



**norwest**  
ENERGY NL

---

**NORWEST ENERGY NL**

**ACN 078 301 505**

**NOTICE OF ANNUAL GENERAL MEETING**

---

**TIME:** 2.00pm (WST)

**DATE:** Friday, 29 November 2019

**PLACE:** The Park Business Centre  
45 Ventnor Avenue  
WEST PERTH WA 6005

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9227 3240.*

## CORPORATE DIRECTORY

**NORWEST ENERGY NL**  
**ABN 65 078 301 505**

### **Directors**

Mr Ernest Anthony Myers  
(Non-Executive Chairman)

Mr Henry David Kennedy  
(Non-Executive Director)

### **Managing Director**

Mr Iain Peter Smith

### **Company Secretary**

Mrs Jo-Ann Long

### **Internet Address**

[www.norwestenergy.com.au](http://www.norwestenergy.com.au)

### **Shareholder Enquiries**

[shareholder@norwestenergy.com.au](mailto:shareholder@norwestenergy.com.au)

### **Registered Office**

Level 2, 30 Richardson Street  
West Perth WA 6005

Tel: + 61 8 9227 3240

Fax: + 61 8 9227 3211

### **Share Registry**

Computershare Investor Services Pty Ltd  
GPO Box D182  
Perth WA 6840

Level 11

172 St Georges Terrace

Perth WA 6000

Telephone: 1300 850 505

### **Auditors**

Rothsay Auditing  
Level 1, Lincoln House  
4 Ventnor Avenue  
West Perth WA 6005

### **Australian Securities Exchange**

NWE

---

## CONTENTS

---

Business of the Meeting (setting out the proposed Resolutions)	5
Explanatory Statement (explaining the proposed Resolutions)	9
Glossary	17
Proxy Form	23

---

## IMPORTANT INFORMATION

---

### Time and place of Meeting

---

Notice is given that the Meeting will be held at 2.00pm (WST) on Friday, 29 November 2019 at:

The Park Business Centre  
45 Ventnor Avenue  
WEST PERTH WA 6005

### Your vote is important

---

The business of the Meeting affects your shareholding and your vote is important.

### Voting eligibility

---

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those that are registered Shareholders at 2.00pm (WST) on Wednesday, 27 November 2019.

### Voting in person

---

To vote in person, attend the Meeting at the time, date and place set out above.

### Voting by proxy

---

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder that is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that the Corporations Act provides:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies that are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these provisions are set out below.

**Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

**Transfer of non-chair proxy to chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

---

## BUSINESS OF THE MEETING

---

### AGENDA

---

#### 1. ANNUAL REPORT

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2019, which includes the Financial Report, the Directors' Report and the Auditor's Report.

---

#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Statement Prohibition:** A vote on this Resolution must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such persons if the vote is not cast on behalf of the person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, you will be considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly, with the remuneration of a member of the Key Management Personnel which includes the Chairman.

---

#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ERNEST ANTHONY MYERS

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, in accordance with Listing Rule 14.4 and rule 7.1(h) of the Company's Constitution and for all other purposes Mr Ernest Anthony Myers, who was appointed as an addition to the Board, retires and, being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum"*.

---

---

#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – HENRY DAVID KENNEDY

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, in accordance with rule Listing Rule 14.4 and 7.1(h) of the Company’s Constitution and for all other purposes, Mr Henry David Kennedy, who retires by rotation and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum”.*

---

#### 5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

---

#### 6. RESOLUTION 5 – GRANT OF INCENTIVE SHARE OPTIONS TO MR IAIN SMITH

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

*“That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and ratify the grant of 90,000,000 Incentive Share Options to Mr Iain Smith (or his nominee), including the issue or transfer of up to 90,000,000 Shares on exercise of those Incentive Share Options, under the Norwest Energy NL Employee Incentive Options and Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Iain Smith or an Associate of Iain Smith or an associate of Iain Smith.

However, the Company need not disregard a vote if it is cast:

- (a) by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

**Voting Statement Prohibition:** A vote on this Resolution must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such persons if the vote is not cast on behalf of the person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 5. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 5, you will be considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly, with the remuneration of a member of the Key Management Personnel which includes the Chairman.

