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## **HYDROCARBONS ENCOUNTERED AT XANADU-1**

### **HIGHLIGHTS**

- **Successful drilling program confirms hydrocarbons at Xanadu-1**
- **Hydrocarbon bearing reservoirs intersected, elevated gas readings, oil shows, fluorescence and cut-fluorescence present in reservoir sections**
- **Wireline logging suite to be run**

Norwest Energy NL ('Norwest'), the Operator of Permit TP/15 provides the following update on Xanadu-1 drilling operations.

Xanadu-1 was drilled as a conventional oil exploration well, designed to test for the presence of hydrocarbons in the Xanadu prospect, located offshore in shallow waters, 40km south of Dongara, Western Australia.

Drilling operations have made excellent progress since the well was spudded on 4<sup>th</sup> September 2017, and evaluation of the Xanadu prospect is ongoing.

With total depth (TD) reached late yesterday, it can be confirmed that Xanadu-1 has intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence and cut-fluorescence whilst drilling reservoir sections.

Drilling results provided sufficient encouragement for the TP/15 Joint Venture (JV) to commit to running a wireline logging suite that includes pressure testing and fluid sampling. Logging is expected to commence within the next 24 hours.

In addition to the pending logging program, a 7" casing string is currently enroute to site from the North West, so that in the event that logging results are positive, the well will be cased and suspended in preparation for an extended well test, once planning and approvals are complete.

Operations on location have gone exceptionally well, and as a result the JV agreed to extend drilling beyond the base of the High Cliff Sandstone to include the deeper sandstones of the Holmwood Shale, reaching a TD of 2035 mMDRT (TD previously 1863 mMDRT) on Sunday, 17<sup>th</sup> September 2017.

Norwest CEO Shelley Robertson said *"I am extremely pleased to have these early positive indicators of hydrocarbons encountered during the drilling of Xanadu-1. Although further evaluation is required to*

*understand the full potential, these are excellent first results. It's been a while in the making, and now we have drilled the well – what a fabulous achievement. I look forward to the program ahead, and would like to thank the team involved in getting us to this point –Aztech Well Construction, Enerdrill and my team at Norwest, our Joint Venture partners, and our shareholders that have supported us in reaching this significant milestone. Thank you to all."*

**The Joint Venture partners in TP/15 are:**

Norwest (via subsidiary) (Operator)	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%