

For personal use only

NORWEST MINERALS LIMITED

ABN: 72 622 979 275

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2021

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2021 and any public announcements made by Norwest Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

NORWEST MINERALS LIMITED
31 DECEMBER 2021

Company Directory	3
Directors' Report	4
Auditor's Independence Declaration	18
Statement of Profit or Loss and Other Comprehensive Income	19
Statement of Financial Position	20
Statement of Changes in Equity	21
Statement of Cash Flows	22
Notes to the Financial Statements	23
Directors' declaration	28
Independent Auditor's Review Report	29

Norwest Minerals Ltd

Company Directory

DIRECTORS:	Mr Yew Fei Chee Mr Hok Kiang Sia Mr Kok Hou Leong Mr Ching Hong Loong Mr Charles Schaus Mr Michael Tilley
KEY MANAGEMENT:	Mr Charles Schaus
COMPANY SECRETARY:	Mr Oliver Carton
REGISTERED AND PRINCIPAL OFFICE:	Suite 1a 1 st Floor, 7 Ventnor Avenue, West Perth, WA 6005 Telephone: +61 8 6117 0457
ABN:	72 622 979 275
COMPANY WEBSITE ADDRESS:	https://www.norwestminerals.com.au/
AUDITORS:	BDO Audit (WA) Pty Ltd Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, WA 6000 Email info.perth@bdo.com.au Office phone number +61 8 6382 4600
SHARE REGISTRY:	Automic Group Pty Ltd Level 5 126 Phillip Street Sydney NSW 2000 Telephone: 1300 288 664 or +61 2 9698 5414
ASX CODE:	NWM

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

The Directors present their report on Norwest Minerals Ltd ('the Company' or 'Norwest') at the end of, or during, the half-year ended 31 December 2021.

Directors and key personnel

The names of the directors and key personnel who held office during or since the end of the half-year are:

Michael Tilley, Chairman

Charles Schaus, Chief Executive Officer

Ching Hong Loong, Non-Executive Director

Kok Hou Leong, Non-Executive Director

Yew Fei Chee, Non-Executive Director

Hok Kiang Sia, Non-Executive Director (Elected 10 September 2021)

Principal activities

During the period the principal continuing activities of the Company were engaging in the business of seeking to exploit and mine natural resources.

Operating results

The net loss for the period ended 31 December 2021 after providing for income tax rounded to the nearest dollar is \$897,926 (2020: \$1,300,642).

Review of operations

Overview

THE BULGERA GOLD PROJECT (100%)

Diamond Drilling

The 7-hole Phase 1 drilling programme required 953 metres of RC pre-collars and 1,406 metres of HQ diamond core tails. The first two diamond holes (BDD21001 & BDD21002) tested the new gold zone close to where RC holes BRC21001, BRC21013 and BRC21015 reported wide high-grade gold intercepts.

The other five Phase 1 holes tested for gold mineralisation at approximately 400m downdip of the Bulgera open pit, being well below any previous drilling undertaken across the Bulgera Project. All five holes intersected the shear zone at predicted depths and all displayed widths and geological features consistent with the geological logging of the RC holes intersecting the high-grade gold zone up-dip. The target shear zone is identified as a sheared silica-sericite-biotite altered amphibolite (+/- sulphides) with patchy destructive silica flooding and intervals of late quartz veining.

Phase 2 diamond drilling is designed to test the continuation of the target shear zone a further 300m down-dip from the Phase 1 holes being over 700m down-dip from the Bulgera open pit. The decision to drill the Phase 2 holes will ultimately depend on the geological information and gold assays returned from the Phase 1 drilling. The gold assay results for the remaining 4 diamond holes BDD21004 to BDD21007 are not available as at the date of this Report.

Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021

The high amount of exploration activity currently being undertaken in Western Australia has put considerable strain on the availability of equipment, personnel and services which includes a growing backlog of geological samples in WA laboratories with gold assay results generally taking months rather than weeks to report.