---

## 7. RESOLUTION 6 – GRANT OF INCENTIVE SHARE OPTIONS TO MR ERNEST ANTHONY MYERS

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and ratify the grant of 15,000,000 Incentive Share Options to Mr Ernest Anthony Myers (or his nominee), including the issue or transfer of up to 15,000,000 Shares on exercise of those Incentive Share Options, under the Norwest Energy NL Employee Incentive Options and Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Ernest Anthony Myers or an Associate of Ernest Anthony Myers.

However, the Company need not disregard a vote if it is cast:

- (a) by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

**Voting Statement Prohibition:** A vote on this Resolution must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such persons if the vote is not cast on behalf of the person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 6. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 6, you will be considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly, with the remuneration of a member of the Key Management Personnel which includes the Chairman.

---

**8. RESOLUTION 7 – GRANT OF INCENTIVE SHARE OPTIONS TO MR HENRY DAVID KENNEDY**

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary resolution**:

*"That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and ratify the grant of 15,000,000 Incentive Share Options to Mr Henry David Kennedy (or his nominee), including the issue or transfer of up to 15,000,000 Shares on exercise of those Incentive Share Options, under the Norwest Energy NL Employee Incentive Options and Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Henry David Kennedy or an Associate of Henry David Kennedy.

However, the Company need not disregard a vote if it is cast:

- (a) by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

**Voting Statement Prohibition:** A vote on this Resolution must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such persons if the vote is not cast on behalf of the person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 7. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 7, you will be considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly, with the remuneration of a member of the Key Management Personnel which includes the Chairman.

---

**Dated: 23 October 2019**  
**By order of the Board**



**Jo-Ann Long**  
**Company Secretary**



---

## EXPLANATORY STATEMENT

---

This Explanatory Statement has been prepared to provide information the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

---

### 1. ANNUAL REPORT

The Corporations Act and the Company's Constitution require the following reports in respect of the year ended 30 June 2019 to be laid before the meeting:

- (i) the Financial Report (which includes the financial statements and Directors' declaration); and
- (ii) the Directors' Report and the Auditor's Report.

No resolution is required to be moved in respect of this item.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.norwestenergy.com.au](http://www.norwestenergy.com.au).

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on the Annual Report and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (i) the conduct of the audit;
- (ii) the preparation and content of the independent audit report;
- (iii) the accounting policies adopted by the Company in relation to the preparation of the accounts; and
- (iv) the independence of the auditor in relation to the conduct of the audit.

---

### 2. RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report, which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors or the Company. A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, sections 250U and 250Y of the Corporations Act give Shareholders the opportunity to seek changes to the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive Annual General Meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive Annual General Meetings, the Company will be required to put to Shareholders at the second Annual General Meeting a resolution (**Spill Resolution**). If the Spill Resolution is passed by more than 50% of Shareholders, the Company must hold another meeting within 90 days, at which all Directors (other than the managing director) who were in office at the date of the Second Strike must stand for re-election.

It is noted that at the Company's 2018 AGM, the number of votes cast against the remuneration report was less than 25% and, accordingly, a Spill Resolution is not required for this Annual General Meeting.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting and there is a 'no' vote of 25% or more at the next Annual General Meeting, Shareholders should be aware that the consequences are that it may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders to ask about, or make comments on, the Remuneration Report.

Resolution 1 is a **non-binding** resolution.

**Voting Statement Prohibition:**

A vote on this Resolution must not be cast:

- by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a member.

However, a vote may be cast by such persons if the vote is not cast on behalf of the person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, you will be considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

---

### **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR- MR ERNEST ANTHONY MYERS**

The Constitution sets out in rule 7.1(e) the requirements for the retirement of a Director appointed under rule 7.1(d). A Director, other than the Managing Director, appointed under rule 7.1(d) must retire from office at the next annual general meeting following his or her appointment. Mr Myers was appointed under a casual vacancy and therefore retires from office and, being eligible, seeks re-election by Shareholders.

Mr Myers became a Director of Norwest on 28 November 2018. Mr Myers, an Accountant by profession, has held senior management and executive roles within a number of ASX listed companies. During his career he has been instrumental in the capital raisings and financial management of these companies. With skills and knowledge gained from vast experiences in corporate, exploration and operational areas, Mr Myers has played a key role in maintaining the Company's financial stability. Mr Myers joined Pancontinental as a Director in March 2004 and has served in a number of executive and non-executive roles.

