

Rights Issue - \$4.8m

Winchester Energy Limited (ASX:WEL) (**Winchester** or **Company**) has today lodged with ASX and ASIC a prospectus for a pro-rata non-renounceable rights issue of one (1) new fully paid ordinary share in the capital of the Company (**Share**) for every four (4) Shares held by eligible shareholders at an issue price of \$0.09 per Share to raise up to \$4,846,875 (**Rights Issue**). Further details of the Rights Issue are set out below.

The Company will use the proceeds of the Rights Issue for the drilling of additional exploration and development wells on its oil discovery on the White Hat ranch oil and gas lease in which Winchester has a 75% working interest, general working capital and to fund the costs of the Rights Issue.

Shares issued under the Rights Issue will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the new Shares to be issued under the Rights Issue.

Capital Structure

As at the date of this announcement, the Company has 215,416,672 Shares on issue. The maximum number of new Shares to be issued under the Rights Issue is 53,854,168. At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be up to a maximum of 269,270,840.

In the event that eligible shareholders do not accept their entitlements in full, a shortfall will arise which will be placed by the Directors of the Company (in their sole and absolute discretion) in accordance with applicable laws (**Shortfall Offer**).

The Company has appointed Bell Potter Securities Limited (Attention: Nathan Keevers and Robert Joseph) as broker to the Shortfall Offer.

Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.

Timetable

Further details of the Rights Issue, including details on how to accept and key risks of the Rights Issue are set out in the prospectus which was lodged with ASX and ASIC today and is expected to be dispatched to shareholders on 6 June 2017.

Date: 26 May 2017

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

Outlined below is a proposed timetable of relevant events and dates relating to the Rights Issue. These events and dates are indicative only, subject to change. Subject to the ASX Listing Rules, the Corporations Act 2001 (Cth) and other applicable laws, the Company's Board reserves the right to modify all dates, including the Rights Issue closing date.

Event	Date
Announcement of Rights Issue	Friday 26 May 2017
Lodgement of Prospectus with ASX and ASIC and Appendix 3B with ASX	Friday 26 May 2017
Notice to Option holders	Tuesday 30 May 2017
Notice to Shareholders	Tuesday 30 May 2017
Shares commence trading on an ex rights basis	Wednesday 31 May 2017
Record Date for the Rights Issue	Thursday 1 June 2017
Prospectus despatched to Shareholders	Tuesday 6 June 2017
Opening Date of the Rights Issue (9.00am Perth time)	Tuesday 6 June 2017
Last day to extend the Closing Date of the Rights Issue	Tuesday 13 June 2017
Closing Date of the Rights Issue (5.00pm Perth time)	Friday 16 June 2017
New Shares quoted on a deferred settlement basis	Monday 19 June 2017
Company to advise ASX of any Shortfall	Wednesday 21 June 2017
Expected date of issue of New Shares	Friday 23 June 2017
Commencement of trading of New Shares on ASX	Monday 26 June 2017
Expected date of despatch of holding statements for New Shares	Tuesday 27 June 2017

Application for new Shares under the Rights Issue may only be made by completing the entitlement and acceptance form which will accompany the prospectus.

Shareholders eligible to participate in the Rights Issue should read the prospectus carefully and consult professional advisers as necessary.



Enquiries

Any enquiries regarding the Rights Issue should be directed to:

Nicholas Calder

Company Secretary

T: +61 1300 133 921

E: nc@winchesterenergyltd.com

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