



Q4 CY2018 Highlights

TP/15 - Xanadu Discovery

- Environmental approvals process for Xanadu seismic survey ongoing.
- Targeting 1H CY2019 seismic acquisition.

L14 - Jingemia Oil Field

- After the successful workovers performed at Jingemia during December there are now four producing wells, with total production between 310-350 barrels of oil per day (20-22 barrels of oil per day net to Norwest).

EP368 - Lockyer Deep Prospect

- Norwest and operator Mineral Resources are progressing plans to drill the Lockyer Deep Prospect. The Lockyer Deep subsurface model shows similarities to the neighbouring Waitsia Project, indicating the potential for a significant gas discovery.
- Plans to drill this long-awaited well are accelerating, with Operator Mineral Resources currently working on land access, long-lead tendering processes and rig selection. Current timing is expected to be Q4 CY2019, pending approvals and funding.

EP413 - Arrowsmith Discovery

- Hydraulic Fracturing Report finalised with summary of response provided by Government.

TENEMENTS

TP/15 - XANADU DISCOVERY

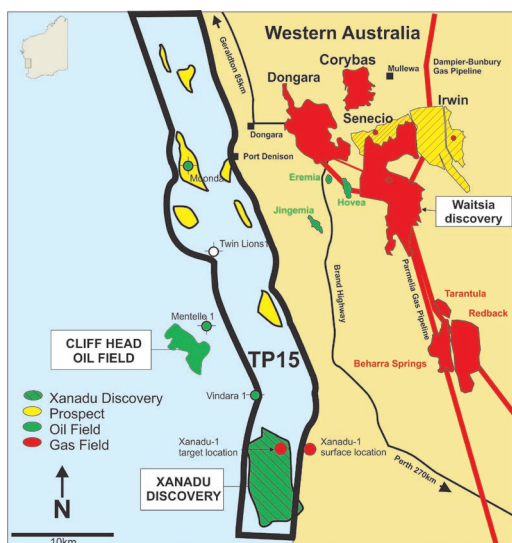


Figure 1. TP/15 permit location

The Xanadu Prospect is located in state waters in exploration permit TP/15, approximately 300km north of Perth, Western Australia.



As Operator of TP/15, Norwest has been working on environmental approvals for the Xanadu 3D Seismic Survey since February 2018. As regulations have tightened at both state and federal levels, it has become increasingly difficult to achieve rapid approvals on any seismic program.

Although the Xanadu survey covers an area of approximately 40km², it is being subjected to the same degree of scrutiny as the deeper water surveys that run to over 10,000km², with these larger surveys posing far greater risks to the environment, and increased complexity in liaising with the fishing industry.

The window of opportunity for acquisition that commences in March extends for several months, and the expectation remains that the survey will be completed in this timeframe. Once the approval is granted, and long-lead items are ordered, the Company will have a much more accurate forecast on timing, and will notify shareholders accordingly.

| | |
|-----------------------------|--|
| Permit | TP/15 |
| Well Name | Xanadu-1 |
| Well Location | GDA 94: 29°33'29.117"S114°58'42.074"E |
| Type of Well | Deviated |
| NWE Working Interest | 25% |
| Geology | Interbedded sequence of shale and sand |

| TP/15 Joint Venture | ASX Code | Percentage Interest |
|---|----------|---------------------|
| Norwest (via subsidiary) (Operator) | ASX:NWE | 25% |
| Triangle (Global) Energy Ltd (via subsidiary) | ASX:TEG | 45% |
| 3C Group IC Limited (via subsidiaries) | | 30% |

EP368 & EP426

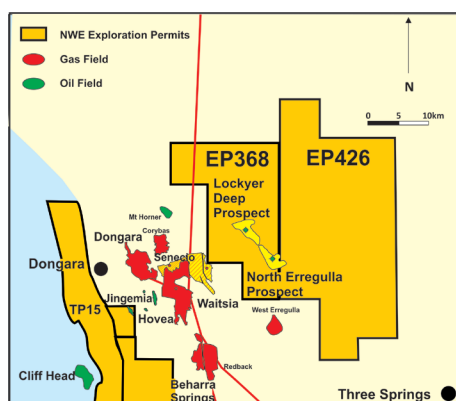


Figure 3. Location map of EP368 & EP426

EP368 covers an area of 600 km², and is situated at the northern end of the hydrocarbon fairway running through the northern Perth Basin.