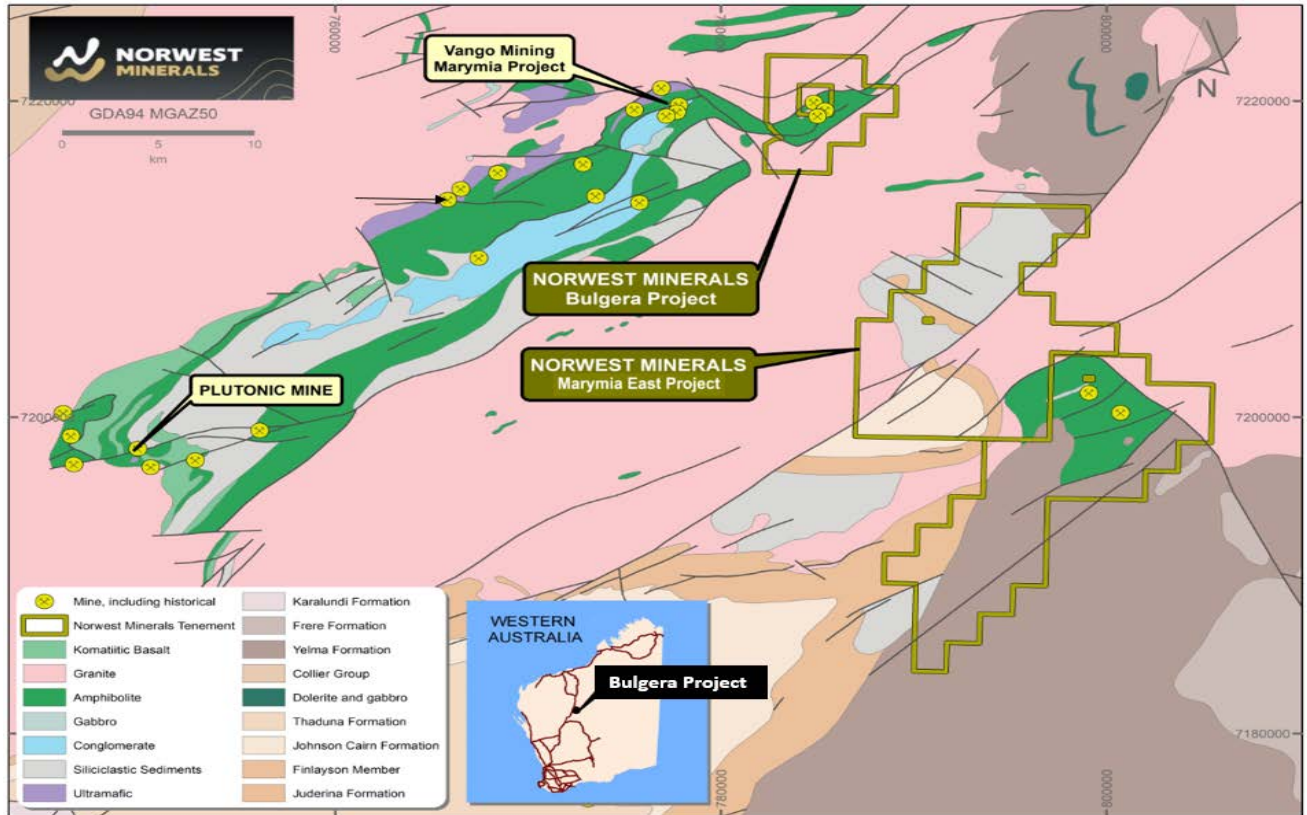


Figure 1 – Map showing the location of the Bulgera Gold Project at the northeast end of the Plutonic Well greenstone belt. Note the Company's Marymia East Precious & Base Metals Project is located withing 10kms of the Bulgera tenements.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

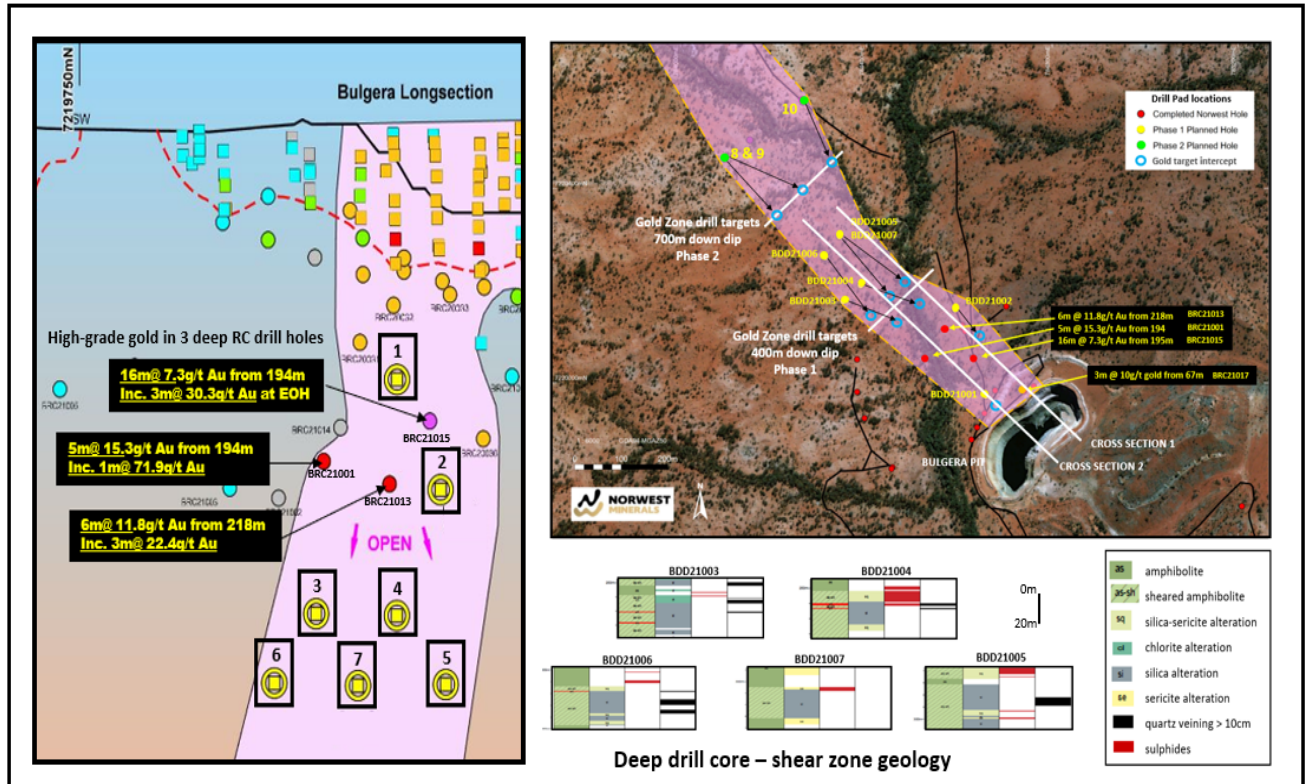


Figure 2 – Long section showing location of RC and diamond drill intercepts, drill hole plan map with cross-section locations (figure 3 & 4) and the shear zone geology of the 5 diamond intercepts drilled to ~400m.

