east and west which detail the stratigraphic trap both down dip and in the critical spill direction
- Six more drilling locations have been identified.
- Remapping also confirms extension of trend at Mustang North.

Mustang Oil Field



Mustang Oil Field – Type Log WHR 20-3.



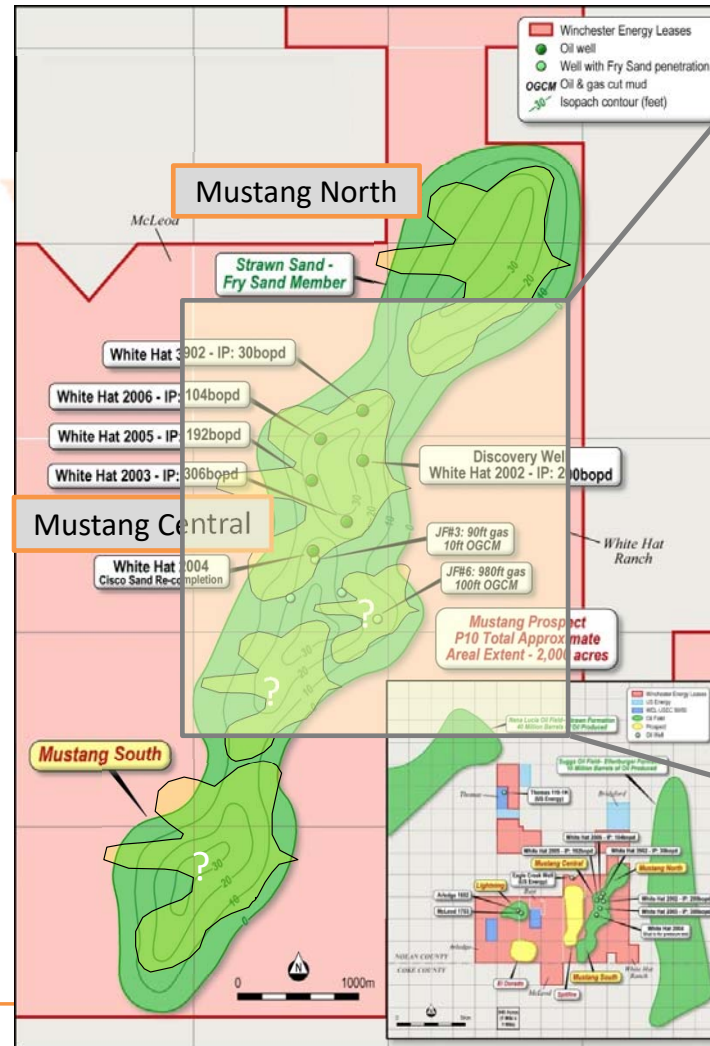
Oil Field - Mustang

Strawn Formation

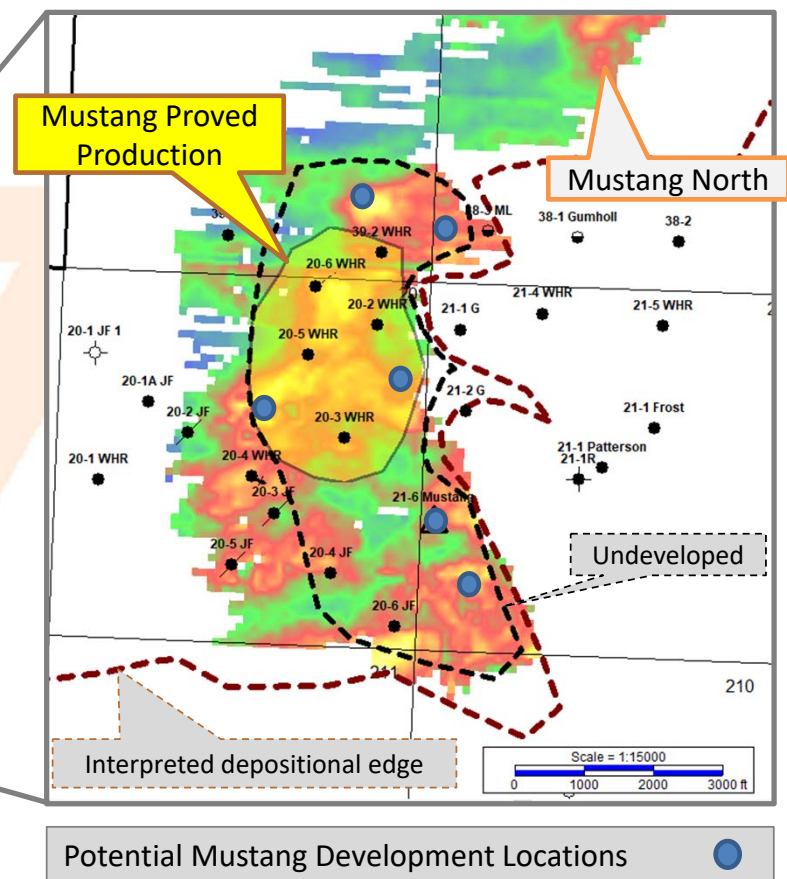
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Mustang Oil Field



