

Announcement to ASX

30 August 2021

LOCKYER DEEP-1 OPERATIONAL UPDATE

HIGHLIGHTS

- Drilling of final well section commenced on 28 August 2021
- Oil shows encountered within Dongara Sandstone and Wagina Fm.
- Significant gas peaks encountered within Dongara/Wagina Formations

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. All depths are reported as MDRT (Measured Depth below Rotary Table).

Further to the Company's announcement on 23 August 2021, the intermediate section to 3,097 metres has been cased and cemented with 9-5/8" casing. Drilling beyond the casing shoe commenced at 11:30 hrs on 28 August 2021. The well will be directionally steered to an approximately 30° deviated section so that the well path will track subparallel to the Lockyer Fault - thereby targeting the primary reservoir targets at an optimal (crestal) location. As of 06:00 hrs on 29 August 2021, drilling had reached a depth of 3,329 metres.

The Dongara Sandstone and Wagina Fm. secondary objectives were encountered at 3,117 metres and 3,165 metres, respectively. The top of the Dongara Sandstone coincided with a notable drilling 'break', with oil fluorescence observed over a 158 metre (gross) section from the top Dongara Sandstone and into the Wagina Fm. Good to fair oil shows were witnessed within the upper approx. 68 metres of this interval (of which approx. 48 metres is interpreted as Dongara Sandstone). Based on the available data it is too early to speculate on the presence of net oil pay zones within this section, which remains subject to the results of wireline log analysis after the well has reached Total Depth.

Significantly elevated gas peaks were evident throughout the Dongara/Wagina section, observed at various depths between 3,107 metres (Kockatea Fm.) and 3,205 metres. A maximum Total Gas reading of 19.6% was recorded from the Wagina Fm. at 3,175 metres.

The Company's next scheduled announcement will occur upon the well reaching Total Depth, estimated at 4,383 metres (MDRT).

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 wholly owned subsidiary of Mineral Resources Limited.

About Lockyer Deep-1

Lockyer Deep-1 is 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).

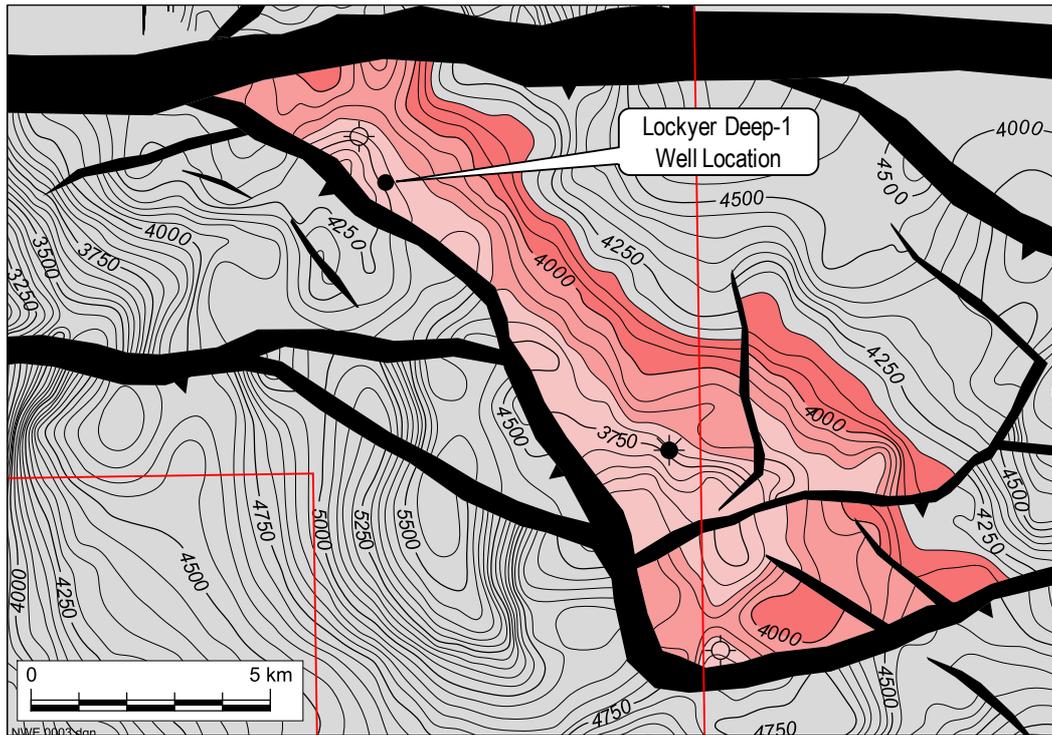


Figure 1: Lockyer Deep/North Erregulla Deep Top Kingia depth structure map, showing Low/Mid/High case prospective resource areas

| | 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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