

## ASX ANNOUNCEMENT

ASX: NWE

2 December 2015



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## NORWEST TO RAISE \$1.32 MILLION TO PROGRESS PERTH BASIN PROJECTS TOWARDS DRILL-READY STATUS

**Norwest Energy NL (ASX:NWE)** is pleased to announce it will raise approximately \$1.32 million through a Placement and underwritten Entitlement Offer to enable the Company to progress on its objective of having three drill-ready targets within the Perth Basin in 2016.

Norwest has entered into arrangements with Argonaut Capital Limited (**Argonaut**) to place 200,000,000 shares at \$0.0025 per share (the **Placement**), raising \$500,000. Norwest will also offer all eligible shareholders the right to subscribe for a one (1) for five (5) entitlement issue of approximately 328,091,000 shares at an issue price of \$0.0025 per share (**Entitlement Offer**), raising \$820,228. The Entitlement Offer is fully underwritten by Argonaut. The combined share issues will raise approximately \$1,320,000, before costs.

### Placement

The Placement has been made to clients of Argonaut and will raise \$500,000, before costs. The 200,000,000 placement shares will be issued on 7 December 2015 and those shareholders will also be eligible to participate in the Entitlement Offer. Argonaut will receive brokerage of 6% of the Placement's funds.

### Entitlement Offer

The Offer is being made to all shareholders of the Company recorded on its register of members at 5.00pm on 8 December 2015 (**Record Date**), whose registered address is in Australia or New Zealand.

The Entitlement Offer will offer each eligible shareholder on the Record Date the right to subscribe for one (1) new share (**New Share**) for every five (5) shares held, at an issue price of \$0.0025 per New Share to raise up to \$820,228, before costs.

The Entitlement Offer will result in the Company issuing 328,091,000 New Shares, assuming none of the Company's outstanding options are exercised prior to the Record Date.

The Entitlement Issue will open on 10 December 2015 and close on 21 December 2015.

The Entitlement Offer is fully underwritten subject to certain terms and conditions by Argonaut (**Underwriter**). Argonaut will be paid an underwriting fee equal to 6% of the amount underwritten.

The Directors of Norwest intend to apply for their full entitlements to the issue. Sundowner International Limited, a company of which Norwest Director Mr Henry David Kennedy is both a Director and shareholder, has also agreed to sub-underwrite up to a maximum of \$150,000 of the Entitlement Issue.

Shares issued under the Entitlement Offer will rank equally with existing shares on issue on the Record Date. The Company will make application for official quotation of the New Shares proposed to be issued under the Entitlement Offer. Share entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Any fractional entitlements arising from the Entitlement Offer will be rounded up.

Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.

A top-up facility will be available allowing eligible shareholders to apply for additional shares over and above their entitlements (additional shares will be allotted to the extent there is a shortfall under the Entitlement Offer).

### **Indicative use of proceeds of the Placement and Entitlement Offer**

The funds raised will enable Norwest to progress its three key Perth Basin projects towards drill-ready status, ensuring the projects are best positioned to attract the investment funds required to achieve Norwest's exploration objectives.

Specifically, the funds raised will be used, amongst other things, to:

1. advance the Lockyer Deep-1 well within EP368 to drill ready status;
2. advance the Xanadu-1 well within TP/15 to drill ready status and conduct a farm-out process;
3. advance the Arrowsmith-3 well within EP413 to drill ready status;
4. promote the Company and its suite of projects to a broader investment community;
5. supplement working capital; and
6. pay corporate advisory fees and expenses of the Offer.

In order to best enable the Company to add value for its shareholders, it is important that Norwest can continue to drive an active exploration program for its assets and seek to capitalise on the renewed interest in the Perth Basin.

## Entitlement Offer indicative timetable

Further details of the Entitlement Offer, including details on how to accept the Entitlement Offer, are set out in an Offer Document released to the ASX today and to be dispatched to shareholders on 10 December 2015. Outlined below is a timetable of relevant events and dates relating to the Entitlement Offer. These events and dates are indicative only and subject to change. Subject to the ASX Listing Rules, the Corporations Act and other applicable laws, Norwest's Board reserves the right to modify all dates, including the Entitlement Offer closing date.

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|---|------------------|
| Company Announces Entitlement Offer   | 2 December 2015  |
| Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX | 2 December 2015  |
| Preliminary notice sent to security holders                                   | 3 December 2015  |
| Record Date for determining Entitlements                                      | 8 December 2015  |
| Offer Document sent out to Eligible Shareholders<br>Offer Opening Date        | 10 December 2015 |
| Closing Date  | 21 December 2015 |
| Shares quoted on a deferred settlement basis                                  | 22 December 2015 |
| ASX notified of under subscriptions   | 23 December 2015 |
| Issue date / shares entered into Shareholders' security holdings              | 30 December 2015 |
| Quotation of shares issued under the Offer                                    | 31 December 2015 |

Application for New Shares under the Entitlement Offer may only be made by completing the Application Form which accompanies the Offer Document. Shareholders eligible to participate in the Entitlement Offer should read the Offer Document carefully and consult professional advisers as necessary.

### Enquiries

Any enquiries regarding the Entitlement Offer should be directed to:

#### John Annand

Company Secretary  
+61 8 9227 3240

## Disclaimer

This release does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer or sale would be illegal. This release may not be distributed or released in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the securities referred to in this release in any jurisdiction outside Australia. In particular, the new shares to be offered in the Entitlement Offer have not been, and none of them will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the new shares may not be offered, directly or indirectly, to, any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

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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 Lockyer Deep prospect in EP368 which is in close proximity to the AWE Waitsia and Irwin gas discoveries, the 160 mmbbl<sup>1</sup> conventional oil target Xanadu in offshore (nearshore) TP/15, and continuing along a pathway to commercialisation of the 2.6 Tcf<sup>2</sup> shale gas Arrowsmith Project in the onshore Perth Basin.

Norwest is well 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%: Lockyer Deep gas prospect, within the boundary of EP368 and in close proximity to the AWE, Waitsia and Irwin gas discoveries.
- 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.
- EP413 – 27.945%: Arrowsmith shale gas discovery.
- L/14 (Jingemia) – 6.278%: Currently shut in and under joint venture review.
- EP492, together with SPA-16 AO, positioning Norwest with a footprint of 1,665km<sup>2</sup> 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