Resolution 2 is an **ordinary resolution**.

The Chairperson intends to exercise all available proxies in favour of Resolution 2. The Board (excluding Mr Myers) unanimously supports the election of Mr Ernest Anthony Myers as a Director.

---

### **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR- MR HENRY DAVID KENNEDY**

The Constitution sets out in rule 7.1(f) the requirements for determining which Directors are to retire by rotation at an annual general meeting. Excluding any Director that is required to retire by virtue of being appointed under a casual vacancy or as an addition to the Board, and the Managing Director (if any), one-third of the remaining Directors and any Director that has held office for three or more

years or three or more annual general meetings since last being elected to office, must retire from office.

Accordingly, Mr Kennedy retires by rotation pursuant to rules 7.1(f) and (g) of the Constitution and, being eligible, seeks re-election by Shareholders.

Mr Kennedy became a Director of Norwest on 14 April 1997. Mr Kennedy has had a long association with Australian and New Zealand resource companies and as a technical director has been instrumental in the formation and/or development of a number of successful listed companies including Pan Pacific Petroleum NL, New Zealand Oil and Gas Limited (NZOG), Mineral Resources (NZ) Ltd and Otter Exploration NL. During his term as Executive Director of Otter, Pan Pacific and NZOG, these companies were involved in the discovery of the Tubridgi and South Pepper gas fields in Western Australia, the North Herald and Chervil oil fields in Western Australia and the Kupe South and Rua oil/gas condensate fields in New Zealand. During the three year period to the end of the financial year, Mr Kennedy has held directorships in Pancontinental Oil & Gas NL (August 1999 to present) and East Africa Resources Limited (March 2013 to April 2015).

Resolution 3 is an **ordinary resolution**.

The Chairperson intends to exercise all available proxies in favour of Resolution 3. The Board (excluding Mr Kennedy) unanimously supports the election of Mr Henry David Kennedy as a Director.

---

## **5. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY**

### **5.1 General**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Capacity. The effect of Resolution 4 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

The number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) below).

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 4 is a **special resolution** and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of corporate Shareholder, by a corporate representative).

The Chairperson intends to exercise all available proxies in favour of Resolution 4.

### **5.2 Description of Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Capacity is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the only quoted Equity Securities the Company has on issue are Shares.

(c) **Formula for calculating 10% Placement Capacity**

Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

- A** is the number of shares on issue 12 months before the date of issue or agreement to issue:
- (A) plus the number of fully paid shares issued in that 12 month period under an exception in Listing Rule 7.2;
  - (B) plus the number of partly paid shares that became fully paid in that 12 month period;
  - (C) plus the number of fully paid shares issued in that 12 month period with approval of Shareholders under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
  - (D) less the number of fully paid shares cancelled in that 12 month period.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 3,382,092,727 Shares and has a capacity to issue:

- (i) 507,313,909 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 4 an additional 338,209,272 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must not be less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i), the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting at which the approval is obtained; and
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

### 5.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,
- which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100% respectively. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities (e.g. as a result of a pro-rata rights issue or scrip issued under a takeover offer); and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50%, respectively, as against the current market price.

Number of Shares on issue (Variable 'A' in Listing Rule 7.1A.2)		Dilution		
		\$0.0025 <b>50% decrease in Issue Price</b>	\$0.005 <b>Issue Price</b>	\$0.0075 <b>50% increase in Issue Price</b>
<b>Current Variable A</b> 3,382,092,727 Shares	<b>10% Voting Dilution</b>	338,209,273 Shares	338,209,273 Shares	338,209,273 Shares
	<b>Funds raised</b>	\$845,523	\$1,691,046	\$2,536,570
<b>50% increase in current Variable A</b> 5,073,139,091 Shares	<b>10% Voting Dilution</b>	507,313,909 Shares	507,313,909 Shares	507,313,909 Shares
	<b>Funds raised</b>	\$1,268,285	\$2,536,570	\$3,804,854
<b>100% increase in current Variable A</b> 6,764,185,454 Shares	<b>10% Voting Dilution</b>	676,418,545 Shares	676,418,545 Shares	676,418,545 Shares
	<b>Funds raised</b>	\$1,691,046	\$3,382,093	\$5,073,139