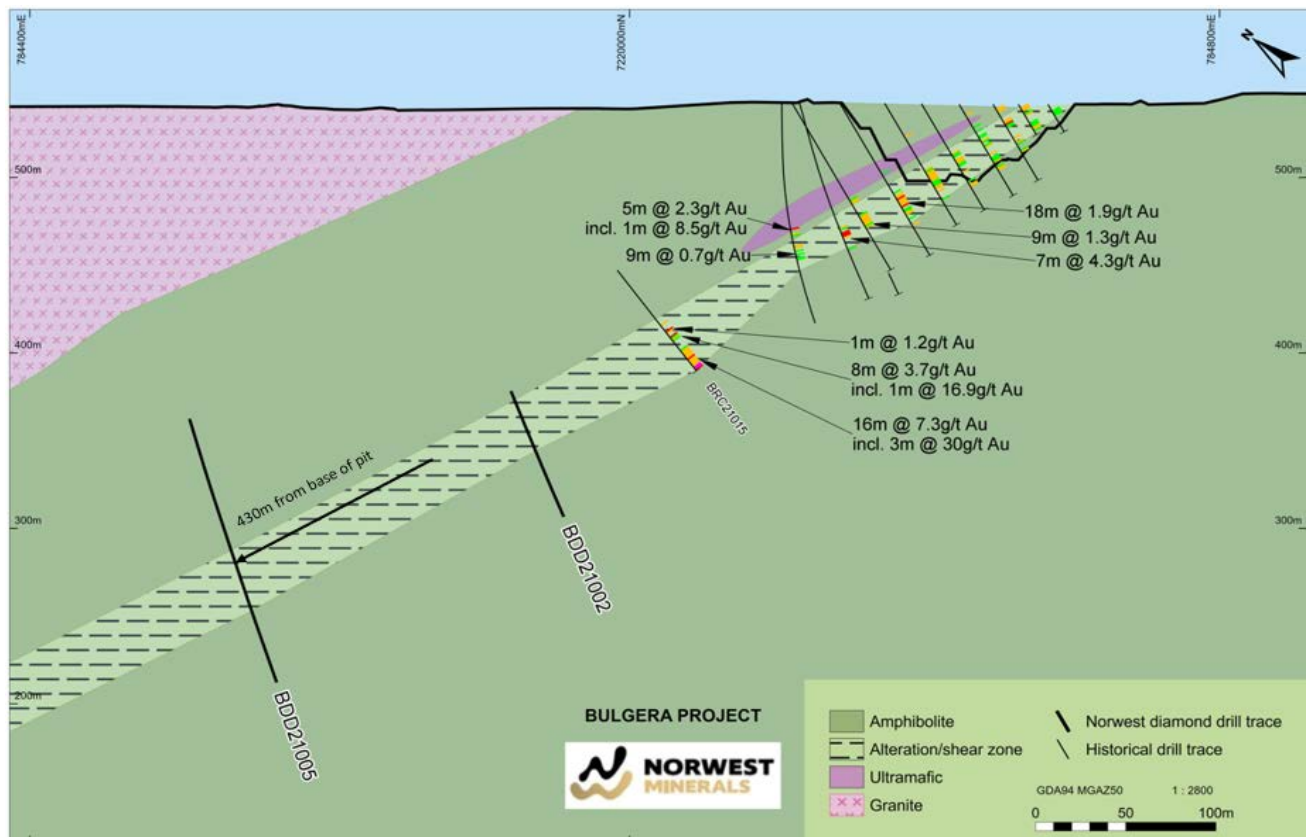


Figure 3 – Simplified cross-section 1 showing locations of shear zone intersections for new diamond drill holes BDD21002 & BDD21005 and RC hole BRC21015.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

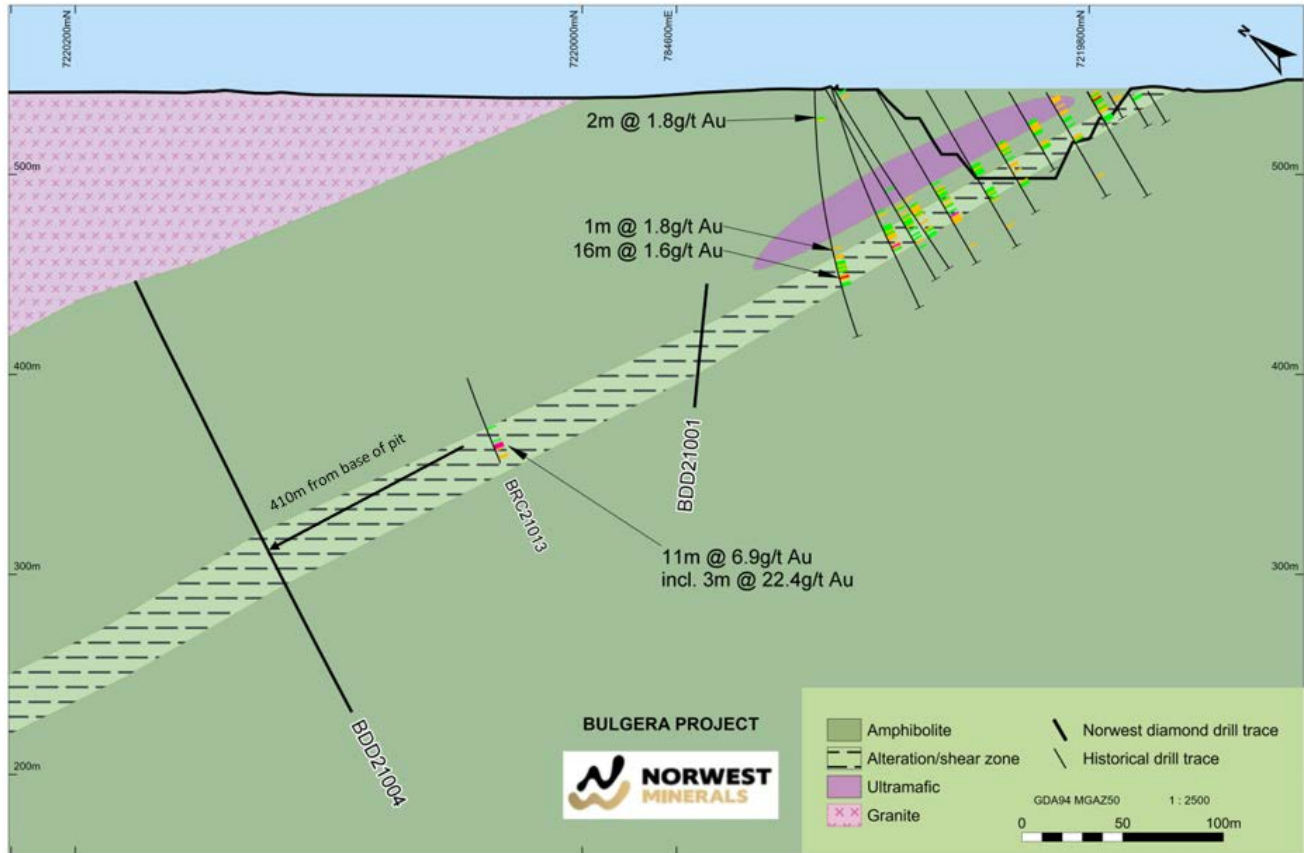


Figure 4 – Simplified cross-section 2 showing locations of shear zone intersections for diamond drill holes BDD21001 & BDD21004 and RC hole BRC21013.

