

ASX ANNOUNCEMENT

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Chairman's Address 2015 Annual General Meeting

Good afternoon ladies and gentlemen. My name is Michael Fry and, as Chairman of Norwest Energy, it is my pleasure to welcome you to the 2015 Annual General Meeting.

Before commencing with the formal business of today's meeting, I wanted to briefly reflect on what has been achieved at our various permits during the year. I will then provide an update on the strategic initiatives being undertaken with a view to maximise value from these assets for Norwest shareholders. Following my address, Norwest Energy Commercial Manager and Acting CEO John Annand will provide a more detailed overview of our operations and our upcoming work program.

Year in review

The 2015 financial year was both an exciting and challenging one for Norwest Energy. Notwithstanding the challenges presented by the weakening oil price throughout the year, Norwest focussed on delivering on what it could control.

In particular, we progressed with our active exploration program in the Perth Basin to assess our permits for future exploration potential. For example, we delivered on what we set out to achieve at the Arrowsmith Project in the northern Perth Basin, where we are operator. During the year, Norwest received approval to complete a 3D seismic acquisition program within the permit. After receiving approval, Norwest successfully completed an on-the-ground acquisition program. The data collected is now undergoing the final stages of interpretation. Those results will be essential for us to plan where to position and what zones to target with our first horizontal well, Arrowsmith-3, which is scheduled to be drilled in the 2015/16 permit year, assuming all requisite approvals are received.

Meanwhile, we welcomed Rey Resources as a cornerstone investor in Norwest and have been progressing discussions on how Rey may earn an interest in TP/15. We have also engaged with other companies interested in the farm-in opportunity at TP/15, which is wholly-owned by Norwest and contains a number of conventional oil plays, including Xanadu. While farm-out

discussions have not progressed as quickly as we hoped, we are encouraged by the ongoing interest in the project despite the weak oil price environment.

Elsewhere, our joint venture partner Empire Oil and Gas identified the Lockyer Deep prospect in EP368 following completion of the “Black Swan” airborne geophysical survey. Norwest also acquired EP492, an 860km² block along the northern Perth Basin coastal region from Green Head to Lancelin, as well as the rights to a Special Prospecting Authority covering a further 805km² adjoining the south eastern boundary of EP492 and inland from Lancelin.

With these permits added, Norwest’s acreage in the Perth Basin grew to 3,100km². This large footprint contains highly prospective conventional and unconventional oil and gas exploration targets. There has also been significant success achieved in drilling at permits adjacent to Norwest’s in the Perth Basin, such as the Waitsia and Irwin discoveries by AWE Limited. The impressive flow rates achieved at these discoveries have brought renewed interest and attention onto the Perth Basin.

Further to our Perth Basin permits, Norwest was awarded permit P2265 within the Wessex Basin in southern England. This permit, in which Norwest holds a 65 per cent interest, lies just to the east of the producing Wytch Farm oil field. Norwest and our joint venture partner, Hague and London Oil, hold a significant 2D and 3D dataset over the area, which is currently being re-processed in the United States.

As mentioned earlier these encouraging developments have been achieved against the backdrop of a falling oil price. The low oil price has been reported on extensively, so I will not dwell on this point, other than to say this macro environment has made it challenging for oil and gas companies across the board, from producers through to explorers, and unfortunately Norwest has not been immune.

Strategy and outlook

Notwithstanding the challenging macro conditions, we strongly believe in the economic drivers underpinning Norwest’s suite of projects. This includes Norwest’s close position to existing natural gas transportation pipelines and the ability to supply domestic markets that have strong demand. The significant activity in the Perth Basin, as mentioned earlier, provides confidence that Norwest’s large footprint in the Basin means we are well positioned to capitalise on this increased attention.

