

Announcement to ASX

30 April, 2019

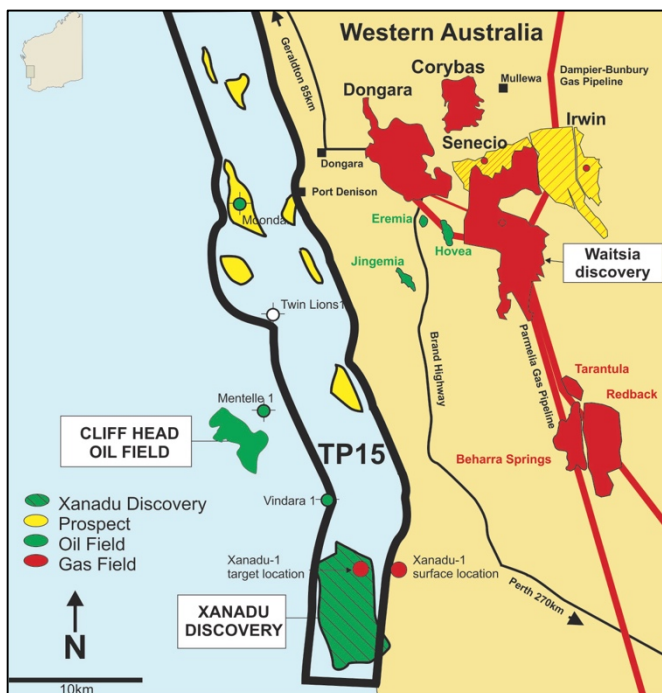
MARCH 2019 QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

QUARTERLY HIGHLIGHTS

- Xanadu 3D seismic program scheduled to commence late May 2019
- Exciting new oil prospect delineated in EP368
- Iain Smith appointed as Managing Director
- Convertible note loan facility established for up to \$1.5 million
- New exploration prospectivity identified in L14

TP/15, Xanadu Oil Discovery (Operator, 25%)

The Xanadu oil discovery is situated in exploration permit TP/15, in shallow waters just off the coast approximately 300 kms north of Perth, Western Australia. The TP/15 Joint Venture is currently preparing to acquire a 40km² 3D seismic survey over the Xanadu oil discovery, to facilitate structural and stratigraphic mapping of the areas updip and downdip from the Xanadu-1 well location; either of which may be targeted for subsequent appraisal drilling. The 3D seismic data will also support oil-in-place analysis, contingent resource estimation and conceptual development planning.



The Xanadu structure is presently defined by only limited 2D seismic coverage, integrated with airborne gradiometry (gravity) and magnetic data. While this has been sufficient to locate the discovery well, a high-resolution 3D seismic volume is regarded as essential to guide appraisal of the project.

During the reporting period the Company made good progress with the various governmental approvals that are required for the seismic survey to commence, key of which was approval of the Environmental Plan (EP) during February. Subsequently, minor modifications to the EP became necessary and the application was resubmitted in early April. As Operator, Norwest is in close communication with the Dept. of Mines, Industry Regulation & Safety (DMIRS) and does not expect the revised EP to delay the seismic program. In the meantime, the Company continues to work with DMIRS and various other government agencies to finalise the Oil Spill

Contingency Plan (OSCP) and other associated approvals.

The seismic contractor, Synterra Technologies, has commenced preparations in Perth for mobilisation to the site, with the survey scheduled to commence by the end of May. The survey is

anticipated to be completed within four weeks of commencement, with data processing and interpretation bringing results during Q4 2019 - at which point the TP/15 Joint Venture will be in a position to consider an appraisal well on the Xanadu structure. Regulatory approvals are already in place for a side-track appraisal well from the Xanadu-1 well.

Exploration Permits EP368 & EP426 (20% & 22.22%)

Exploration permits EP368 and EP426 cover a combined area of approximately 1800 km² across the northern end of the hydrocarbons fairway that extends through the northern Perth Basin.

