

ASX Announcement

20 September 2022

PARTNERSHIP WITH PILBARA CLEAN FUELS

HIGHLIGHTS

- **Norwest Energy to earn a 20% stake in Pilbara Clean Fuels Pty Ltd (PCF)**
- **PCF is pursuing early-stage development of a mid-scale, electrified liquefied natural gas (eLNG) plant in Port Hedland, Western Australia**
- **Opportunity to displace high-emissions fuel with low-emissions LNG from Norwest's Lockyer gas project**
- **Norwest holds an option to utilise a portion of the eLNG plant's capacity on a tolling basis, under pre-agreed commercial principles**
- **Provides a potential additional market for Norwest equity gas from Lockyer, with a linkage to international LNG pricing**

Perth Basin energy company Norwest Energy NL (ASX: NWE) ("**Norwest**" or the "**Company**") is pleased to advise that the Company has reached agreement with Pilbara Clean Fuels Pty Ltd ("**PCF**") to acquire a 20% equity interest in PCF.

PCF is progressing a development concept for a new, low carbon footprint eLNG plant to be located at Port Hedland in Western Australia; the world's largest iron ore export port. The principal purpose of the plant will be the conversion of pipeline natural gas to liquefied natural gas (LNG) on a tolling basis, with the LNG to be marketed as marine bunker fuel for bulk iron ore carriers operating out of Port Hedland. A key feature of the concept is an electrified plant. An initial capacity of 0.5 MTPa is planned, with potential future expansion up to 1.5 MTPa. An outsourced power supply from predominantly renewable sources will offer the potential to significantly reduce Scope-1 and Scope-2 emissions when compared to a conventional LNG plant.



Image: Port Hedland Iron Ore Export Facilities

To acquire a 20% equity interest in PCF, Norwest will invest \$300,000 to fund an initial six-month Assess stage work program that is designed to progress the project towards the *Select* stage, at which point the technical and commercial options for the project can be defined to attract further investment.

PCF has entered into an exclusive development partnership with Technip Energies in relation to the project, and has selected Air Products Inc. as the preferred liquefaction technology licensor and core equipment supplier. PCF is engaging Technip Energies and other specialist consulting groups to implement the initial studies and assessment work program.

A similar eLNG, plant that has been producing 0.5 MTPA of LNG since 2015 in Yangling, China, was engineered by Technip Energies using Air Products Inc. technology and equipment, for the Shaanxi LNG Investment Development Co. Ltd

Norwest does not envisage becoming a significant owner of the eLNG facility, and has no obligation to provide further funding, but instead will hold preferential rights to utilise a portion of the eLNG plant's capacity on a tolling basis under pre-agreed commercial principles. This provides a possible market for some of Norwest's equity share of gas from its Lockyer project, with a linkage to international LNG pricing.

Norwest Managing Director, **Iain Smith commented** "*We are pleased to enter into this partnership with Pilbara Clean Fuels, which provides Norwest with a potential future revenue stream from Lockyer gas for a nominal upfront investment. While we prepare for the coming appraisal drilling program it is important that Norwest considers a variety of markets for its equity share of Lockyer gas, given the scale of the discovery. This is only one of a number of possible pathways to market.*"

Authorised for release to ASX by the Board of Directors.

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PILBARA CLEAN FUELS PTY LTD (PCF) is an early-stage project development company formed to progress the development of clean fuels production opportunities at Port Hedland, Western Australia; a location notable for substantial energy/fuel demand and import.

TECHNIP ENERGIES (T.EN) is an entity within the Technip Energies group of companies, a world leading engineering and technology player offering a comprehensive portfolio of technologies/products/projects/services and executing projects from early engagement to delivery. Technip Energies is a leading engineering & technology company for the energy transition, with leadership positions in LNG, hydrogen and ethylene as well as growing market positions in blue and green hydrogen, sustainable chemistry and CO₂ management. The company benefits from its robust project delivery model supported by its extensive technology, products and services offering. For further information: www.technipenergies.com

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