



ASX ANNOUNCEMENT

28 August 2019

ASX: NWM

Norwest to carry out Partly Underwritten Non Renounceable Rights Issue

Norwest Minerals Limited ("Norwest" or "the Company") (Australia ASX: NWM) is pleased to announce a pro rata non-renounceable rights issue to Eligible Shareholders on the basis of one New Share for every three Shares held on the Record Date at \$0.15 per New Share to raise up to \$3.144 million before costs (**Rights Issue**).

The Record Date is 7.00pm AWST on 2 September 2019. Directors have advised that they will take up their rights under the Rights Issue as shareholders, and further, a director and the CEO have agreed to partly underwrite the Rights Issue as set out below.

The Rights Issue will be conducted without a prospectus and by way of a Letter of Offer lodged with ASX today. Capitalised terms in this announcement are as defined in that Letter of Offer.

The purpose of the capital raising is to fund activities concerning the Arunta West iron-oxide copper-gold (IOCG) Project and Bulgera Gold Project. Shareholders are encouraged to read previous announcements for full details of these projects, however in summary:

Arunta West

Located in Western Australia, 600kms west of Alice Springs near the WA/NT boarder. Project area of 1,700km² with major geophysical & geologic features typical of those hosting iron-oxide-copper-gold (IOCG) mineralisation systems.

Features

- 4km x 8km coincident magnetic/gravity anomaly•
- Key geological features typical of IOCG deposits
- Hematite altered granites, trace chalcopyrite in core
- Basement near surface will allow RC drill testing

Next Steps

- 80 RC holes, 12,000m, 2 rigs -Sept 19
- Target hematite altered breccia zone
- Increase Arunta JV share from 51% to 80%

NORWEST MINERALS LIMITED

1st Floor, Suite 1A, 6 Ventnor Ave, WEST PERTH WA (Tel : +61 8 6117 0457)
Website: www.norwestminerals.com.au email: admin@norwestmineral.com.au

Bulgera Gold Project

The Bulgera Gold Project is 200kms north of Meekatharra near the Plutonic Gold operation and within 10kms of Norwest's Marymia project tenements.

Features

- Historical mining (441,000 tonnes grading 1.65g/t Au) completed 2004 at a gold price of A\$ 570 per ounce.
- Significant remnant gold adjacent to and below open cuts having strong extension potential
- Quality database with 2004 resource models having short term JORC upgrade potential

Next steps

- Resource model validation via remodelling historical drilling to JORC 2012 standard
- Drill planning from extensive Bulgera database
- Resource drilling to extend multi-gold lodes below shallow open cuts
- Fast-track to toll treatment or sale

The Company has received confirmations from major shareholders that they will take up their full or partial entitlement to a value of approximately \$2.162 million. The Chairman Michael D Tilley and the CEO Charles Schaus, will partly underwrite the issue to \$150,000 but will not charge any underwriting or other fees for doing so. Further details of this are set out in the Letter of Offer.

Shareholders also have the opportunity to apply for New Shares in addition to their Entitlements at the Issue Price in the event that Eligible Shareholders do not take up their Entitlements in full. If this occurs, the directors intend to issue additional shares to Eligible Shareholders with holdings of 50,000 Shares or less, in preference to other Eligible Shareholders.

The Directors also reserve the right to place any Shortfall in excess of the Underwriters' commitment within 3 months of the date of this Letter of Offer.

The timetable for the Rights Issue is as follows:

Activity	Date
Entitlement offer Announced, Offer Document lodged with ASIC	28 August 2019
ASX Appendix 3B lodged with ASX	28 August 2019
Letter sent to option holders	28 August 2019
Notice of Issue sent to eligible shareholders	29 August 2019
Ex rights Date	30 August 2019
Record Date to determine Entitlements under the Rights Issue	2 September 2019

Offer Document and Entitlement and Acceptance Form despatched – Offer opens	5 September 2019
Closing Date for acceptances	25 September 2019
Notification of shortfall to ASX and Underwriter	30 September 2019
Allotment and issue of New Shares	2 October 2019
Quotation of New Shares	3 October 2019
Despatch of holding statements for New Shares	5 October 2019

These dates are subject to change and are indicative only. Norwest in conjunction with the Underwriters reserves the right to amend this timetable including, subject to the Corporations Act and the Listing Rules, to extend the Closing Date.

Cleansing notice

An Appendix 3B applying for quotation of the New Shares will be released to the ASX separately to this Announcement. In relation to the Shares referred to in that Appendix 3B, and pursuant to section 708AA(7) of the Corporations Act, Norwest provides notice of the following:

1. Norwest will offer the New Shares for issue without disclosure to investors under part 6D.2 of the Corporations Act.
2. Norwest is providing this notice under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, Norwest has complied with:
 - (a) the provisions of chapter 2M of the Corporations Act as they apply to Norwest; and
 - (b) section 674 of the Corporations Act.
4. As at the date of this notice, there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of Norwest; or
 - (2) the rights and liabilities attaching to the New Shares.
5. Under the Rights Issue, the proportional shareholdings of Excluded Shareholders may be diluted, given they are not entitled to participate in the Rights Issue. Additionally, if an Eligible Shareholder does not take up their entitlement in full, there may be a dilutionary effect on that shareholder's proportionate shareholding.

In the event of a shortfall, the directors of Norwest in consultation with the Underwriter, reserve the right to place the shortfall at their sole discretion. Acceptance of entitlements or the placement of any shortfall may also result in existing shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company, in particular where an Eligible Shareholder applies for Additional New Shares under the Shortfall Facility. However, as stated above:

- (a) Norwest has been advised that major shareholders intend to participate to the extent of their Entitlements, or part of their Entitlement, resulting in a likely high participation rate and low Shortfall amount;
- (b) In the event that there is a Shortfall, Norwest will give preference to Shareholders holding 50,000 Shares or less who apply for Shares in addition to their Entitlements; and
- (c) If there is a Shortfall following take-up of additional Shares by Eligible Shareholders, the Underwriters are entitled to apply for those Shares. The Underwriters are not substantial shareholders.

The Rights Issue will therefore not significantly impact control of Norwest.

Other Information

This table shows the number of issued New Shares at the date of the Offer and the potential total number of issued Shares at the close of the Offer.

Ordinary New Shares	Number
Issued Shares at the date of the Letter of Offer #	62,880,000
New Shares offered under this Letter of Offer *	20,960,000
Total maximum issued Shares on close of the Offer	83,840,000

This figure include all shares, including those held by Excluded Shareholders

* This figure, and the total number of issued Shares on the close of the Offer are necessarily approximate as the number of Shares issued will depend on the number of eligible Applications and individual Shareholdings will be rounded up when calculating entitlements.

The above table assumes no Options are exercised to participate in the Offer. There are currently:

- 2,384,500 Series 1 \$0.20 Call Options expiring 7 September 2023
- 2,384,500 Series 2 \$0.25 Call Options expiring 7 September 2023

The New Shares will rank equally in all respects with Norwest's existing shares. If an Eligible Shareholder's entitlement results in a fraction of a New Share, the entitlement will be rounded

up to the nearest whole number. There will be no change to the dividend policy of the Company as a result of the Rights Issue.

Norwest encourages all Eligible Shareholders to participate in this important transaction.

*****ENDS*****

For further information:

Shareholders contact:

Charles Schaus

Chief Executive Officer

Ph: +61 8 6117 0457

E: info@norwestminerals.com.au

Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Charles Schaus (CEO of Norwest Minerals Pty Ltd). Mr. Schaus is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to its activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Schaus consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.