EP426 lies adjacent and to the east of EP368, covering an area of 1197km², located on the north-eastern flank of the Dandaragan Trough in the onshore northern Perth Basin.

The permits lie to the east of the Dongara township, and adjacent to Mitsui's Waitisia discovery that flowed an impressive 50 MMscf/day in 2015, and again in October 2017, with the Waitisia-3 flow test reaching a peak gas flow rate of 50 MMscf/d.

Operator Mineral Resources has been progressing plans to drill the Lockyer Deep prospect later this year, and the Joint Venture is currently finalising a drilling location. Long-lead items are currently being sourced, and land access negotiations are underway. Mineral Resources is also considering options for securing a drilling rig for the program. Once these variables are known, a budget for the drilling program will be finalised, with Norwest required to cover 20% of the costs for the well.

Norwest considers this to be an exciting opportunity, with the potential for a significant conventional gas discovery similar to neighbouring Waitisia. The well will be subject to regulatory approvals and securing the necessary funding.

North Erregulla offers an excellent follow up prospect to Lockyer Deep, straddling the two permits EP368 and EP426, and offers a future drilling opportunity.

| EP368 Joint Venture | ASX Code | Percentage Interest |
|---|----------|---------------------|
| Mineral Resources via subsidiary, Empire Oil Company (WA) Limited) (Operator) | ASX:MIN | 80% |
| Norwest (via subsidiary) | ASX:NWE | 20% |

| EP426 Joint Venture | ASX Code | Percentage Interest |
|--|----------|---------------------|
| Mineral Resources (via subsidiary, Empire Oil Company (WA) Limited) (Operator) | ASX:MIN | 77.78% |
| Norwest (via subsidiary) | ASX:NWE | 22.22% |

L14 - JINGEMIA OIL FIELD

L14 contains the Jingemia Oil Field, estimated to have initially contained 12 million barrels of oil in place, with 4.6 million barrels produced to date. The area of L14 is 39.8 km².

The number of producing wells again increased in Q4 CY2018 after a successful well workover program. Jingemia currently has four producing wells (J4, J8, J10 & J12) online, and is producing between 310-350 barrels of oil per day (20-22 barrels of oil per day net to Norwest).

In Q4 CY2018, Norwest's share of total revenue was \$80,385 USD (approximately \$106,198 AUD).

| | 100% | | Net to Norwest | |
|---------------------|---------------|------------------|----------------|---------------|
| | bbls sold | revenue (USD) | bbls sold | revenue (USD) |
| Oct 18 | 6,471 | 495,998 | 406 | 31,139 |
| Nov 18 | 5,494 | 330,948 | 345 | 20,777 |
| Dec 18 | 6,374 | 337,078 | 400 | 21,162 |
| Quarter Four | 18,339 | 1,164,024 | 1,151 | 73,078 |

Table 1. Jingemia Production – Q4 CY2018.

| | |
|-----------------------------|--|
| Permit | L14 |
| Well Names | Jingemia – J4, J8, J10 and J12 |
| Well Location | J4 Easting : 305 180.9; Northing : 6 752 958.3 J8 Easting : 304 771.2; Northing : 6 752 778.7 J10 Easting : 304 770.0; Northing : 6 752 870.0 J12 Easting : 304 709.3; Northing : 6 752 697.8 |
| Type of Well | Deviated |
| NWE Working Interest | 6.278% |
| Geology | (Dongara Sandstone) is described as a fine to coarse moderately to poorly sorted sandstone |

| L14 Joint Venture | ASX Code | Percentage Interest |
|---------------------------|----------|---------------------|
| RCMA Australia (Operator) | | 93.722% |
| Norwest (via subsidiary) | ASX:NWE | 6.278% |

