



Quarterly Report

30 April 2018

ASX: NWE



Q1 CY2018 Highlights

TP/15 - Xanadu Discovery

- 40 km² 3D seismic survey contract awarded to leading global provider, Synterra Technologies
- Xanadu 3D seismic survey approvals progressing
- Low cost, high impact follow-up program to fast-track future drilling locations, development planning, flow-rates and estimates for oil-in-place and recoverable volumes

L14 - Jingemia Oil Field

- Oil production continued throughout the quarter, with plans to ramp up production in coming months as additional wells are brought online
- L14 Joint Venture currently evaluating exploration potential within the greater production licence area, which could extend project life

EP368 - Lockyer Deep Prospect

- Operator Mineral Resources (MRL) working closely with the Department of Mines, Industry Regulation and Safety (DMIRS) to secure an extension on EP368.
- NWE and MRL working collaboratively to progress plans to drill Lockyer Deep. With the Lockyer Deep subsurface model showing similarities to the neighbouring Waitsia Project, the drilling program may present an opportunity for a significant gas discovery.

TENEMENTS

TP/15 - XANADU DISCOVERY

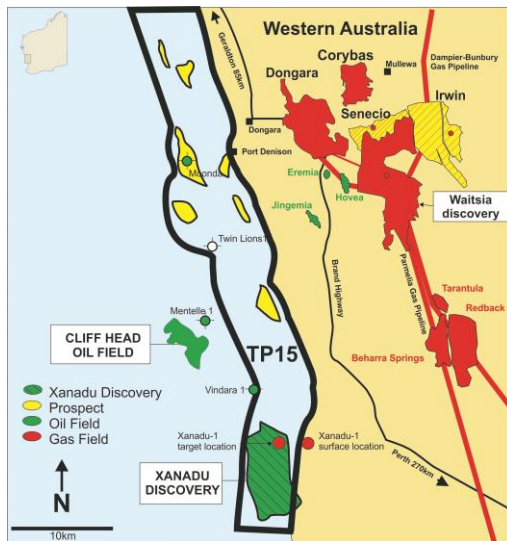


Figure 1. TP/15 permit location

The Xanadu Prospect is located in state waters in exploration permit TP/15, situated approximately 300km north of Perth, Western Australia. The Xanadu Prospect targets Permo-Triassic sands from a depth of approximately 800m, located in shallow water immediately adjacent to the coast.

The Xanadu-1 exploration well spudded in September 2017 to test the hydrocarbon potential of the Xanadu Prospect.

The well was technically challenging, drilled as a deviated s-shaped well from an onshore surface location to an offshore target.

Xanadu-1 was declared a discovery in late September 2017 when it intersected hydrocarbon-bearing reservoirs, evidenced by elevated gas readings, oil shows and fluorescence while drilling. Wireline logging including pressure testing and fluid sampling validated these results.

Xanadu is the first oil discovery in the Perth Basin for over 15 years.

XANADU SEISMIC SURVEY

As announced on 25 February 2018, a contract for the acquisition of a 40-square-kilometre seismic survey had been awarded to Synterra Technologies Pty Ltd, a leading global provider of geophysical and technical services.

During Q1 CY2018, the Company completed an extensive program of due diligence work in planning and preparing for the 3D seismic survey, which included a consultation program with relevant stakeholders. Although the Company had been optimistic that this 3D seismic survey could commence by the end of Q2 CY2018, additional consultation is required before the relevant Environmental Plan can be considered by the Regulator, and so the acquisition program has been delayed. The Company will keep the market informed as this process progresses.

The extensive 40 km² area is designed to fully map the northern up-dip region, and the southern down-dip region extending out to the western flank of the Xanadu structure. Refer to Figure 2 below for the survey acquisition envelope, highlighting the up-dip and down-dip areas of interest.

Once the survey data has been processed, interpreted and integrated with Norwest’s existing dataset, the TP/15 Joint Venture will consider an appraisal well on the Xanadu structure. The seismic data will enable the well surface location and trajectory to be optimally designed to provide the best chance for a significant commercial appraisal.

The TP/15 Joint Venture remains fully committed to the development of the Xanadu Discovery, and a five-year permit renewal application has been submitted to the DMIRS during Q1 CY2018, with the Xanadu 3D seismic survey fulfilling the Year One commitment of the 5-year work program.