The table has been prepared on the following assumptions:

1	The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
2	The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
3	The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
4	The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
5	The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6	The issue price is \$0.005, being the closing price of the Shares on ASX on 22 October 2019.
7	There are currently a total of 3,382,092,727 Shares on issue (as at 22 October 2019). The number of Shares on issue could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.
8	No executive share options are exercised into Shares before the date of the issue of the Equity Securities.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new resource assets and investments. In such circumstances the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 and will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised to enable Norwest to progress its key Perth Basin projects towards drilling, ensuring the projects are best positioned to attract the investment funds required to achieve Norwest's exploration objectives.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue and the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company;
  - (iv) prevailing market conditions; and
  - (v) advice from corporate, financial and broking advisers (if applicable).
- (g) The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.
- (h) The Company obtained Shareholder approval under Listing Rule 7.1A at last year's Annual General Meeting and as such the Company reports in accordance with Listing Rule 7.3A.6 that no securities have been issued in the 12 months preceding the date of the upcoming Annual General Meeting

---

## **6. RESOLUTIONS 5 - 7 – GRANT OF INCENTIVE SHARE OPTIONS TO DIRECTORS**

### **6.1 General Background to Resolutions 5-7**

The Board wishes to align the interest of Directors with to those of the Company and its shareholders. The Directors believe that the future success of the Company will depend in large measure on the skills and motivation of the people engaged in and overseeing the management of the Company's operations. It is therefore important that the Company is able to attract and retain people of the highest calibre.

The Directors consider that the most appropriate means of achieving this is to provide the participating directors with an opportunity to participate in the Company's future growth and give them an incentive to contribute to that growth.

The issue of Incentive Share Options as part of the remuneration packages of Directors is a well-established practice of junior publicly listed companies and, in the case of the Company, has the benefit of conserving cash whilst properly incentivising the Directors.

The Incentive Share Options will be issued to the directors, as Eligible Participants, under the Plan rules approved by Shareholders at the AGM held on 28 November 2018.

### **6.2 Share Options**

The proposed issue of Share Options to Messrs Ernest Anthony Myers, Henry David Kennedy and Iain Peter Smith shall all be granted on the same terms and as follows:

- 15,000,000 Share Options to Mr Ernest Anthony Myers with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022;
- 15,000,000 Share Options to Mr Henry David Kennedy with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022; and
- 90,000,000 Share Options to Mr Iain Peter Smith with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022;

All unvested Share Options will immediately lapse where the relevant individual ceases his role as director (in the case of Mr Myers and Mr Kennedy) or Managing Director (in the case of Mr Smith) in the event of resignation, termination for cause or other circumstances in which the Board determines that such treatment is warranted.

Where a Change of Control event occurs in relation to the Company, the Board may, in its absolute discretion, determine that all or part of the Share Options held will become vested even though any applicable vesting date may not have been reached (and, in making such a determination, the Board will have regard to the proportion of the performance period that has elapsed and the extent to which any applicable performance conditions have been satisfied).

### **6.3 Summary of the Plan rules**

A summary of the Plan rules is attached as Annexure 1. A copy of the Plan rules is available to Shareholders on request to the Company Secretary.

### **6.4 Provision of Financial Benefits to Related Parties**

Section 208 of Chapter 2E of the Corporations Act provides that for a public company to give a financial benefit to a related party of the public company, the company must:

- (a) obtain the approval of the company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
  - (b) give the benefit within 15 months following such approval,
- unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Mr Iain Smith is a Director and therefore a related party of the Company.

The Board has considered the application of section 208 of the Corporations Act and has resolved the reasonable remuneration exception provided by section 211 of the Corporations Act is relevant in the circumstances, and accordingly the Company will not seek approval for

the proposed issue of the Incentive Share Options to Iain Smith pursuant to section 208 of the Corporations Act.

In reaching this conclusion, the Board has had regard to a variety of factors, including the market practice and the remuneration offered to persons in comparable positions at comparable companies.