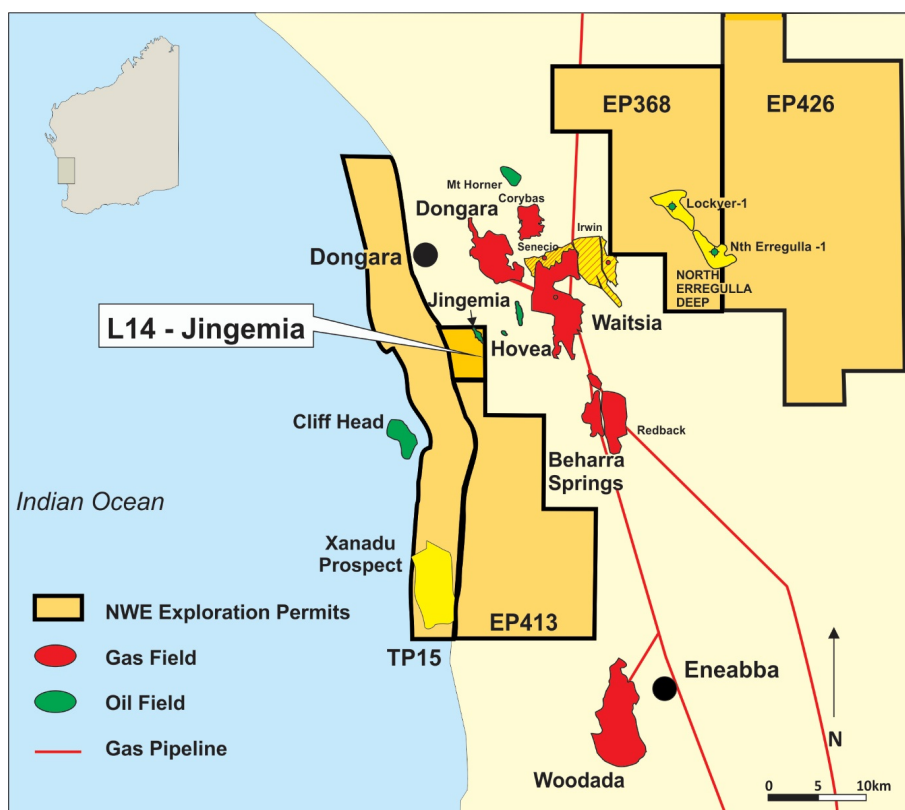


Figure 4. Location of L14 – Jingemia Oil Field

EP413

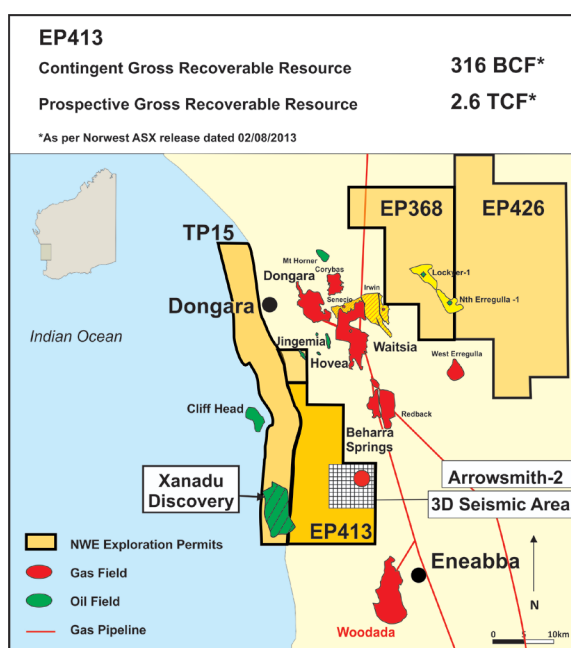


Figure 5. EP413 Permit Location Map

EP413 is located approximately 300km north of Perth between the townships of Dongara and Eneabba. The permit covers an area of 508km², extending from immediately north of L4/L5 which hosts the Woodada Gas Field, to the southern boundary of L14 in which the Jingemia Oil Field is located.