Mustang Central Area – Fry Sand Amplitudes



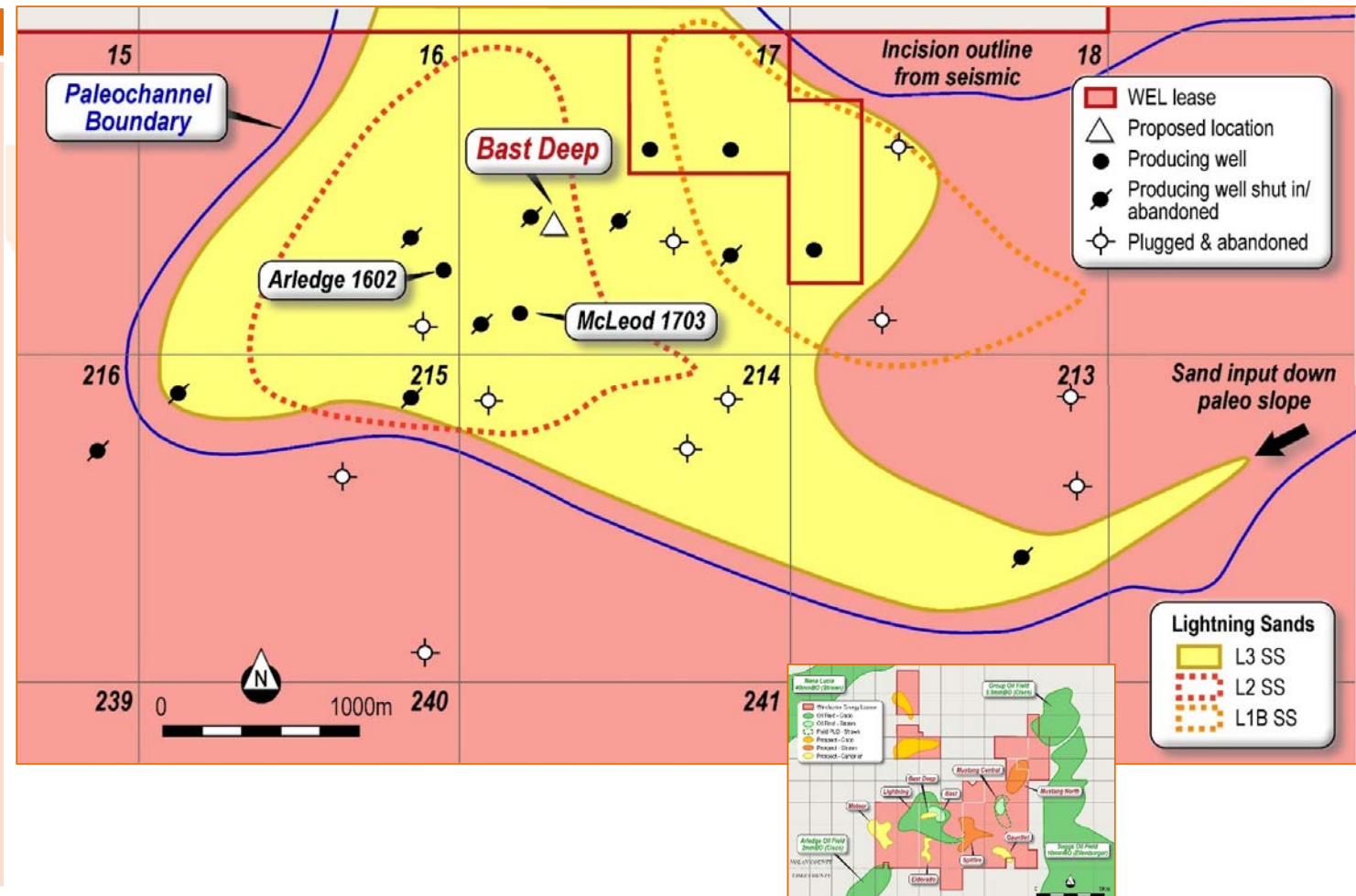
Oil Field - Lightning Resource & Bast Field