#### **6.5 ASX Listing Rule 10.14**

In accordance with Listing Rule 10.14, the Company must not permit a Director or any of his or her associates to acquire securities under an employee incentive scheme unless it obtains Shareholder approval.

Pursuant to Listing Rule 7.2, exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required. The issue of Incentive Share Options (and the resultant Shares) to Iain Smith will not be included in calculation the Company's capacity to issue securities under Listing Rule 7.1 and 7.1A.

#### **6.6 Technical Information Required by Listing Rule 10.15**

- (a) The proposed recipients of Incentive Share Options are Messrs Ernest Anthony Myers, Henry David Kennedy and Iain Peter Smith, and they are related parties by virtue of being Directors;
- (b) The maximum number of Share Options (being the nature of the financial benefit being provided) to be issued to the Eligible Participants is:
  - 15,000,000 Share Options to Ernest Anthony Myers with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022;
  - 15,000,000 Share Options to Henry David Kennedy with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022;
  - 90,000,000 Share Options to Iain Peter Smith with a vesting date of one third on each of 30/06/2020, 30/06/2021 and 30/06/2022;
- (c) The Share Options will be granted for nil cash consideration and \$1,122,000 cash consideration will be payable upon the exercising of the Share Options.
- (d) None of Messrs Ernest Anthony Myers, Henry David Kennedy and Iain Peter Smith have received securities under the Plan since the last approval.
- (e) There will be no loan associated with the proposed issue of Share Options.
- (f) The persons eligible to participate in the Plan include the Directors, Ernest Anthony Myers, Henry David Kennedy and Iain Peter Smith.
- (g) The Share Options will be granted to Messrs Ernest Anthony Myers, Henry David Kennedy and Iain Peter Smith no later than 12-month after the date of the Annual General Meeting.

#### **6.7 Voting Intentions of Chairman**

The Chairman intends to vote all undirected proxies in favour of Resolutions 5 to 7 inclusive. Please refer to page 3 of this Notice - "Important Information Concerning Proxy Votes on Resolutions 5 to 7".



## Glossary

**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given to that term in section 5.1.

**10% Placement Period** has the meaning given to that term in section 5.2.

**AGM** means an annual general meeting of Shareholders.

**Annual Report** means the Directors' Report, the Financial Report, and the Auditor's Report, in respect to the year ended 30 June 2019.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chairman** means the chair of the Meeting.

**Change of Control** means:

- (a) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- (b) a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement (other than a compromise or arrangement with the Company's creditors) for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

**Closely Related Party** means in relation to a member of a Key Management Personnel:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Norwest Energy NL (ACN 078 301 505).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Incentive Share Option** or **Share Option** means an Incentive Share Option issued under the Plan.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means the persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly including any Director (whether executive or otherwise) of the Company.

**Notice or Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Plan or Incentive Plan** means the Norwest Energy NL Employee Incentive Options and Performance Rights Plan approved by Shareholders on 28 November 2018.

**Proxy Form** means the proxy form accompanying the Notice.

**Relevant Interest** has the meaning given in the Corporations Act.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**Takeover Bid** means a takeover bid (as defined in the Corporations Act) to acquire Shares.

**Voting Power** has the meaning given to that term in Section 9 of the Corporations Act.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## Schedule 1 Summary of Material Terms of Incentive Plan

### 1 Eligibility

The Board may, from time to time, in its absolute discretion, make a written invitation to any Eligible Participant to apply for Options or Performance Rights (together, **Awards**), upon the terms set out in the Incentive Plan and upon such additional terms and conditions as the Board determines.

### 2 Offer and Application Form

An invitation to apply for the issue of Awards under the Incentive Plan must be made by way of an offer document (**Offer Document**). At a minimum, the Offer Document must include the following information:

- (a) the maximum number of Awards that the Eligible Participant may apply for, or the formula for determining the number of Awards that may be applied for;
- (b) the maximum number of Shares that the Participant is entitled to be issued on the exercise of each Award or the formula for determining the maximum number of Shares;
- (c) the Option exercise price (**Exercise Price**) of any Options or the formula for determining the Option Exercise Price;
- (d) any applicable vesting conditions as determined by the Board in its discretion;
- (e) any restriction period the Board has resolved to apply to Shares issued on exercise of the Awards;
- (f) when Awards will expire (**Expiry Date**);
- (g) the date by which an Offer Document must be accepted (**Closing Date**);
- (h) any other terms and conditions applicable to the Awards; and
- (i) any other information required by law or the Corporations Act, the Class Order or the ASX Listing Rules or the considered by the Board to be relevant to the Awards or the Shares to be issued on the exercise of the Awards.

