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## Perth Basin independent resource evaluation estimate compares favourably to Norwest’s prospective resource

Norwest Energy NL (ASX: NWE) wishes to advise that AWE Limited (ASX: AWE) has today released a gross unconventional prospective resource estimate in its exploration permits in the onshore Perth Basin.

The finding of the assessment supports the independent resource evaluation of EP413 (or the Arrowsmith Project), released by Norwest Energy to the ASX on 11 June 2013.

The estimate released by AWE today was provided through an independent technical assessment of AWE’s exploration permits, including EP413.

The findings of the independent technical assessment relevant to Norwest are in Table 1 below:

**Table 1: REA Best Estimate Prospective Resources Summary**

Permit	Gross Prospective Gas Resources (billion scf)	Gross Prospective Natural Gas Liquid (NGL) Resources (million bbls)	NWE Participating Interest	NWE Net Prospective Gas Resources (billion scf)	NWE Net Prospective NGL Resources (million bbls)
EP413	2,707	31	27.945%	756	9

\* Note: further exploration and appraisal success would be required to demonstrate the commerciality of these resources and the viability of any future development.

The AWE independent technical assessment considered four unconventional targets: the Kockatea Shale; the Carynginia Shale; the Irwin River Coal Measures and the High Cliff Sandstone, to provide Best Estimate gross, un-risked, recoverable, prospective resource estimates for the EP413 permit. Proof of concept has been demonstrated by successful production testing of gas from each of these intervals.

The Gross Prospective Gas Resources of 2,707 billion cubic feet of gas at EP413 compares favourably with the Best Estimate of 2,636 billion cubic feet of gas estimated in the prospective resource evaluation completed by DeGolyer and MacNaughton for Norwest Energy.

It should be noted that the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

The results of the evaluation commissioned by Norwest were announced on the ASX on 11 June 2013 and are provided in Table 2 below:

**Table 2: EP413 Prospective Resources – Gross Recoverable Volumes (not adjusted for geologic or economic failure) \***

Product	Low Estimate	Best Estimate	High Estimate	Mean Estimate
Oil <sup>1</sup> (MMbbl)	2.9	9.0	27.1	13.2
Gas <sup>2</sup> (Bcf)	1,637	2,636	4,085	2,816
Condensate <sup>3</sup> (MMbbl)	1.0	2.1	4.5	2.5
Total BOE (MMbbl)	277	450	712	485

\* This estimate of prospective petroleum resources must be read in conjunction with the cautionary statement above that the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

1 Source = Kockatea

2 Source = Kockatea + Carynginia + Irwin River Coal Measures + High Cliff Sandstone (combined)

3 Source = Kockatea + Carynginia (combined)

Note: Norwest is not aware of any new information or data that materially affects the information included in Table 2. All the material assumptions and technical parameters underpinning the estimates in Norwest's announcement released to the ASX on 11 June 2013 continue to apply and have not materially changed.

Norwest Energy Chief Executive Officer Peter Munachen said today's results from AWE's independent resource estimate were very encouraging.

"The estimates released today reiterate the significant potential at Arrowsmith where Norwest, as operator, is focussed on taking the steps necessary to unlock the potential of the field," Mr Munachen said.

"We have already made significant progress on the pathway to commercialisation by demonstrating proof of concept at the Arrowsmith-2 pilot well.

"Norwest is currently performing the workover and final flowback evaluation phase at Arrowsmith-2 and, after completing this evaluation, we will complement the data by conducting a 3D seismic program.

“In taking those steps we will be able to enhance our understanding of the Arrowsmith Field, providing Norwest with the confidence to select the drill location and zone for our first horizontal pilot well, Arrowsmith-3.

“Whilst we can’t be certain that any portion of the prospective resources estimated at EP413 will be discovered or commercially viable, we are excited to be one of the first movers at the Perth Basin in uncovering its potential.”

<b>Joint Venture</b>	<b>Partner</b>	<b>Participating Interest</b>
EP413	AWE Limited (via subsidiaries)	44.252%
	Norwest Energy NL (Operator) (ASX:NWE)	27.945%
	Bharat PetroResources Ltd	27.803%

### **About Norwest Energy**

Norwest Energy NL (ASX: NWE) is an Australian-based oil and gas company focused on the strategic exploration and development of its operations in Western Australia and the United Kingdom.

Norwest’s core strategy is to explore the potential of its permits in the emerging shale gas industry within Western Australia, where the Company holds net basin acreage of 2,295 square kilometres in the northern Perth Basin. This acreage includes conventional and shale opportunities, with Norwest’s focus being on progressing along its clear pathway to commercialisation at the shale gas Arrowsmith Project. As project operator, Norwest is working alongside its joint venture partners, AWE Limited and Bharat Petro Resources Limited, to unlock the value of Arrowsmith through a systematic exploration program.

Norwest is using its position as one of the earliest movers in the onshore shale and tight gas plays in Western Australia to build on the knowledge, experience and technical expertise that will see the Company progress from exploration through to development at its world-class projects.

The Company is committed to the ongoing development and assessment of its current portfolio and new opportunities that provide the ability to diversify and enhance Norwest’s portfolio, with the aim of driving value for its shareholders.

## ENDS

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