

Announcement to ASX

28 March 2022

LOCKYER DEEP-1 FLOWS AT 117 MMSCFD WITH CONDENSATE

HIGHLIGHTS

- Lockyer Deep-1 achieves maximum gas flow rate of 117 mmscfd
- Value-add condensate recovered from gas stream with CGR of approximately 6 barrels per mmscf
- Low CO₂ and H₂S levels
- Highest deliverability well in Perth Basin Permian gas play thus far

Perth Basin oil and gas company Norwest Energy NL ("Norwest" or the "Company") provides the following update regarding operations at its Lockyer Deep-1 conventional gas discovery well, further to the Company's announcement of 14 March 2022.

Operator Energy Resources Limited (ERL) commenced production testing operations on 25 March 2022, with a six day test program designed to determine well deliverability, reservoir quality and gas composition across a 25 metre interval of the Kingia Sandstone (4041.5m to 4066.75m, MDRT). The initial main flow period ran for several hours, during which flow was increased through a number of increasing choke settings. A maximum sustained flow rate of 102 mmscfd (million standard cubic feet per day) was achieved through a 76/64" choke, with a maximum instantaneous gas flow rate of 117 mmscfd; one of the highest rates recorded onshore Australia.



Figure: Lockyer Deep-1 production test operations

Norwest Energy **Managing Director, Iain Smith** commented *"This is an incredible result with the Lockyer Deep-1 well once again surpassing even our own expectations; the highest gas flow rate seen thus far in the Perth Basin gas play, a low level of impurities and with associated condensate providing a significant uplift in value. Our thanks go to Operator ERL and the crews from Aztech Well Construction and SGS for running a text-book operation. With planning underway for appraisal and additional exploration across our joint 1,725km² acreage position, this is just the start and bodes well for an exciting 2022. "*

With a well head pressure of 3,618 psi the well was clearly capable of higher rates of delivery, however the main flow period was stopped at this point due to indications of sand being produced to surface. Sand production is to be expected at such exceptionally high flow rates and the produced sand was captured by the installed sand filtration system. As with the Waitsia development wells, future Lockyer Deep production wells will likely be

completed with appropriate sand control measures in place in order to maintain long term reservoir and well integrity.

Condensate was produced throughout the main flow period, with a preliminary CGR (Condensate-Gas Ratio) of between 5 to 6 barrels per mmscf gas offering significant value upside. CO₂ is low, at 2% to 2.5%, and H₂S is just 3ppm to 7ppm.

The table below provides the choke settings, gas flow rate and associated well head pressures during the test program.

Choke Setting	Average Well Head Pressure (psi)	Flow Rate (mmscfd)	Comments
Adjustable 24/64" to 42/64"	4,919	0 - 34	Fully opened well to choke manifold
Fixed 36/64"	4,873	35	Switched to fixed choke and diverted flow to separator
Fixed 50/64"	4,583	53	Continued to flow through separator
Fixed 56/64"	4,348	65	Continued to flow through separator
Beaned up adjustable to 76/64"	3,618	102 (Maximum 117)	Bypassed separator and continued to bean well up to a 76/64" variable choke Maximum instantaneous flow rate 117 mmscfd Shut in well due sand being detected in flow stream

Testing operations have continued over the weekend and will run for another few days in order to gather essential reservoir and pressure data before the well is shut in for a pressure build-up period. Thereafter the pressure gauges will be retrieved and the well suspended for future completion as a production well.

Authorised for release to ASX by the Board of Directors.

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