Table of Phase 1 Diamond Drill Holes

Prospect	Hole ID	Northing (GDA94Z50)	Easting (GDA94Z50)	RL (m)	Hole Type	Depth (m)	Az (deg)	Dip (deg)
Bulgera	BDD21001	784657	7219969	625	DD	201.9	250	-66.5
Bulgera	BDD21002	784592	7220153	626	DD	300.8	195	-60.0
Bulgera	BDD21003	784355	7220172	626	DD	345.8	130	-63.2
Bulgera	BDD21004	784389	7220201	626	DD	353.6	134	-63.8
Bulgera	BDD21005	784390	7220204	626	DD	351.7	105	-75.2
Bulgera	BDD21006	784310	7220260	626	DD	402.6	147	-62.6
Bulgera	BDD21007	784340	7220292	626	DD	402.6	149	-63.3

THE ARUNTA WEST BASE & PRECIOUS METALS PROJECT (82%, 85% and 100%)

2021 Soil Geochemistry Assay Results

In July 2021 the Company completed a 6,550-point soil sampling programme at its Arunta West project ("Arunta West") to test gold and base metal targets identified by a recent geochemical study undertaken by Dr. Nigel Brand of Geochemical Services Pty Ltd.

In January 2022 Norwest finally received all 6,550 multi-element soil sample results covering the 840km² Project. A preliminary review has confirmed the presence of large geochemical anomalies including gold and base metals.

A detailed study of the new soil data by Dr Brand is underway to further assess, rank and plan drill testing for all zones having potential economic mineralisation. The follow-up fieldwork, including drilling, is proposed to commence in April-May 2022.

Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021

Of note are several elevated lithium zones identified within previously modelled Lithium-Caesium-Tantalum (LCT) pegmatites, with further work being undertaken to assess the lithium outcomes from the assay results.

The ultra-low detection fine fraction soil geochemistry applied by Norwest was developed by major resource company IGO Limited (IGO) in concert with Genalysis/Intertek laboratories who have operated in the region for the past +5 years. Preliminary first-pass contouring of the new Arunta West multi-element assay results has highlighted significant targets which include at least three anomalous coincident copper-lead-zinc zones and a large 12km x 1.5km gold anomaly. Figures 5 & 7.

Examination of open file 3.5 x 3.5 km spaced Geological Survey of Western Australia (GSWA) geochemical samples by Dr Brand in 2020 showed copper-in-soil assays grading above 6 parts per million (ppm) are anomalous for the region. Figure 6. The GSWA copper assays highlight a zone of multi-point, coherent, robust samples located within Norwest's E80/5362 tenement. The 2021 soil sampling programme has confirmed significant copper-lead-zinc anomalism within this tenement as well as areas where several other anomalous GSWA copper samples were highlighted.

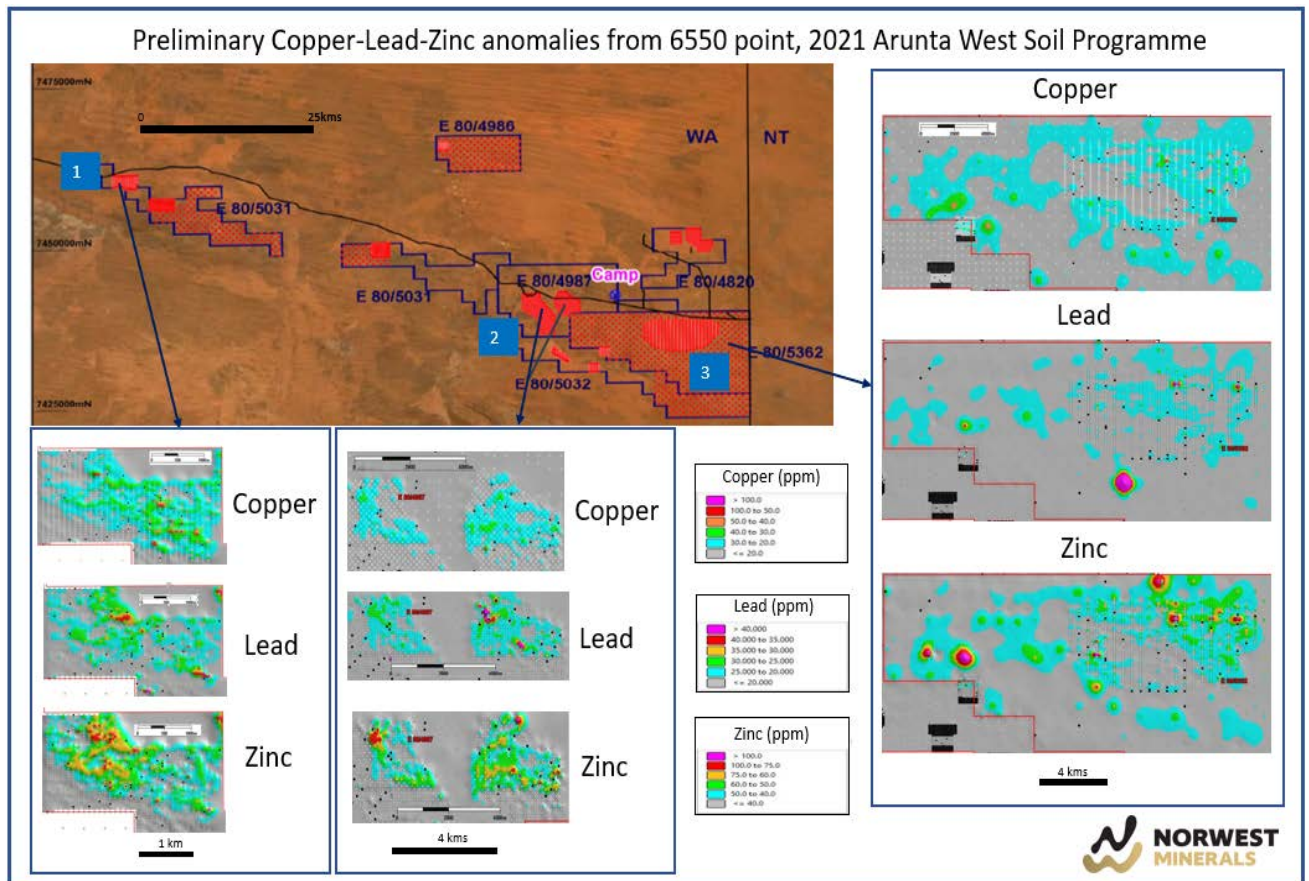


Figure 5 – Map showing where first pass contouring of the base metal elements highlight coincident copper-lead-zinc anomalism. On regional map - solid orange areas 50m x 100m grid, orange dots 700m x 700m grid.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

