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## Strategic investor 3C Group increases shareholding, strengthening relationship with Norwest

### HIGHLIGHTS

- Strategic investor and joint venture partner, 3C Group increases its shareholding in the Company to 9.9%
- A total of 66.5 million new shares have been issued at an exercise price of A\$0.0024 raising approximately A\$160,000 in new available funding for Norwest
- The new funds will be used as part of the Company's ongoing exploration activity and includes the TP/15 seismic survey and future wells on the Xanadu prospect, together with planning for the drilling of Lockyer-Deep and commercialisation of the Jingemia Field

Norwest Energy NL ('**Norwest**' or the '**Company**') is pleased to announce that existing shareholder and joint venture partner, 3C Group IC Limited ('**3C Group**'), has elected to increase its shareholding to 9.9% of Norwest's fully diluted share capital as part of its ongoing strategic relationship with the Company.

The Company is proud to have secured an ongoing strategic relationship whereby 3C Group has provided and will continue to provide ongoing technical, legal, risk, financial and networking assistance to support Norwest's growth strategy and portfolio of projects.

### Share Placement and Issue of Options

On 10 February 2017, the Company announced 3C Group had agreed to subscribe for an upfront placement raising approximately A\$500,000 (the shares for which were issued on 16 February 2017 at a price of A\$0.0024). As announced to the ASX on 10 February 2017, 3C Group additionally:

1. were issued 60 million unlisted options to subscribe for new fully paid ordinary shares in Norwest with an expiry date of 10 February 2018 and at an exercise price calculated as the lesser of (1) A\$0.0024 and (2) the price Norwest issues shares under the last placement completed before the options are exercised ('**Unlisted Options**'); and
2. were granted a right to take up to an additional 148.3 million shares in Norwest upon the Company issuing shares to any third party in the period expiring 10 February 2018 at a price that is the lesser of A\$0.0024 per share and the price Norwest offers the shares to those third parties, provided the issue of such shares does not increase 3C Group's interest beyond 9.9% on a fully-diluted basis ('**Follow On Placement**').

Following 3C Group's experiences working with the Company, its projects over the past 12 months, and in particular, the successful Xanadu drilling program, 3C Group has elected to exercise the Unlisted Options and has taken a further 66.5 million shares in the Company under the Follow On Placement. These shares will be issued as part of the Company's capacity to issue shares without shareholder approval under ASX Listing Rule 7.1.

Managing Director of Norwest, Ms Shelley Robertson, commented:

*"3C Group's continued commitment and contributions have been vital to the progress made by Norwest in the year since the strategic relationship was first established. The technical and aligned support which flows to Norwest from the strategic relationship has been of great benefit allowing the Company to fulfill its short-term goals and long-term strategy.*

*"The funds raised in the Initial Placement enabled Norwest to place a greater level of focus on its ongoing exploration obligations, particularly the drilling of Xanadu. 3C Group's commitment to funding 40% of the Xanadu drilling program was critical to finalising the joint venture and providing certainty for Norwest shareholders around the ongoing development of the Xanadu project.*

*"It is important to remember how far we have come in the last 12 months, and to recognise the contributions and support from all shareholders and key partners that have contributed to our progress in further development of our key asset Xanadu and other projects.*

*"This additional investment in Norwest is a strong indication of 3C's support for the upcoming work program across all our permits and demonstrates their commitment to remain as our cornerstone investor, providing a strong foundation for further development of our current projects and other complementary corporate strategies and opportunities that may arise. 3C Group's continual backing reinforces the strength and enduring nature that exists between the two entities, and it is my firm belief that this relationship will continue to deliver benefits to all shareholders on a long-term basis."*

#### **Further Information**

The 60,000,000 Unlisted Options had an exercise price of \$0.0024 per option and were exercised on 6 February 2018. A total of A\$144,000 was raised in additional funding from the issue of shares in the Company upon the exercise of the Unlisted Options. See the Appendix 3B dated 6 February 2018 for further information.

The Company has today issued a total of 66.5 million new shares at an exercise price of \$0.0024 per share under the Follow On Placement. Approximately A\$160,000 was raised from the issue of the new shares under the Follow On Placement. See the Appendix 3B attached to this announcement for further information. Pursuant to the terms of the agreement between the Company and the 3C Group, the opportunity to subscribe for any further shares under the Follow On Placement has now expired.

The funds received from the share issue will be used to fund ongoing exploration activities required to progress the Company's portfolio of assets. The upcoming work program includes the TP/15 seismic survey followed by planning for future wells on the Xanadu prospect, planning for the drilling of Lockyer-Deep in EP368, and commercialisation of the Jingemia Field.

A notice under section 708A(5)(e) of the Corporations Act in respect of the shares issued on exercise of the Unlisted Options and the shares issued under the Follow On Placement is attached to this announcement.

Lastly, pursuant to the binding term-sheet between the Company and the 3C Group and as disclosed to the ASX on 10 February 2017, Norwest will seek the necessary regulatory approvals and/or waivers to offer 3C Group the right whereby, should Norwest propose to issue shares under a placement to a third party after the date of this announcement, 3C Group shall have the right to take up to 9.9% of those shares at the same price Norwest offers them to third parties. Norwest will update the market should these approvals and/or waivers be received, and this right become unconditional.

**For further information, please contact Norwest Energy:**

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### **About Norwest Energy NL**

Norwest Energy NL is based in Perth, Western Australia with interest in an extensive onshore and offshore portfolio of tenements in the basin. The Company's primary objective is to unlock the vast commercial potential to be realised by developing these assets.

Norwest remains well positioned to develop the potential of its existing portfolio of projects, and will continue to explore all opportunities to enable ongoing wealth creation for shareholders.