Cisco Sands

Lightning - Local Cisco Sand distribution

Discovered by Winchester in 2019

- Contingent Resource:
 - ✓ 9.5 mmBO (Best Estimate)
 - ✓ 26.1 mmBo (gross High estimate)
- WEL WI: 100% WI / Operator.
- Multiple Cisco sands reservoirs
- Recent drilling of the Arledge 1602 and McLeod 1703 - and testing in 1602 - has confirmed a productive oil bearing clastic section over an extensive area.
- Field outline based on high-quality reprocessed 3D seismic; calibrated by local wells of various vintages.
- The company is integrating the new mapping with the well data.
- WEL considers Lightning to be a major potential Resource Play that extends over a larger area and is considering seeking an industry partner to drive the appraisal and development phases.

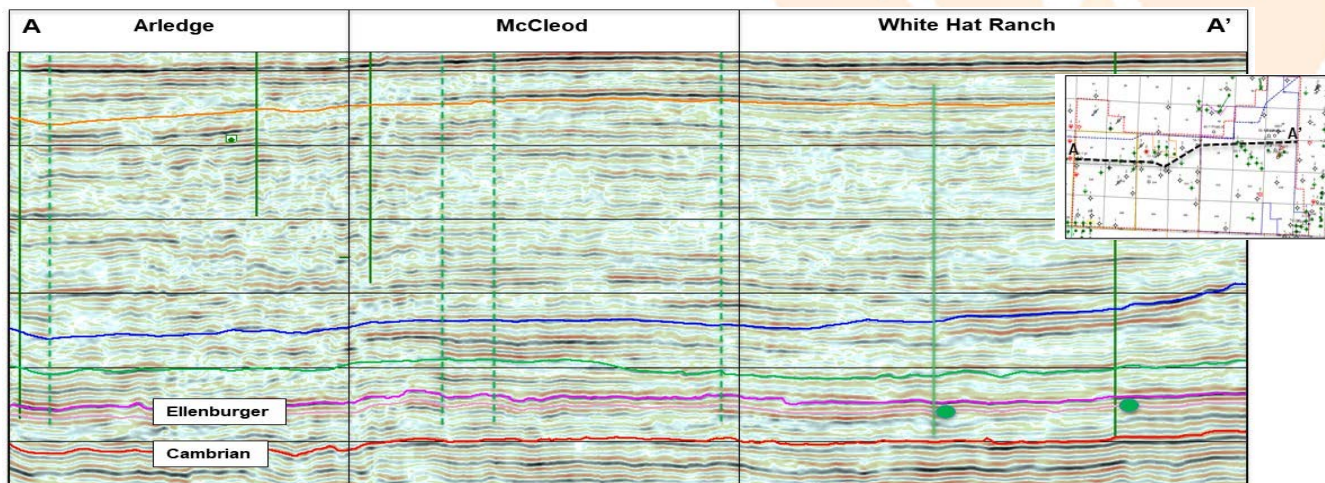


Cambrian Prospectivity - Regional

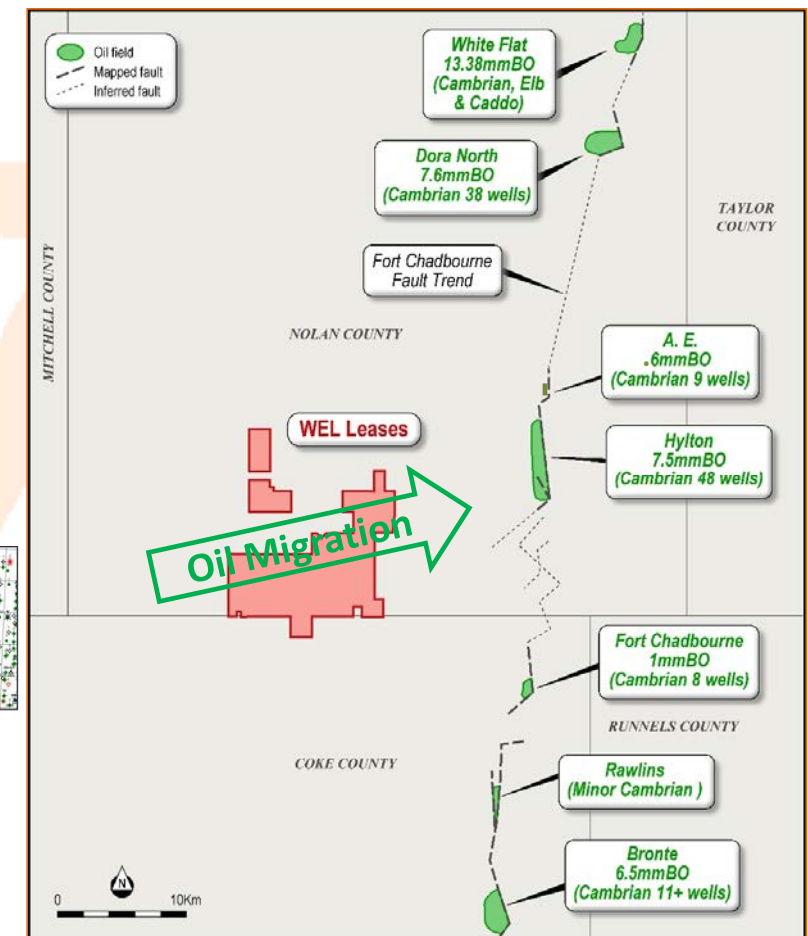
Cambrian Fields and Faults

Cambrian – Eastern Permian Basin

- The Cambrian section has produced in excess of 23 MMBO on the Fort Chadbourne fault trend – excluding the mixed production at the White Flat field.
- All the fields on the trend have shallow, structurally influenced oil production. The production from the shallow zones is over 20 MMBO
- Some areas have shallow production with untested Cambrian targets.
- WEL believes there is material Cambrian prospectivity in the region both in closed 4-way dip structures and in (as yet unmapped) fault traps along the Fort Chadbourne trend.