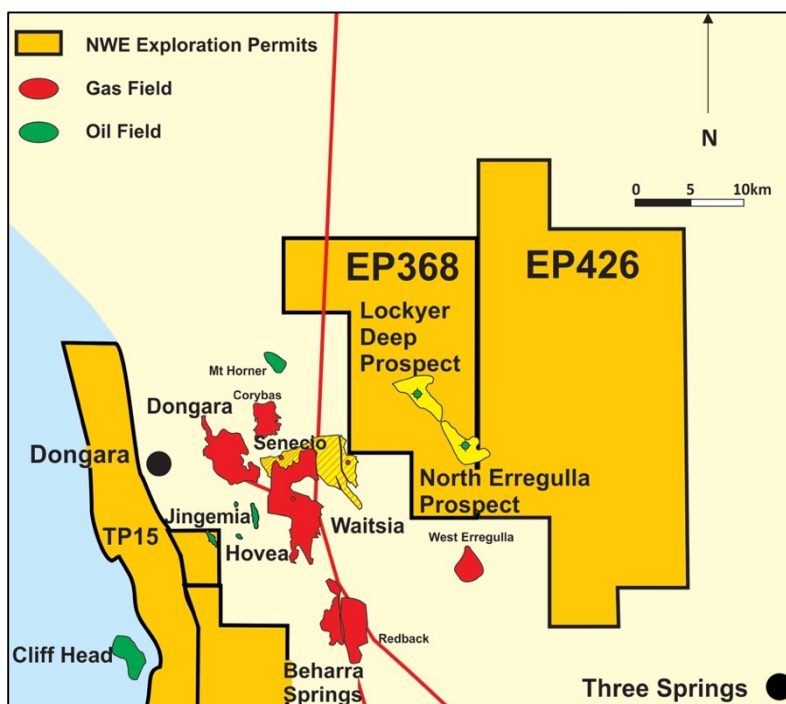
The Waitsia Gas Field is located just 5 km to the west of EP368, and Norwest Energy has recently completed a fresh geophysical and geological interpretation of the permit, with the aid of newly reprocessed 2D seismic data.

Like many Perth Basin players, Norwest Energy has been reviewing its portfolio in light of the Waitsia discovery, which opened up a new hydrocarbon play in the Lower Permian Kingia and High Cliff sandstone intervals.

Within EP368 the Company recently reprocessed a number of 2006 vintage 2D seismic lines, interpretation of which has confirmed the presence of a large structural conventional oil prospect to the north of Lockyer Deep. The structure covers an area of approximately 9 km², and a separate structural lead of comparable areal extent is evident approximately 2 km further to the northwest. Norwest Energy is currently finalising its estimate of prospective resources for the main prospect, and will provide an update to the ASX once this work is complete.

In the meantime, on behalf of the EP368 Joint Venture, operator Energy Resources Limited (a division of Mineral Resources Ltd) has been progressing plans to drill the Lockyer Deep gas prospect, located in the south of EP368. The Joint Venture regards Lockyer Deep as an exciting prospect that has been significantly de-risked by the nearby Waitsia discovery.

The North Erregulla Deep prospect remains an excellent follow up drilling opportunity, straddling the two permits EP368 and EP426, and providing a further opportunity for commercial success within the EP368 permit.



L14, Jingemia Oil Field (6.278%)

Oil production for the quarter averaged 257 bopd (gross), approximately 16 bopd net to the Company. Following an independent technical review of the production licence, the Operator (RCMA) advised Norwest Energy of its assessment of exploration potential within the L14 permit, resulting in the identification of four target prospects and four target leads. Refer to the Company's ASX announcement of 11 February 2019 for detail.

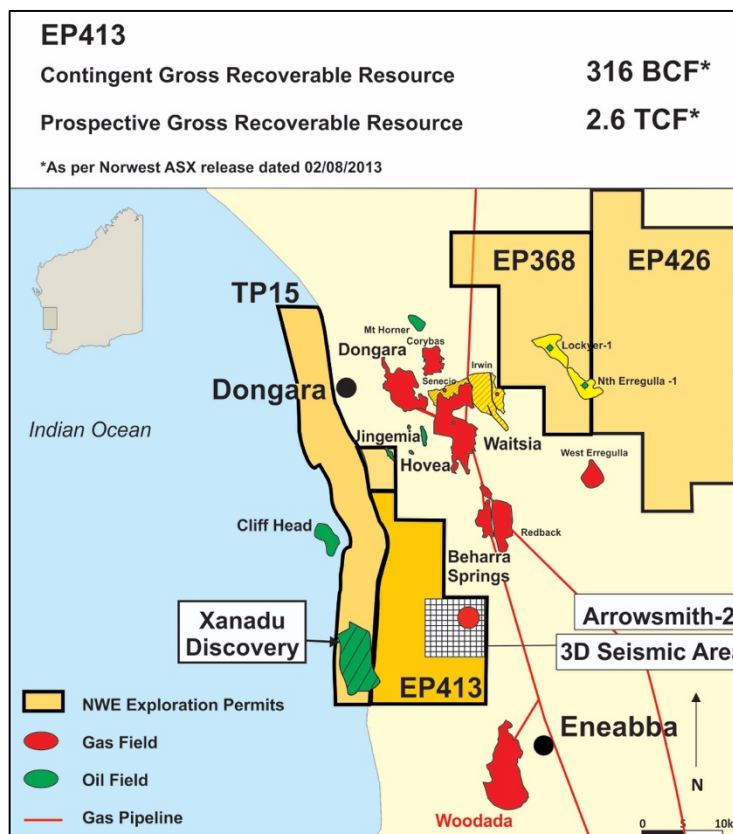
The Company is encouraged that the prospects and leads referred to above are nearby to the existing Jingemia infrastructure, which has excess capacity. Any wells drilled within the permit can be connected back through the facility for rapid commercialisation via an ongoing off-take agreement with the BP Refinery in Kwinana. The Joint Venture is collaborating closely to identify innovative ways to fund and drill a multi-well program designed to deliver a safely operated, effective drilling program at low cost.