In the year to come, Norwest remains focussed on delivering the strategic initiatives at our suite of projects, with the objective of driving shareholder wealth. These initiatives include:

- Completing analysis of the 3D seismic data at the Arrowsmith Project and planning the drilling of the Arrowsmith-3 well, which is anticipated to be drilled in CY2016;
- Drilling the Lockyer Deep well within EP368, which is expected to occur in CY2016;
- Securing a farm-in partner for the drilling of Xanadu-1 within TP/15;

- Unlocking value for shareholders at our other projects in both the Perth Basin and the Wessex Basin in the UK; and
- Continuing to consult with local stakeholders and regulators as part of our ongoing stakeholder consultation program to ensure we implement best practice and are transparent.

As with any junior explorer that has an active exploration program, ensuring there is adequate funding to drive the program forward is always front of mind – particularly in the current environment. We continue to proactively explore a range of funding options that seek to strike a balance between enabling Norwest to drive value from its permits with ensuring shareholders can benefit from that value. Norwest has a proven record in successfully sourcing funds to advance development at its projects over the years, which we believe is a reflection of the attractiveness of our permits. The refreshment of the Company's share placement capacity today will provide further flexibility in the funding options available to Norwest to support the delivery of our objectives in 2016.

Furthermore, while there has been an increased interest in the Perth Basin resulting from the recent drilling successes achieved, there are also a large number of companies holding relatively minor acreage positions within the Basin. We believe there is a growing requirement for smaller companies to work together in order to achieve our common goals and to attract the attention of major investors, and Norwest will continue to explore opportunities in this regard.

Meanwhile, Norwest will continue to actively engage with industry, government bodies and regulators, relevant stakeholders, and local communities for the areas in which we operate. We consider it crucial to foster positive relationships with these groups and are committed to achieving best practice in being consultative and driving transparent, two-way communication.

Before closing I would like to take a moment to thank the Norwest team for their dedication throughout the year in delivering on the Company's strategic initiatives. In particular, I would like to wish our CEO Peter Munachen a speedy recovery as he recovers from a health issue.

Lastly, I would like to thank our shareholders for their ongoing support of Norwest. The Company's directors and management believe that Norwest is well placed to capitalise on the recent exploration success achieved in the Basin, and we look forward to delivering on these opportunities that will best position Norwest to generate shareholder value during FY2016 and beyond.

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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 asset portfolio in Western Australia and the UK.

Norwest's core strategy is to explore the potential of its permits in the northern Perth Basin, where Norwest holds net basin acreage of approximately 766,000 acres (3,100 square kilometres). This acreage includes both conventional and unconventional opportunities.

The key projects being progressed are the 160 mmbbl¹ conventional oil target Xanadu in the offshore Perth Basin, the Lockyer Deep project in EP368 which is in close proximity to the AWE Waitsia and Irwin gas discoveries, and continuing along a pathway to commercialisation of the 2.6 Tcf² of shale gas Arrowsmith Project in the onshore Perth Basin.

Norwest is positioned with a unique and diverse exploration portfolio that covers acreage in a known hydrocarbon province. The portfolio consists of:

- EP368/EP426 – 20%/22.22%: with the boundary of EP368 in close proximity to the AWE, Waitsia and Irwin gas discoveries.
- EP413 – 27.945%: Arrowsmith shale gas discovery.
- L/14 (Jingemia) – 6.278%: Currently shut in and under joint venture review.
- TP/15 – 100%: the offshore oil play held 100% by Norwest. Lead prospect is Xanadu, having similarities to nearby offshore Cliff Head producing oilfield held by ROC and AWE.
- EP492, together with SPA AO 16, positioning Norwest with a footprint of 1,665km² at the southern end of the Basin in a known hydrocarbon province.

These assets are complemented by Norwest's 65% interest in P2265 (blocks 98/7b, 98/8a, and 98/12a) in the Wessex Basin, southern England.

¹ As per ASX announcement dated 29 Oct 2014 (50% recovery factor assumed)

² As per ASX announcement dated 2nd August 2013