

Announcement to ASX

23 August 2021

LOCKYER DEEP-1 OPERATIONAL UPDATE

Perth Basin oil and gas exploration company Norwest Energy NL ("**Norwest**" or the "**Company**") provides the following update regarding operations at the Lockyer Deep-1 conventional gas exploration well.

Further to the Company's announcement of 17 August 2021, drilling reached the intermediate casing point at a depth of 3,097 metres (MDRT) on 22 August 2021. Elevated gas shows were evident at various depths within the Cattamarra Coal Measures, the Eneabba Fm, and the Lesueur Sandstone - none of which are primary or secondary objectives of the drilling program.

The casing point was picked some 300 metres shallower than prognosed, due to encountering a suitably competent section within the Kockatea Shale after crossing the Lockyer Fault at a depth of 3,063 metres (MDRT). This is an excellent outcome as it enables full wireline logging of the yet-to-be-drilled Hovea/Dongara/Wagina interval within the final section, in addition to logging of the primary reservoir objectives.

The forward plan is to set 9-5/8" casing and the Company's next scheduled announcement will occur once drilling has resumed. Having crossed the Lockyer Fault the well will now be deviated by up to ~30° so that the well path will track subparallel to the fault, thereby targeting the primary reservoir targets at an optimal (crestal) location.

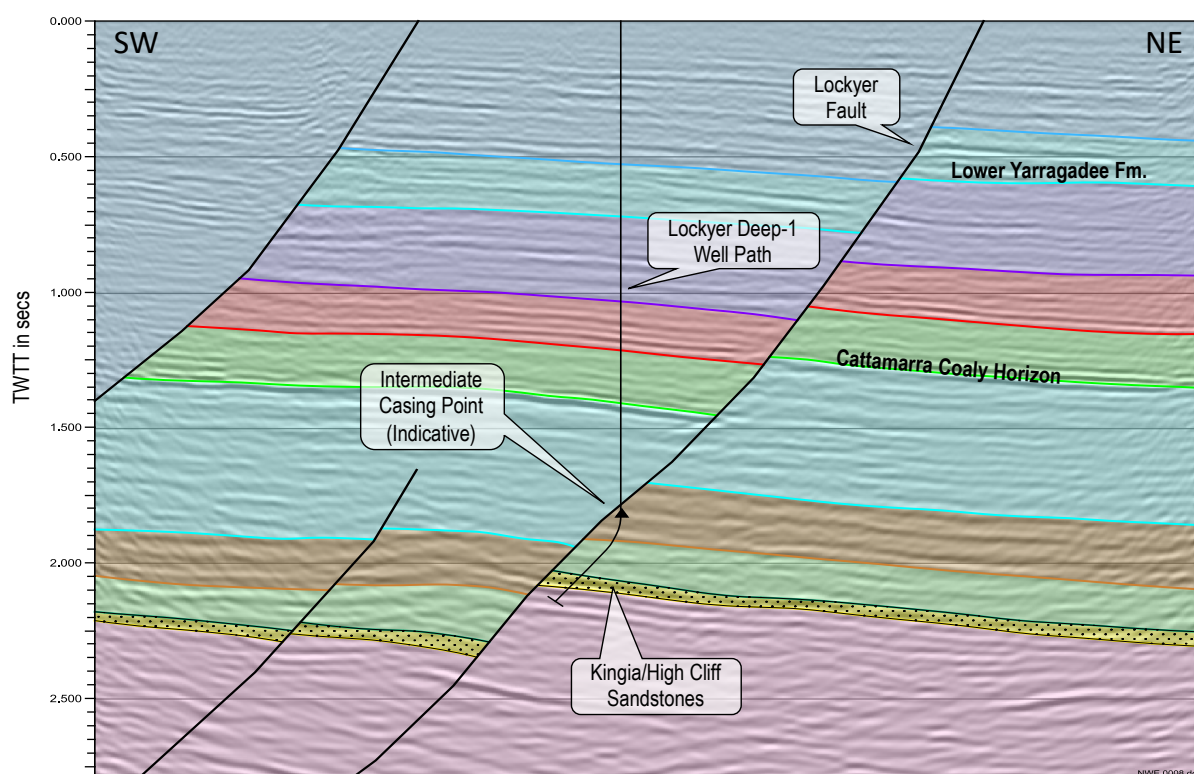


Figure: Seismic Section (Two-Way-Travel-Time) - Lockyer Deep-1 Well Path

Lockyer Deep-1 is located within Exploration Permit EP368, a joint venture between Norwest (20%) and Energy Resources Limited (80% and Operator). Energy Resources Limited is a division of Mineral Resources Limited.