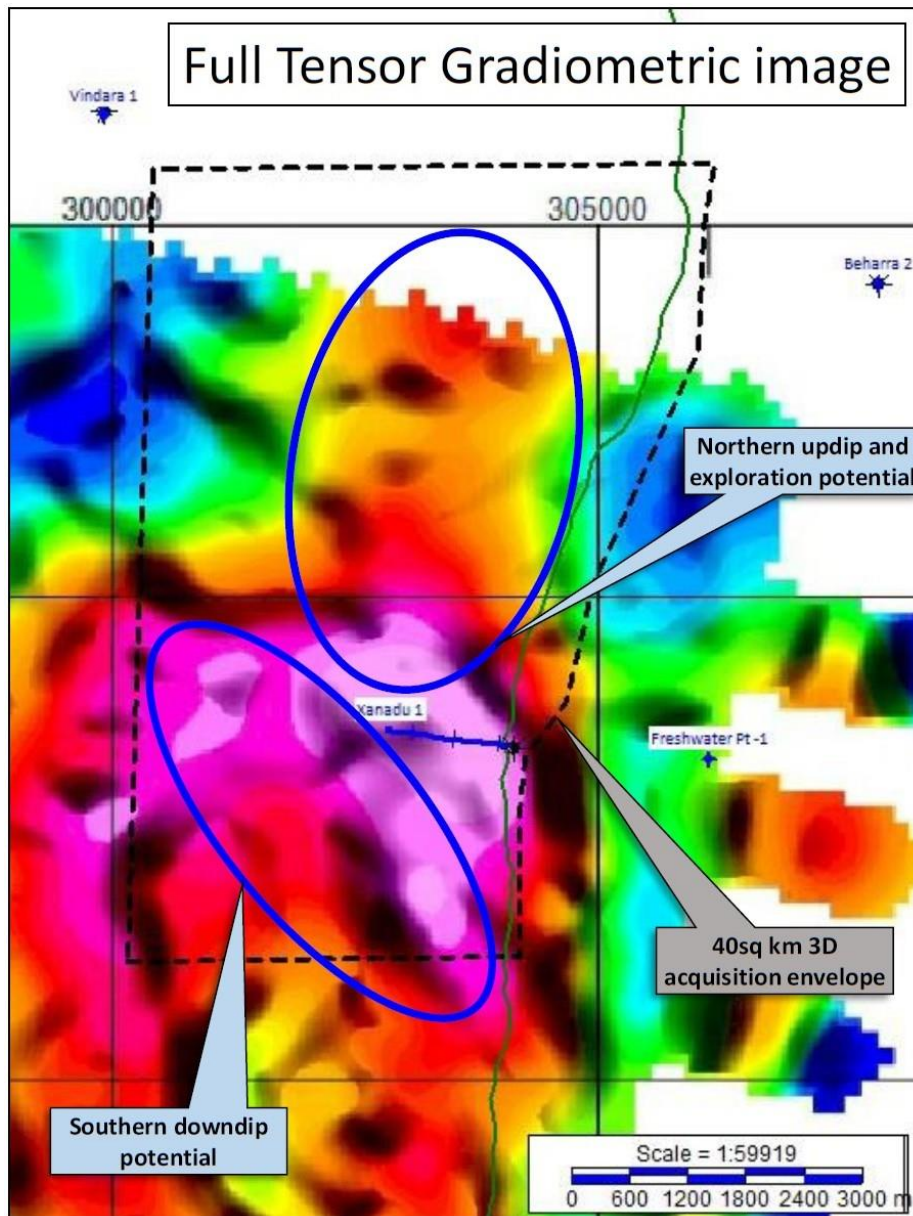


Figure 2. Xanadu 40 KM² 3D Seismic Survey Acquisition area overlying a full tensor gradiometric image, highlighting up-dip and down-dip potential at Xanadu.

XANADU-1 WELL DETAILS

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

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	ASX:NWE	25%
Triangle (Global) Energy Ltd (via subsidiary)	ASX:TEG	30%
Whitebark Energy Ltd (via subsidiary)	ASX:WBE	15%
3C Group IC Limited (via subsidiaries)		30%

EP368 & EP426

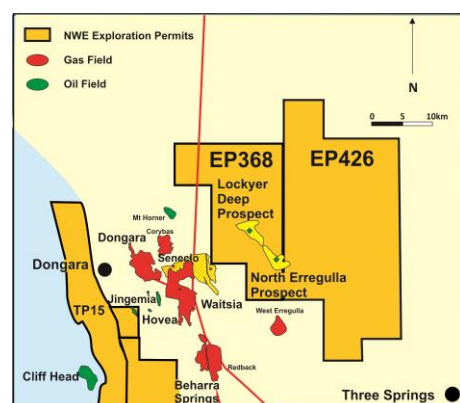


Figure 3. Location map of EP368 & EP426

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 AWE's Waitsia discovery that flowed an impressive 50 MMscf/day in 2015, and again in October 2017 with the Waitsia-3 flow test reaching a peak gas flow rate of 50 MMscf/d.