The Operator is promoting the opportunity to interested parties, to attract third party investment in the L14 License area and, subject to securing that investment, it plans to finalise drilling plans, secure all necessary approvals from regulatory bodies, and commence a two to six well drilling program in the third quarter of 2019. The Company will keep shareholders informed of any updates to the prospects, leads, and drill program referred to above as they occur

Exploration Permit EP413 (Operator, 27.945%)

Work is currently on hold within EP413, due to the state government moratorium on hydraulic fracture simulation. The independent scientific panel inquiry in to hydraulic fracture stimulation handed its findings to the State Government in September 2018 and the Company awaits a government policy announcement.

In 2015, Norwest successfully completed the EP413 Arrowsmith 3D seismic acquisition survey on behalf of the EP413 Joint Venture. The survey was designed to assess the extent of the gas resource at Arrowsmith. The processing of the 3D dataset was completed, including pre-stack depth migration and fracture analysis. The results give a substantial improvement in structural definition, providing a greatly improved understanding of the geology within the permit boundaries, and confirming that the geology supports ongoing exploration and development activity within the permit.



Corporate

Effective 3 April 2019, the Board of Directors accepted the resignation of Managing Director and CEO, Shelley Robertson, who has left the Company to take up a senior leadership role with a large, ASX-listed, resources company. Shelley has been with the company since 2011 and has been instrumental in progressing the Company’s portfolio of projects - in particular the Company’s TP/15 Xanadu project. The Board thanks Shelley for her significant contribution to the Company and wishes her well in her new role.

As a result of Shelley's resignation, the Board of Directors appointed Iain Smith as Managing Director. The Board of Directors regards Iain as having impeccable credentials, a thorough knowledge of the Perth Basin, and valuable experience in management of junior ASX-listed oil and gas companies.

Also effective 3 April 2019, the Company has appointed Chief Financial Officer Jo-Ann Long as Company Secretary, replacing Bennett Greenhalgh.

Subsequent to the reporting period the Company executed a binding agreement with Sundowner International Limited (Sundowner) for a convertible loan facility of up to \$500,000, with an option, at Sundowner's election, to extend that amount to up to \$1,500,000. The loan facility has a term of twelve months, accrues interest at 8% per annum, and can be converted at Sundowner's election at a fixed price of 0.25 cents per share, or at the Company's election at a fixed price of 0.2 cents per share. Sundowner is a related entity of Company director David Kennedy. Please refer to the Company's ASX announcement of 3 April 2019 for additional information.

Financial

Attached is the Appendix 5B Consolidated Statement of Cash Flows for the period from 1 January 2019 to 31 March 2019.

ASX Listing Rule 5.3.3: Tenement Details

In accordance with ASX Listing Rule 5.3.3 the following table details Norwest Energy's interests in its oil and gas permits:

Tenement reference and location	Interest at beginning of quarter	Interest at end of quarter
TP/15 Western Australia	25%	25%
EP368 Western Australia	20%	20%
EP426 Western Australia	22.22%	22.22%
L14 Western Australia	6,278%	6.278%
EP413 Western Australia	27.945%	27.945%

For further information, please contact Norwest Energy:

Web: www.norwestenergy.com.au
Phone: +61 8 9227 3240
Email: info@norwestenergy.com.au

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

NORWEST ENERGY NL

ABN

65 078 301 505

Quarter ended ("current quarter")

31 MARCH 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	99	239
1.2 Payments for		
(a) exploration & evaluation	(96)	(311)
(b) development		
(c) production	(104)	(313)
(d) staff costs	(76)	(256)
(e) administration and corporate costs	(139)	(556)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
(a) Recoveries	79	122
(b) Rental Deposit		
1.9 Net cash from / (used in) operating activities	(236)	(1,072)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	802	1,638
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(236)	(1,072)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	566	566

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	522	758
5.2 Call deposits	24	24
5.3 Bank overdrafts		
5.4 Other (provide details) Lease bonds	20	20
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	566	802

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	23
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments to directors and companies associated with directors.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	336
9.2	Development	
9.3	Production	75
9.4	Staff costs	119
9.5	Administration and corporate costs	45
9.6	Other (provide details if material) Financing Costs	
9.7	Total estimated cash outflows	575

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Sign here: _____
Company Secretary

Date: 30TH April 2019

Print name: Jo-Ann Long

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.