About Lockyer Deep-1

Lockyer Deep-1 is planned as a 4,185 metre well, designed to test a large structure at the Kingia and High Cliff formations (refer Figure 1). The prospect lies on trend with significant discoveries made thus far at Waitsia, West Erregulla and Beharra Springs Deep, within the North Perth Basin's Permian gas play's "sweet spot".

The Geological Chance of Success (GCoS) for Lockyer Deep-1 is estimated by Norwest Energy to be 38%, and the Company's estimate of prospective resources for the Lockyer Deep/North Erregulla Deep combination structure is summarised in Table 1 for the Kingia and High Cliff targets combined (refer to ASX announcement of 28 October 2019).

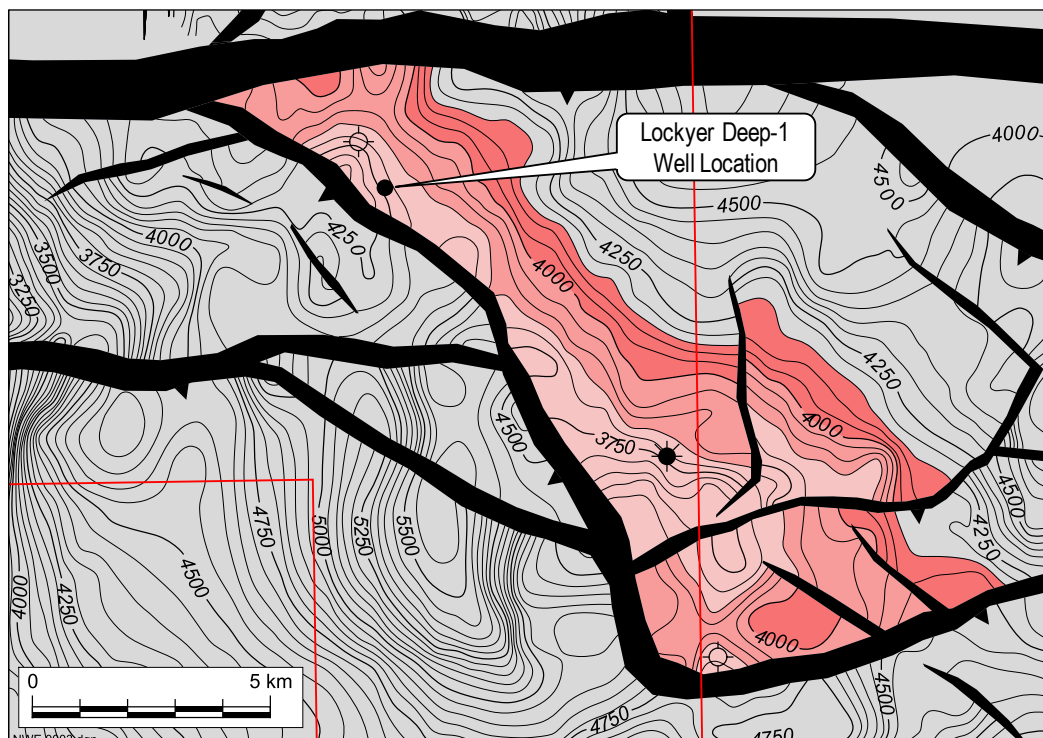


Figure 1: Lockyer Deep/North Erregulla Deep Top Kingia depth structure map, showing Low/Mid/High case prospective resource areas

	Gross Bcf (100%)			NWE Share Bcf (20%)		
	Low	Mid	High	Low	Mid	High
Lockyer Deep	36	459	1122	7	92	224
North Erregulla Deep	131			22		

Table 1: Lockyer Deep/North Erregulla Deep Prospective Resources

The quoted High Case represents an area of some 67 km². In addition the structure extends further downdip to the northeast of this area and the maximum area within structural closure may be as large as 108 km².

Notes regarding prospective resources:

1. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a chance of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
2. The estimates of Prospective Resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE). The PRMS defines prospective resources as those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
3. Gross Prospective Resources are 100% of the on-block volumes estimated to be recoverable from the prospect in the event that a discovery is made and subsequently developed. The Prospective Resources have been estimated deterministically.
4. The volumes reported are "unrisked" in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes.
5. The Prospective Resources reported within this ASX announcement have been estimated by Mr Dean Powell of Powell Seismic Services. Mr Powell has over 40 years of experience as a Geoscientist within the Oil & Gas Industry and is a member of the Society of Exploration Geophysicists and the Society of Petroleum Engineers. Mr Powell has consented to the contents of this announcement being released to the ASX.

Authorised for release to ASX by the Board of Directors.

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