Operator, Mineral Resources Limited (MRL), is working closely with DMIRS to secure an extension on EP368 and EP426, with NWE and MRL collaborating to progress plans to drill Lockyer Deep, which the Company considers an exciting opportunity with the potential for a significant conventional gas discovery similar to the neighbouring Waitsia.

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

Waitsia continues to create substantial interest in the Perth Basin with large corporate deals such as Mitsui's takeover of AWE Limited, and Strike Energy's (STX) acquisition of 50% in

EP469. This high level corporate activity presents an excellent catalyst to drive an increase in exploration activity in the under-explored Perth Basin. It also presents increasing opportunities for rig and associated service sharing between operators, enabling exploration program costs to be reduced.

EP368 JOINT VENTURE

JV Participant	ASX Code	Percentage Interest
Mineral Resources (via subsidiary, Empire Oil Company (WA) Limited) (Operator)	ASX:MIN	80%
Norwest Energy NL (via subsidiary)	ASX:NWE	20%

EP426 JOINT VENTURE

JV Participant	ASX Code	Percentage Interest
Mineral Resources (via subsidiary, Empire Oil Company (WA) Limited) (Operator)	ASX:MIN	77.78%
Norwest Energy NL (via subsidiary)	ASX:NWE	22.22%

EP413

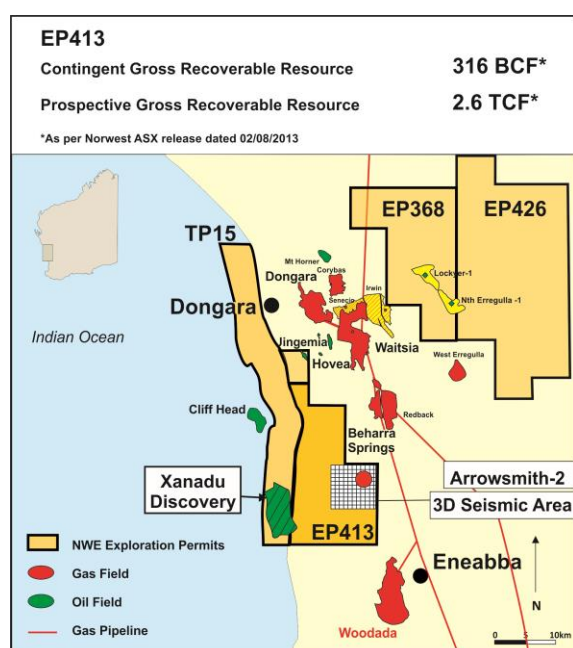


Figure 4. EP413 Permit Location Map

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 Jingemial Oil Field is located.

Norwest is operator of EP413, however the work program is currently on hold pending results from the Western Australian state government scientific inquiry into hydraulic fracture stimulation.

EP413 remains a valuable asset in the Norwest portfolio, and during Q1 CY2018 the Company provided a submission to the inquiry panel, and liaised closely with other onshore operators to ensure all necessary information and support was provided to the panel in a timely manner. The inquiry findings are due to be announced in August 2018.

EP413 JOINT VENTURE

JV Participant	ASX Code	Percentage Interest
Norwest Energy NL (via subsidiary) (Operator)	ASX:NWE	27.945%
AWE Limited (via subsidiary)	ASX:AWE	44.252%
Bharat PetroResources Ltd		27.803%

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.

Oil production continued throughout Q1 CY2018, with plans in place to ramp up production in coming months as additional wells are brought online.

The L14 Joint Venture is currently evaluating exploration potential within the greater production licence to increase oil production and extend the life of this valuable facility.

JINGEMIA WELL DETAILS

Permit	L14
Well Names	Jingemia – J8, J10 and J12
Well Location	J8 Easting : 304 771.2; Northing : 6 752 778.7 J10 Easting : 304 770.0; Northing : 6 752 870.0 J12 Easting : 304 709.27; 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

JV Participant	ASX Code	Percentage Interest
Cyclone Energy Pty Ltd (Operator)		33.722%
RCMA Australia		60%
Norwest Energy NL (via subsidiary)	ASX:NWE	6.278%