Cambrian Fields – Fort Chadbourne Fault Trend



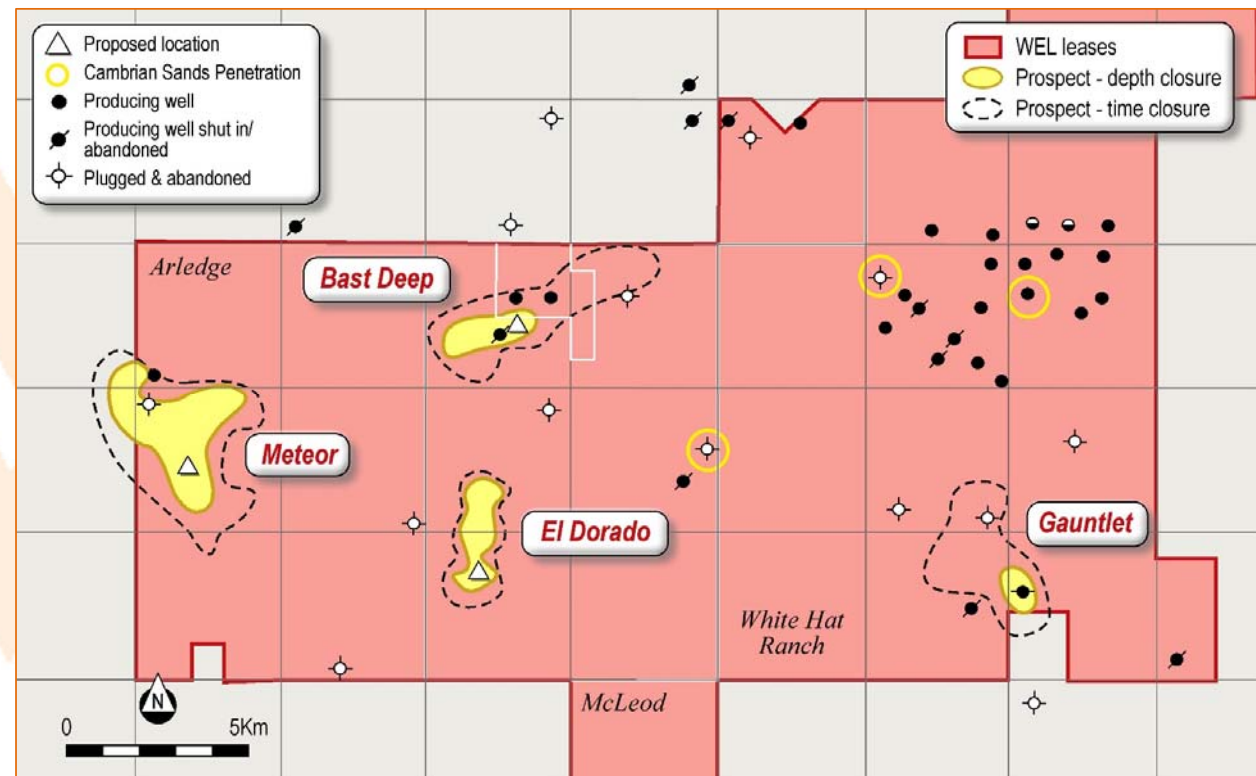
Cambrian Prospectivity - Local

Play Overview

Cambrian Play

- Primary Target – Structural Closures at Cambrian Sandstone level.
- This thick, porous widespread reservoir has produced from nearby fields. Structures 10 miles to the east have produced 15+ MMBO from the Cambrian Sandstone.
- All Prospects are structural closures mapped on high quality 3D seismic.
- Three **off-structure** penetrations of the Cambrian on the 3D have good reservoir properties but were wet.
- The Cambrian sandstone is top sealed by the thick, largely tight Ellenburger Dolomite.
- Cambrian closures have associated Ellenburger, Odom and Strawn closures and targets.