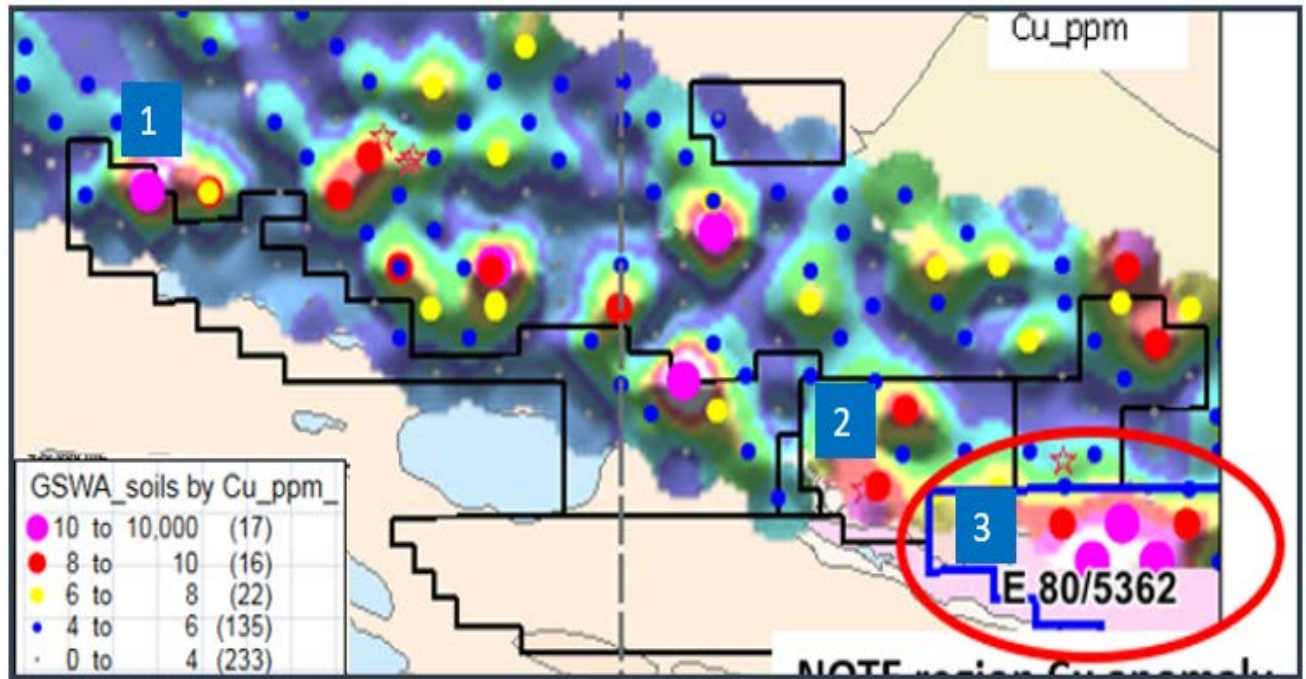


Figure 6 – Geochemical colour map showing regional GSWA copper anomalism coincides with elevated copper-lead-zinc zones highlighted by Norwest's the 2021 soil geochemistry. Note Arunta West tenement boundaries in GSWA map have changed post 2018.

The 2021 soil programme has also identified a significant gold anomaly striking east-west for approximately 12 kms and being roughly 1.5 kms in width. The zone is delineated by gold results having ppb values greater than 2 which has been confirmed as anomalous for the region. Norwest will undertake further soil geochemistry sampling to infill the currently wide spaced (700 x 700m) gold-in-soil points prior to drilling gold targets in the area.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