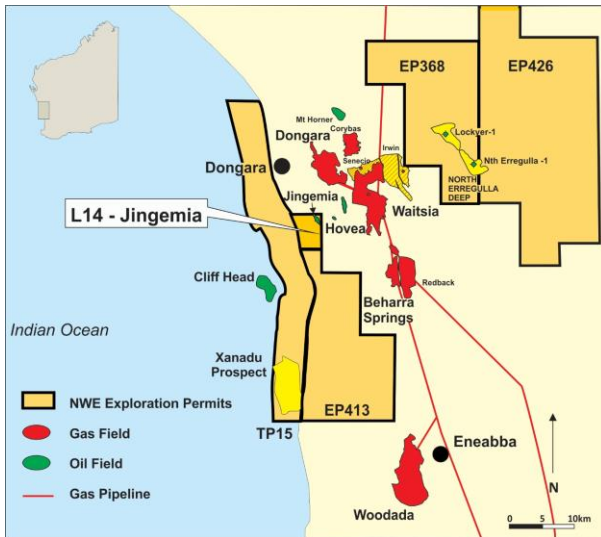


Figure 5. Location of L14 – Jingemial Oil Field

Tenement Map & Interests

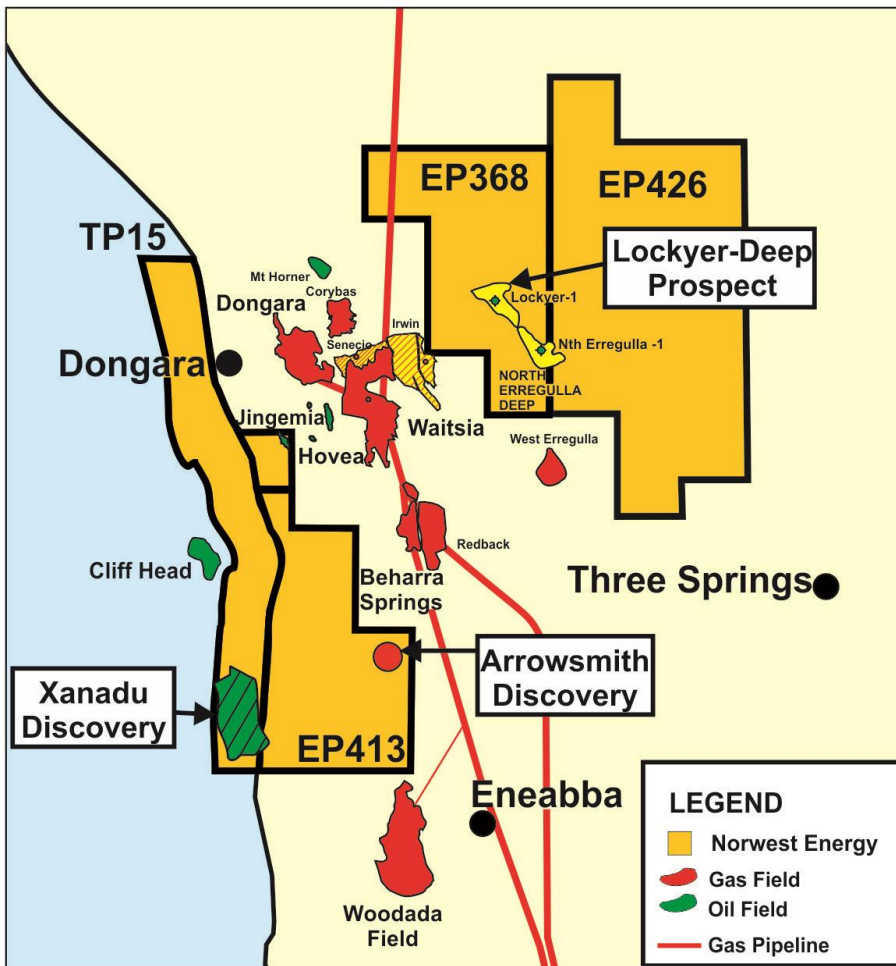


Figure 6. NWE tenements

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	100%
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

The Company continues to enjoy a strong, strategic relationship with 3C Group IC Limited (3C Group). This strategic relationship has resulted in 3C Group farming-in to the Company's TP/15 Project, and providing various advisory support regarding TP/15 and the Company's other projects.

On 13 February 2018 the Company announced that after having evaluated the Company's projects and having worked with the Company for 12 months, 3C Group had elected to exercise its 60 million options in the Company and further subscribe for 66.5 million shares under the follow-on placement right granted to 3C Group on 10 February 2017.

Following this issue of shares, 3C Group now holds 9.9% of Norwest's fully-diluted share share capital.

As part of this strategic relationship, the Company will seek a waiver from the ASX to grant 3C Group a right whereby, should Norwest propose to issue shares under a placement to a third party, 3C Group will have the right to take up to 9.9% of those shares at the same price Norwest offers them to third parties. Norwest will update the market should this waiver be granted.

ISSUED CAPITAL AS AT 30 APRIL 2018

Ordinary shares	3,382,092,727 shares
Unlisted options	18,200,000 options

For further information, please contact:

Investor Relations

Evvy Litopoulos

0419773505

E: evvy.litopoulos@norwestenergy.com.au

Company Enquiries

Shelley Robertson

phone: +61 8 9227 3240

email: info@norwestenergy.com.au

visit: www.norwestenergy.com.au