Cambrian Prospects and Leads



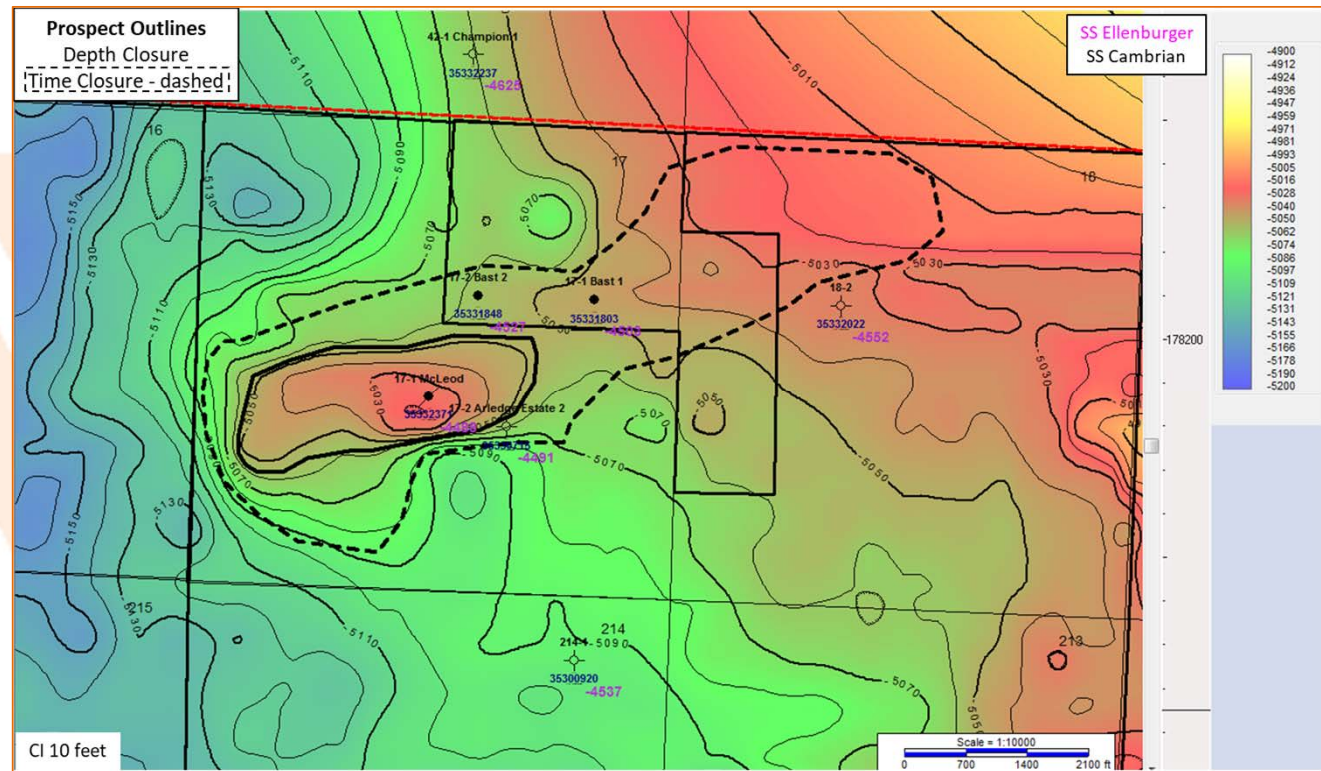
Cambrian Prospect – Bast Deep

Prospect Overview

Bast Deep

- Primary Target: Cambrian Sandstone at 7,300 ft.
- Bast Deep is a 4 way dip structural closure mapped on high quality 3D seismic.
- None of the local wells penetrate the Cambrian (7,300').
- A 40 foot closure is mapped over 70 acres.
- Secondary Targets – Ellenburger and Cisco oil pay is present in nearby wells but the main secondary target is an Upper Strawn sandstone. This 10' sand has produced oil in four adjacent wells with an average ultimate recovery of 47,000 barrels per well. This sand is likely present at Bast Deep and up-dip to existing production.

TWT Structure Map – Top Cambrian Fm

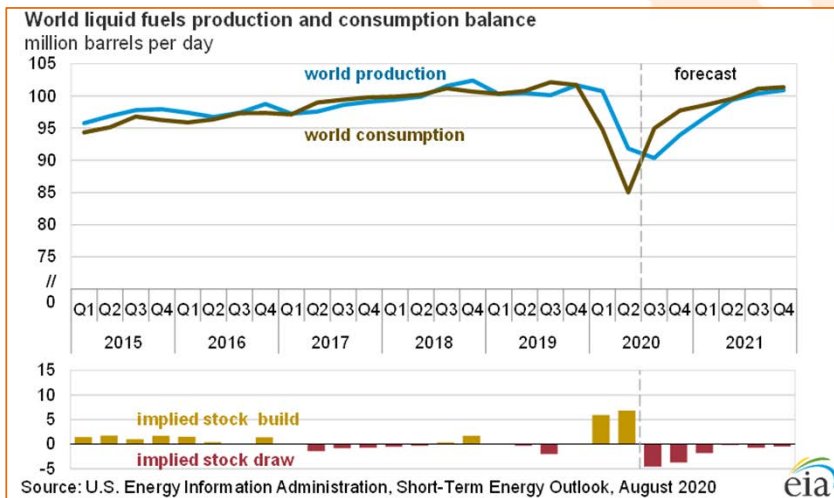


Oil is not dead

“The reports of my death have been greatly exaggerated.”¹

- COVID-19 oil demand destruction forecasts appear “greatly exaggerated”
- Oil demand recovery faster than anticipated – production down, stockpiles reducing and prices rising
- Shale oil battered; US shale oil rig count collapse – 74% reduction. Non-US oil rig count down 40%³
- Global oil exploration at historic low
- US EIA forecasts material inventory drawdowns well into 2021

EIA: Demand to Outstrip Supply



Notes:

1. With apologies to Mark Twain.
2. Source: macro trends.net
3. Goehring & Rozencwajg: Natural Resource Market Commentary – Q2 2020
4. <https://www.energypolicy.columbia.edu/research/report/electric-vehicle-penetration-and-its-impact-global-oil-demand-survey-2019-forecast-trends>

- EV sales growth has slowed considerably with take-up well below expectation
- Passenger vehicles make up 23% of oil demand⁴ – no substitution in aviation, marine and petrochemicals
- Renewables and other oil and gas substitutes are a long way off

Oil Prices Recovering



West Texas Intermediate (NYMEX) crude oil price over 1 year²

US Crude Production Down



US crude oil production (000's bopd)²

Summary

Multiple Prospects planned for 2021 Drilling

- Winchester has five new prospects defined by both drilling and 3D seismic ready to drill in 2021 with considerable upside and large Working Interest (>75%).