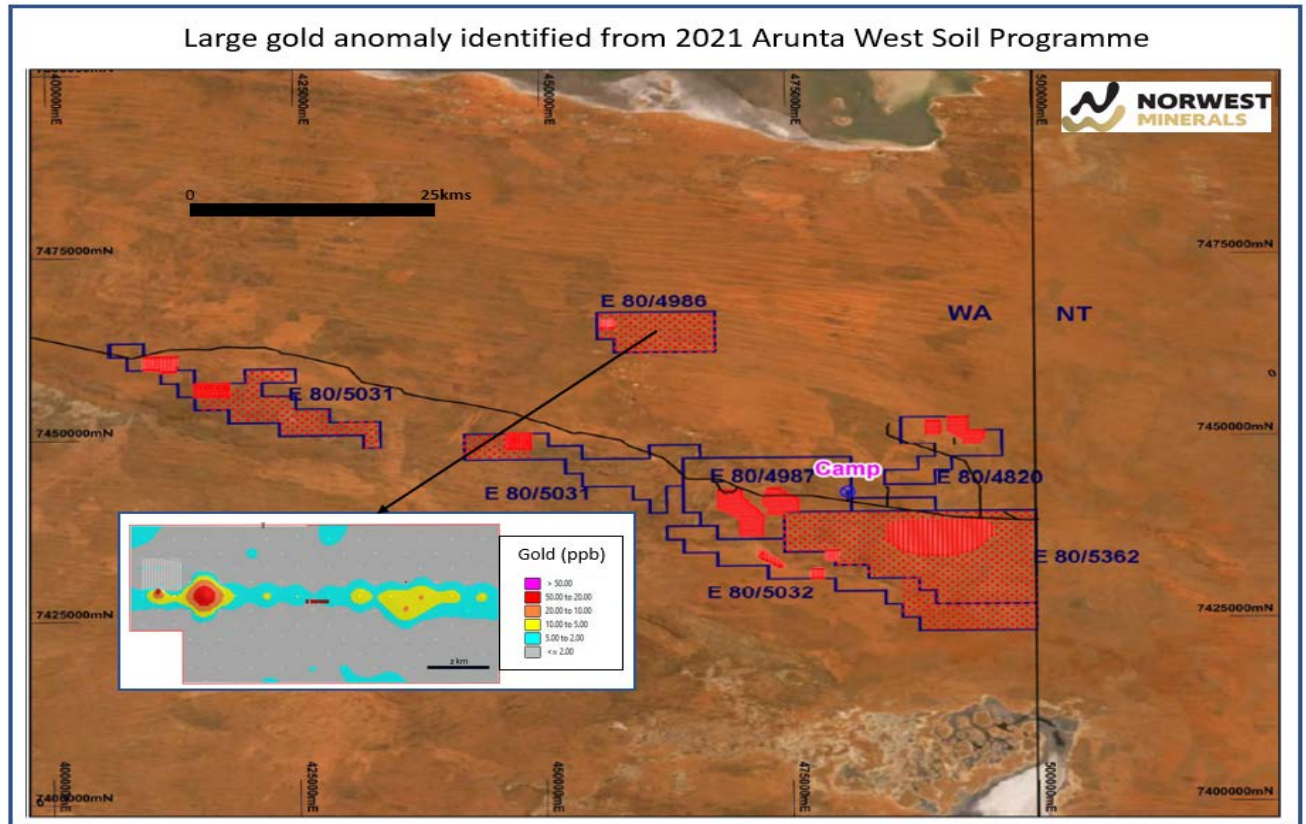


Figure 7 – Map showing a large gold anomaly at Arunta West. Solid orange areas 50m x 100m sampling grid and orange dots 700m x 700m sampling grid.

Major resource companies Rio Exploration and IGO recognize Arunta region's potential

Interest in the mineral resource potential of the Arunta belt-scale region appears to be increasing with Agrimin Limited last year announcing a farm-in agreement with Rio Exploration (Rio)¹. Rio now holds exploration ground along the Arunta belt extending over 140kms west from the WA-NT border. The new Rio ground shares a significant boundary with the Company's Arunta West tenements. Figure 8.

Adjoining the easternmost Arunta West project tenements is IGO ground covering 15,600km². This under-explored belt scale region extends over from the WA border to over 300kms into the Northern Territory. IGO's systematic ultra-low detection fine-fraction soil sampling programs have defined targets leading to the discovery of multiple base and precious metals prospects within their project tenure. Figure 9.

¹ ASX: AMN – Announcement 12 March 2021, 'Tali and Rio Tinto Farm-in Agreement for Metals Exploration'

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

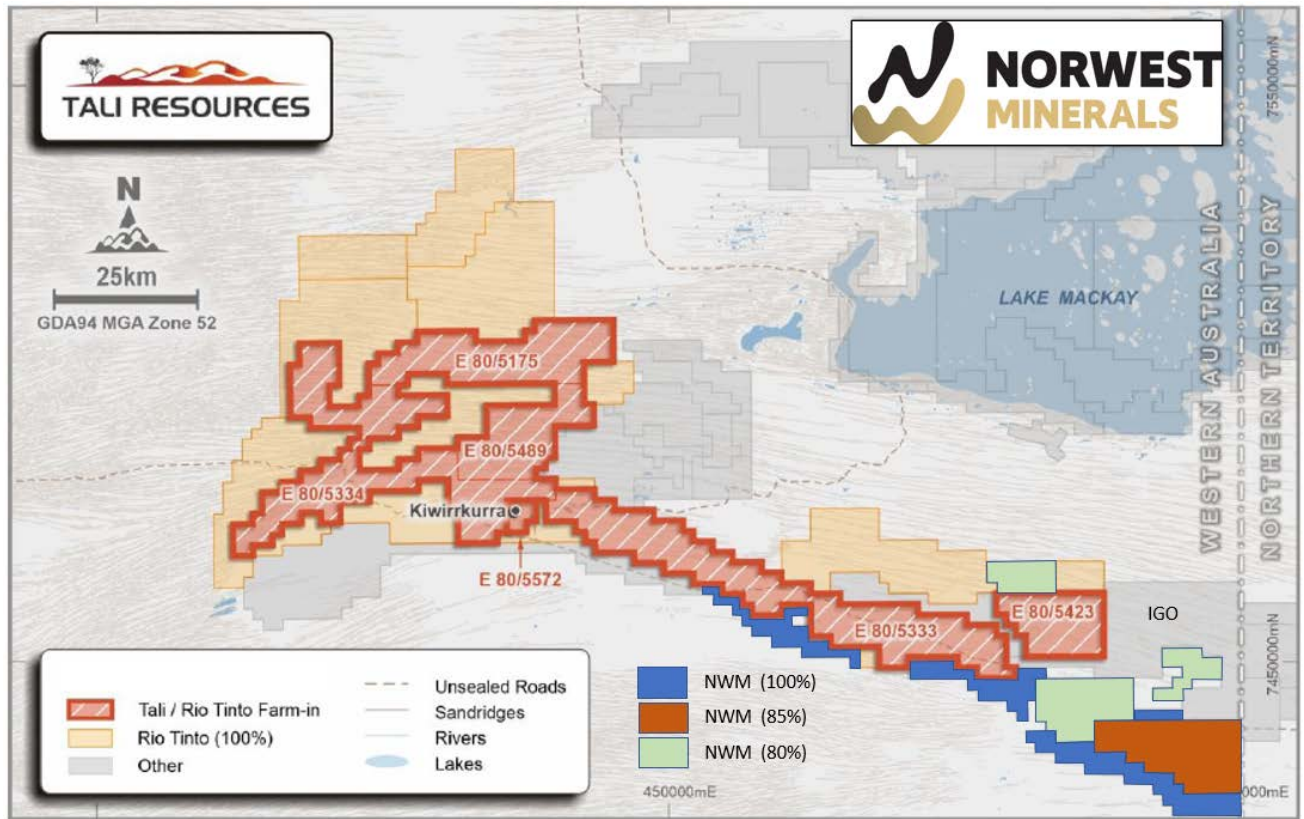


Figure 8 – Tenement map showing where NWM tenements adjoin Rio Tinto's large ground holding. (Map taken from Agrimin 12 March 2021 announcement, modified by Norwest.)

