

**Announcement to ASX**

**21 July 2020**

**LOCKYER DEEP DRILLING UPDATE**

- Environmental plan submitted to regulator for the Lockyer Deep-1 high impact exploration well
- Long lead items ordered
- Targeting drilling during forthcoming Perth Basin drilling campaign, with prospective resources of up to 1.12 Tcf gas

Norwest Energy NL (ASX: NWE, **Norwest** or **Company**) is pleased to advise that Operator Energy Resources Ltd has progressed preparations for drilling of the Lockyer Deep-1 high impact exploration well, located in permit EP368 within the Perth Basin.

The environmental plan application was lodged for approval with the Department of Mines, Industry Regulation & Safety (DMIRS) on 10 July 2020, and orders for long lead items (principally casing string and wellhead) have recently been placed. The Joint Venture is targeting drilling of Lockyer Deep-1 in six to nine months' time, subject to securing a rig slot for which the Operator is in continued discussions with a number of parties.

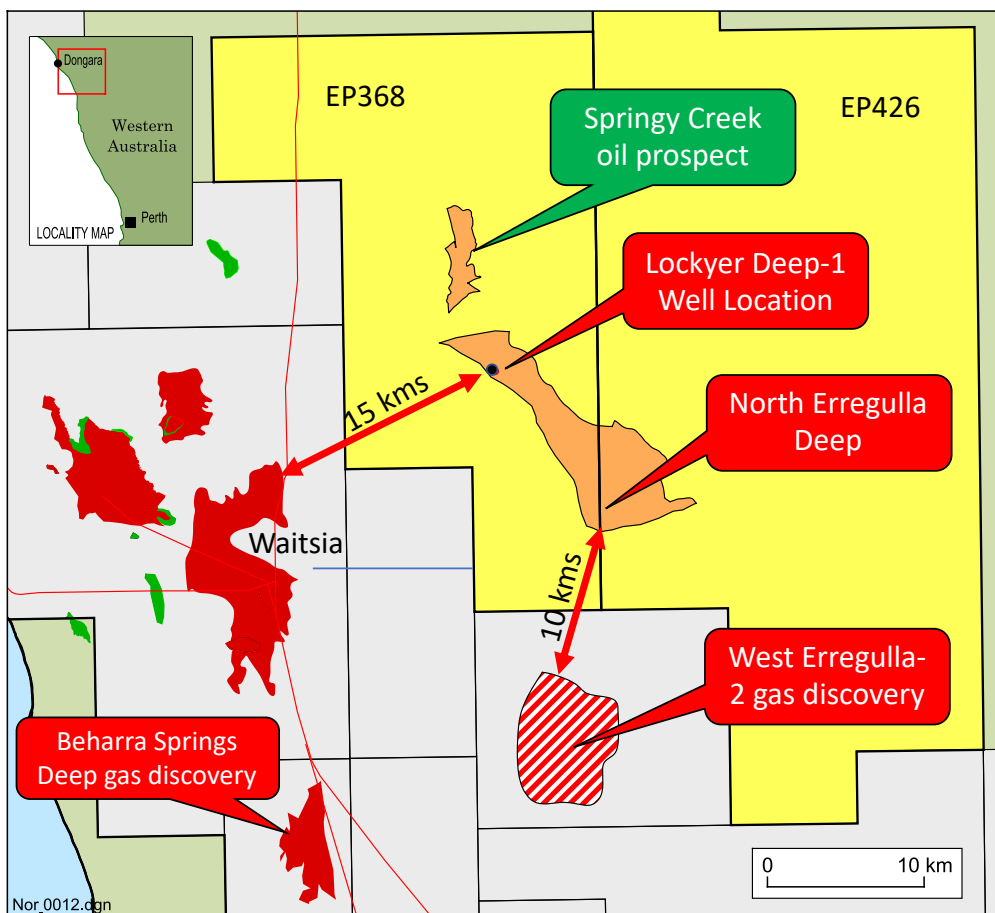


Figure 1: Lockyer Deep-1 Well Location

**About Lockyer Deep**

The Lockyer Deep-1 well location has been chosen to test a large, fault-closed NW/SE trending three-way dip structure at the Kingia and High Cliff levels, and represents the fourth exploration well within

the Permian gas play's "sweet spot" - Waitsia, West Erregulla-2 and Beharra Springs Deep all having resulted in very significant discoveries.

The Geological Chance of Success (GCoS) for the prospect is estimated by Norwest Energy to be 38%, and the Company's estimate of prospective resources for the Lockyer Deep/North Erregulla Deep combination structure is summarised below for the Kingia and High Cliff targets combined:

	Gross Bcf (100%)			NWE Share Bcf (20%)		
	Low	Mid	High	Low	Mid	High
Lockyer Deep	36	459	1122	7	92	224
North Erregulla Deep	131			22		

Table: Lockyer Deep/North Erregulla Deep Prospective Resources

Additional hydrocarbon potential exists within the Wagina Formation; a shallower, secondary target as encountered at West Erregulla-2 and as produces at the Beharra Springs gas field.

The Company will provide a further update in due course.

**EP368 Joint Venture** - Norwest Energy (20%), Energy Resources Limited (a division of Mineral Resources Ltd, Operator & 80%).

**Authorised for release to ASX by:** Iain Smith, Managing Director.

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**Notes:**

1. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a chance of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. Refer to Company announcement of 28 October 2019 for full details.
2. The estimates of Prospective Resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE). The PRMS defines prospective resources as those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
3. Gross Prospective Resources are 100% of the on-block volumes estimated to be recoverable from the prospect in the event that a discovery is made and subsequently developed. The Prospective Resources have been estimated deterministically.
5. The volumes reported are "unrisked" in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes.
6. The Prospective Resources and GCoS reported within this ASX announcement have been estimated by Mr. Dean Powell of Powell Seismic Services. Mr. Powell has over 40 years of experience as a Geoscientist within the Oil & Gas Industry and is a member of Society of Exploration Geophysicists, Society of Petroleum Engineers and the Petroleum Exploration Society of Australia. Mr. Powell has consented to the contents of this announcement being released to the ASX.