Low to Moderate Risk

- Proven petroleum system, multiple reservoir targets in each prospect, well controlled by early drilling.

Low Cost

- Winchester is an established operator with a strong drilling track record. Low drilling and completion costs. Dry Hole drill cost, A\$500,000 per location.

High Return

- If drilling is successful, discovery and development delivers a high rate of return expected to be reflected in WEL share price.

Striving for a strong revenue stream, lower cost of development and good economics at today's oil and gas prices.

Winchester Energy Pumpjack, Workover Rig, Oil being loaded at Arledge 1602



Summary

Why invest in Winchester?

✓ Winchester offers best ASX leverage into the Permian Basin.

- Established, efficient US-based Operator with Reserves, production and cashflow^{1,2}.
- Low-risk re-entries, field development and field extensions all underway or in planning stages.
- Multiple Large Prospects - five well exploration program planned for 2021.
- Shallow, inexpensive drilling.
- Extensive, contiguous acreage position in Eastern Permian – bulk covered by 3D seismic.
- Evaluating expansion of existing lease position.
- Cash in bank, debt-free.

✓ Well positioned to take advantage of recovering oil prices.

Winchester Energy Pumpjack, Workover Rig, Oil being loaded at Arledge 1602



Notes:

1. WEL ASX Release 25 May 2020.
2. Refer to ASX release: Quarterly Activities Report to 30 June 2020

Winchester – ASX leverage into the Permian

Eastern Permian Basin, Texas

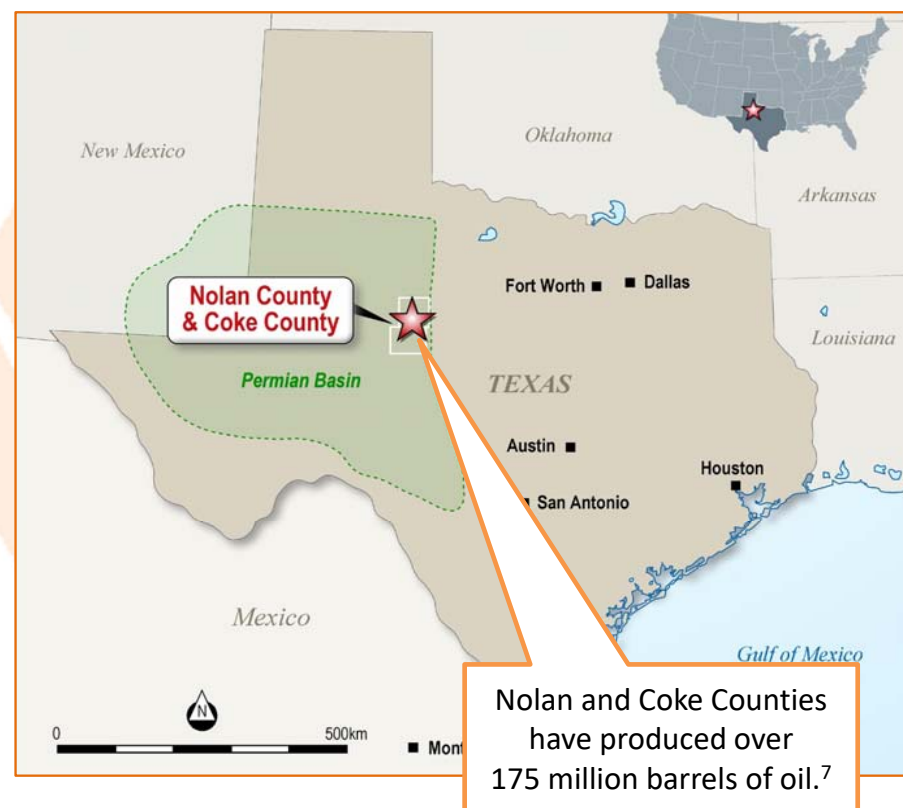
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3. US EIA Drilling Productivity Report, 13 July 2020.
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- 7.

Winchester Area Of Operations – Nolan and Coke Counties





WINCHESTER

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