An Eligible Participant (or permitted Nominee) may apply for the Awards in whole or in part, by signing and returning an Application Form to the Company no later than the Closing Date. The Board may accept or reject any Application Form in its absolute discretion.

Where the Company needs to rely on the Class Order in respect of an Offer, the Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Awards offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or under an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

### 3 Terms of the Awards

- (a) An Award is non-transferable other than in special circumstances with the consent of the Board (which may be withheld in its discretion).
- (b) Unless quoted on the ASX, each Award will be issued to an Eligible Participant under the Incentive Plan for no more than nominal consideration.
- (c) Each Award will entitle its holder to subscribe for and be issued, one fully paid ordinary share in the capital of the Company (upon vesting and exercise of that Award) unless the Plan or an applicable Offer otherwise provides.

- (d) Awards will not be listed for quotation on the ASX, unless the Offer provides otherwise. The Company will apply for official quotation of the Shares issued upon the exercise of any vested Awards.
- (e) A participant is not entitled to participate in or receive any dividend or other Shareholder benefits until its Awards have vested and been exercised and Shares have been allocated to the participant as a result of the exercise of those Awards.
- (f) There are no participating rights or entitlements inherent in the Awards and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of Awards without exercising the Options or Performance Rights, except to the extent an Offer otherwise provides where permitted by the ASX Listing Rules.
- (g) Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Awards except to the extent an Offer provides otherwise.
- (h) There is no right to a change in the exercise price or in number of underlying Shares over which an Award can be exercised, except to the extent an Offer otherwise provides where permitted by the ASX Listing Rules.
- (i) In the event of a reorganisation of the capital of the Company, the Company may alter the rights of the holder of an Award to the extent necessary to comply with the ASX listing rules applying to reorganisations at the time of the reorganisation.
- (j) Following the issue of Shares following exercise of vested Awards, Participants will be entitled to exercise all rights of a Shareholder attaching to the Shares, subject to any disposal restrictions advised to the Participant.

#### 4 Vesting and Exercise of Awards

- (a) **Vesting Conditions:** Subject to clause 4(b) below, an Award issued under the Plan will not vest and be exercisable unless the vesting conditions (if any) attaching to that Award have been satisfied and the Board has notified the Eligible Participant of that fact within 10 Business Days of becoming aware that any vesting condition has been satisfied.
- (b) **Vesting Condition Waiver:** Notwithstanding clause 4(a) above, the Board may, in its absolute discretion, by written notice to an Eligible Participant, resolve to waive any of the vesting conditions applying to an Award. For clarity, the Board may in its discretion waive or reduce any vesting conditions after the time specified for satisfaction of those vesting conditions has passed.
- (c) **Exercise on Vesting:** A Participant (or their personal legal representative where applicable) may, subject to the terms of any Offer, exercise any vested Award at any time after the Board notifies that the Award Right has vested and before it lapses.
- (d) **Cashless Exercise Facility:**
  - (i) In respect of Options, the Board may, in its discretion, permit a Participant to exercise some or all of their Options by using the Cashless Exercise Facility. The Cashless Exercise Facility entitles a Participant to set-off the Option Exercise Price against the number of Shares which the Participant is entitled to receive upon exercise of the Participant's Options. By using the Cashless Exercise Facility, the Participant will receive Shares to the value of the surplus after the Option Exercise Price has been set-off.
  - (ii) If a Participant elects to use the Cashless Exercise Facility, and its use is approved by the Board, the Participant will be issued or transferred that number of Shares (rounded up to the nearest whole number) equal to:
    - (1) the aggregate total Market Value (as determined on the date the Options the subject of the Cashless Exercise Facility are exercised) of Shares that would otherwise be issued on exercise of the Options had all such Options been exercised for a cash Option Exercise Price;