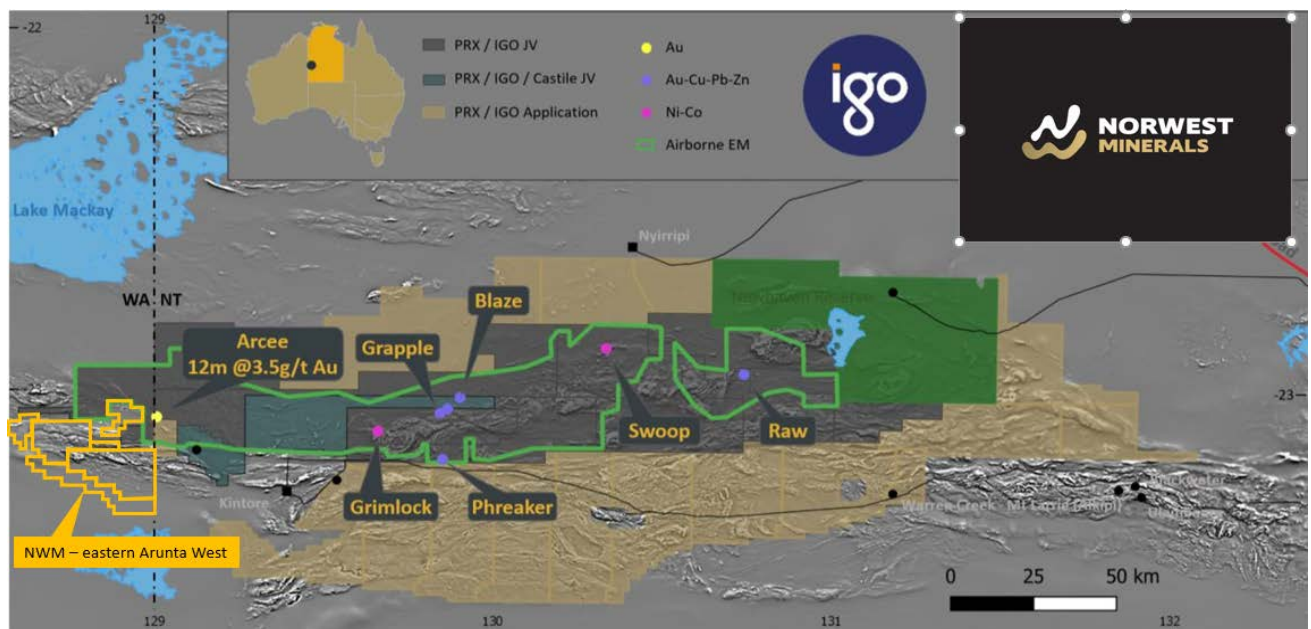


Figure 9 – Tenement map showing where NWM tenements adjoin the large IGO ground holding. (IGO JV partners Prodigy Gold map modified by Norwest.)

Land Access

Importantly, all Arunta West project tenements are covered by fully executed Land Access Agreements with the Tjamu Tjamu people and supported by a Mining Entry Permit issued to Norwest last year by the Minister for Aboriginal Affairs.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

THE BALI COPPER PROJECT (100%)

Drill planning

Norwest has commenced drill planning at its highly prospective, 100% owned, Bali Copper Project located 75 kilometres west of Paraburdoo in Western Australia. The Bali Project covers 41km² with five prospects identified along the 8km long northwest trending *Bali shear zone* being a major faulted zone proven to host copper, lead, zinc and silver mineralisation².

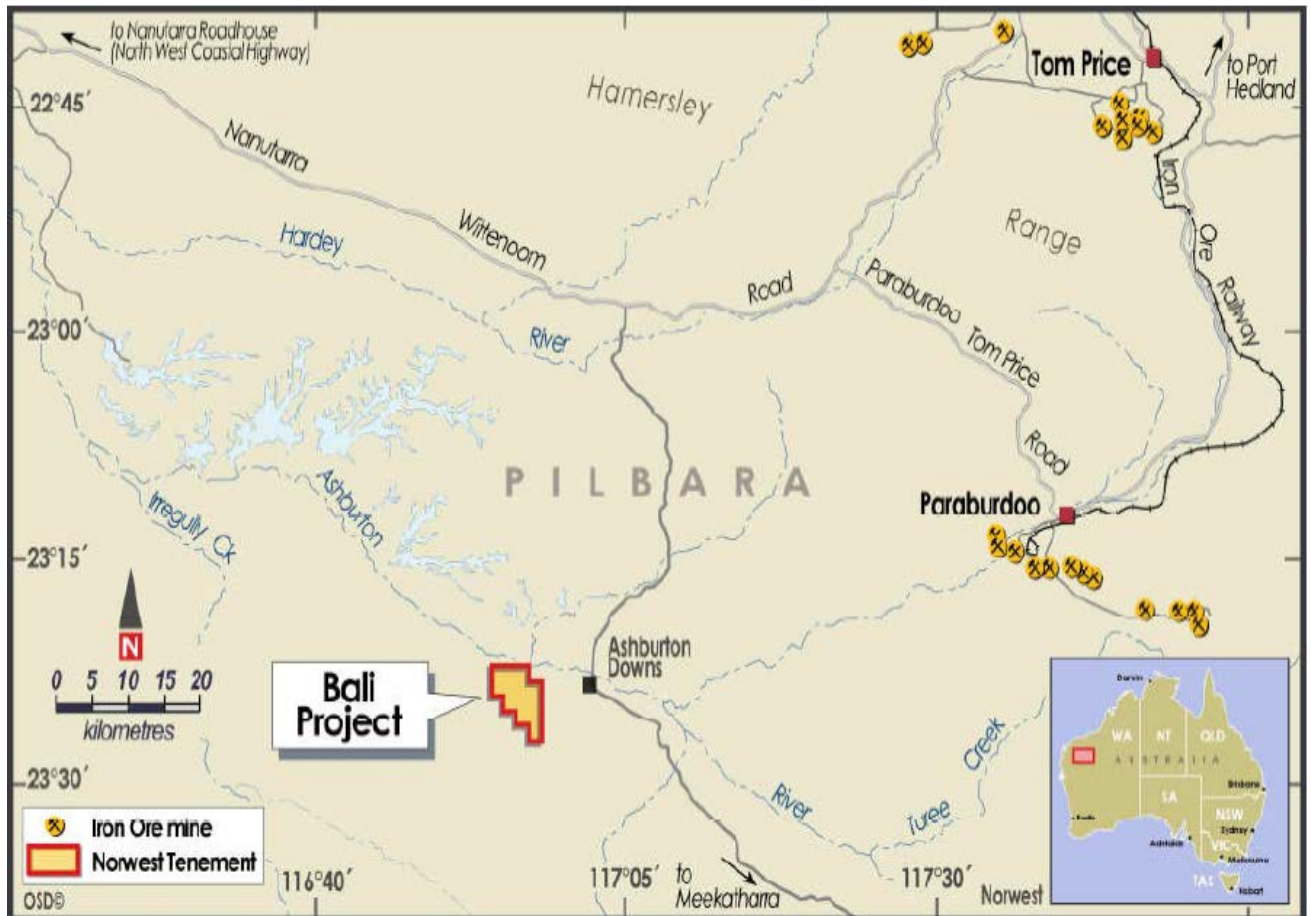


Figure 10 – Bali Copper Project location map.