On 27th November 2018, the Western Australian State Government released the report on the scientific inquiry into hydraulic fracture stimulation, along with its response to the report.

Although the report identified that the activity is considered safe, and the moratorium was subsequently lifted, the Government response included a statement that there are a range of regulatory reforms to be developed and implemented, and until finalised, it will not be possible to carry out any hydraulic fracture stimulation programs. Timing on this is uncertain.

This is despite the fact that Norwest conducted the successful campaign at Arrowsmith between 2012-2014, demonstrating that hydraulic fracture stimulation can be carried out in a safe manner. Additionally since this time, Norwest has continued to gather baseline data to demonstrate its ongoing compliance.

Norwest will continue to work closely with DMIRS to ensure the safe development of unconventional resources in Western Australia, and in particular, the northern Perth Basin.

Norwest Joint Venture partners Mitsui and Bharat PetroResources remain committed to further exploration of this permit, however progress will remain on hold until the Government finalises its regulatory reform process.

| EP413 Joint Venture | ASX Code | Percentage Interest |
|-------------------------------------|----------------|---------------------|
| Norwest (via subsidiary) (Operator) | ASX:NWE | 27.945% |
| Mitsui & Co Ltd | | 44.252% |
| Bharat PetroResources Ltd | | 27.803% |

Norwest Portfolio

| Norwest Tenement Interests | | | | |
|--|----------------------|----------------|-----------------------|-------------|
| Permit | Location | Type of Permit | Area (100%) | Norwest (%) |
| NORTHERN PERTH BASIN | | | | |
| EP368 | Perth Basin, WA | Onshore | 600.3 km ² | 20% |
| EP426 | Perth Basin, WA | Onshore | 1,197 km ² | 22.22% |
| EP413 | Perth Basin, WA | Onshore | 508.3 km ² | 27.945% |
| L14 | Perth Basin, WA | Onshore | 39.8 km ² | 6.278% |
| TP/15 | Perth Basin, WA | Offshore | 645.8 km ² | 25% |
| TOTAL AREA NET TO NORWEST 1,176.4 KM2 | | | | |
| TIMOR SEA | | | | |
| AC/L6 (ROYALTY) | Vulcan Sub-Basin, NT | Offshore | 252.1 km ² | 1.25% ORRI |

Corporate

Board Changes

Mr Michael Fry resigned as Chairman of the Board in Q4 CY2018 and Mr Ernie Myers was appointed as his replacement to the position of Non-Executive Chairman. Ernie has more than 40 years' experience in the natural resources sector, and has held senior, executive and non-executive roles with oil and gas and other ASX-listed companies throughout his career.

Corporate Advisor

As announced on 18 September 2018, the Company appointed KPMG Corporate Finance (**KPMG**) as its corporate adviser to assist the Board identify and implement initiatives to maximise the value of the Company's asset portfolio.

The Company is pleased to note the increased corporate activity within the Perth Basin over the past six months and considers Norwest's asset portfolio to be an attractive package for investors and companies looking for exposure to the increasingly popular Perth Basin region.

The Company advises the KPMG engagement has now concluded. The Company is continuing its ongoing project and corporate level review (see ASX Announcement dated 5 October 2018) and will keep shareholders informed of the outcomes of the Company's review in due course.

Funding

Although the Board is excited for the progress expected to be made in CY2019, the expected work programs referred to in this Activities Statement are likely to require funding beyond the Company's current cash position.

The Company's Management and Board are investigating a number of fundraising options to finance these work programs. These fundraising options may include full or partial asset sales (or farm-down agreements), debt or convertible debt instruments, and/or issuing additional equity.

In investigating these funding options the Board remains mindful of existing Shareholders and will endeavour to secure the necessary funding in a manner that is in the best interests of all Shareholders.

The Company will keep Shareholders informed of any developments in due course.

Issued Capital

Issued capital as at 31 December 2018:

- Ordinary shares 3,382,092,727 shares
- Unlisted options 21,200,000 options

Investor & Corporate Inquiries

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