- (2) less the aggregate total Option Exercise Price otherwise payable in respect of the vested Options exercised; and
  - (3) divided by the Market Value of a Share as determined on the date the Options the subject of the Cashless Exercise Facility are exercised.
- (iii) If the Option Exercise Price otherwise payable in respect of the Options being exercised is the same or higher than the Market Value of Shares at the time of exercise, then a Participant will not be entitled to use the Cashless Exercise Facility.
- (e) **Cash Payment:** Subject to the Corporations Act, the ASX Listing Rules, the Plan and the terms of any Offer, where an Offer so provides, when all Vesting Conditions in respect of an Award have been satisfied or waived, the Board may, in its discretion, within 10 Business Days of receipt of a valid notice of exercise for vested Award, in lieu of issuing or transferring a Share to the Participant on exercise of the Award, pay the Participant or his or her personal representative (as the case may be) a cash payment for the Award exercised equal to the Market Value of a Share up to and including the date the Award was exercised, less, in respect of an Option, any Option Exercise Price. A vested Award automatically lapses upon payment of a Cash Payment in respect of the vested Award.
- (f) **Lapsing of Awards:** An Award will lapse upon the earlier of:
- (i) the Board, in its discretion, resolving an Award lapses as a result of an unauthorised disposal of, or hedging of, the Award;
  - (ii) a vesting condition not being satisfied or becoming incapable of satisfaction (and not being waived by the Board in its discretion);
  - (iii) in respect of an unvested Award, the holder ceases to be an Eligible Participant and the Board does not exercise its discretion to vest the Award or allow it to remain unvested;
  - (iv) in respect of a vested Award, a holder ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Award must be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant, and the Award is not exercised within that period and the Board resolves, at its discretion, that the Award lapses as a result;
  - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under the rules of the Incentive Plan;
  - (vi) in respect of an unvested Award, a winding up resolution or order is made, and the Award does not vest in accordance with rules of the Incentive Plan; and
  - (vii) the Expiry Date of the Award.

## 5 Restrictions

- (a) The Board may, in its discretion, determine at any time up until exercise of an Award, that a restriction period will apply to some or all of the Shares issued or transferred to a Participant on exercise of the Award (**Restricted Shares**), up to a maximum of fifteen (15) years from the Acquisition Date of the Award (**Restriction Period**).
- (b) The Board may, in its sole discretion, having regard to the circumstances at the time, waive a Restriction Period (other than where imposed by the ASX Listing Rules).
- (c) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.
- (d) Shares are deemed to be subject to a Restriction Period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.

- (e) The Participant agrees to execute a restriction agreement in relation to the Restricted Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan or any escrow imposed by the ASX Listing Rules.
- (f) No issue or allocation of Awards and/or Shares will be made to the extent that it would contravene the Constitution, Listing Rules, the Corporations Act or any other applicable law.

## PROXY FORM

**NORWEST ENERGY NL  
ACN 078 301 505  
ANNUAL GENERAL MEETING**

**For your vote to be effective it must be received by 2.00pm (WST) Wednesday, 27 November 2019**

Name of Shareholder:   
Address of Shareholder:

### Step 1: Appoint a proxy to Vote on Your Behalf

I/we being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:   
**OR:**  the Chairman of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chairman, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 2.00pm, on Friday, 29 November 2019 at the office of Norwest Energy NL, located at Level 2, 30 Richardson Street, West Perth WA 6005, and at any adjournment thereof.

#### Authority for Chairman to vote undirected proxies on remuneration related resolutions:

Where I/we have appointed the Chairman as my/our proxy (or where the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.

**The Chair intends to vote undirected proxies in favour of all Resolutions.** In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Step 2: Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Ernest Anthony Myers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Director – Mr Henry David Kennedy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Incentive Share Options to Mr Iain Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Grant of Incentive Share Options to Mr Ernest Myers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Grant of Incentive Share Options to Mr David Kennedy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**If two proxies are being appointed, the proportion of voting rights this proxy represents is:** \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_ **Contact ph (daytime):** \_\_\_\_\_

## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Norwest Energy NL, PO Box 1264, West Perth, WA 6872;
  - (b) facsimile to the Company on facsimile number +61 8 9227 3211; or
  - (c) email to the Company on [shareholder@norwestenergy.com.au](mailto:shareholder@norwestenergy.com.au)

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**