At Bali, small-scale copper mining occurred in the 1950s and 1960s. The prospects have been lightly drill tested with most holes only reaching 30m or less but returning intersections up to 20M @ 2.9% copper. Drilling along the Bali shear was last undertaken 32 years ago in 1989. The potential for the shear zone to host copper and or other base metals at depth has never been tested.

During the December 2021 period, a field inspection was undertaken with a geologist and contractor from EMJC Earthworks using a helicopter to located planned drill pads and to mark out their respective access tracks. An application for Heritage survey clearance has been submitted to the Yamatji Marlpa Aboriginal Corporation however the status of the application is yet to be confirmed.

Interestingly, the helicopter set down to the south of Bali East to inspect a new area of potential copper mineralisation, whereupon the geologist found significant amounts of copper bearing rock chip samples. Figures 11 and 12.

² Norwest Minerals Limited Prospectus, Independent Geologist's Report, Section 3.3.1

Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021

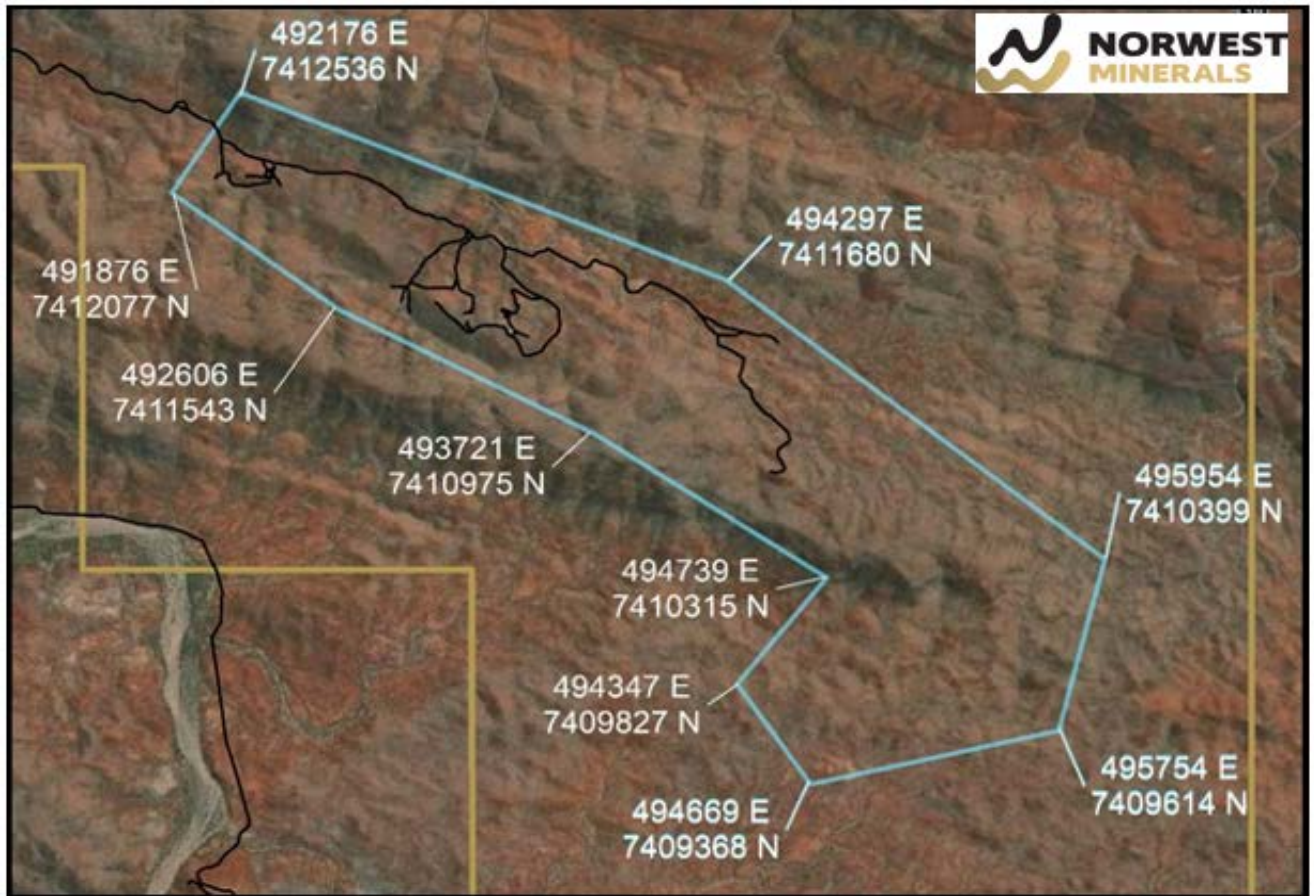


Figure 11 – Location of key Bali prospect map showing clearance application area (blue line), current tracks (black lines) and new Bali South rock chip area (Bali South?).



Figure 12 – Bali South rock chips collected during 14 December 2021 reconnaissance.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

MARYMIA EAST (~84%)

Exploration planning to follow-up on positive base & precious metal aircore drilling results from work completed in the September 2021 quarter has commenced³. The Company is targeting Near-surface lead, zinc and nickel intersected along 1km of strike at the Jenkins prospect that includes:

- 28m @ 0.9% Pb (inc. 8m @ 2.5% Pb) from 28m in MMAC21049
- 6m @ 0.7% Zn (inc. 2m @ 1.5% Zn) from 28m in MMAC21051
- 40m @ 0.18% Ni from 4m in MMAC21043

As well, exploration is being planned to follow-up at Area 2, where hole MMAC21035 intersected 4m @ 2.5g/t gold from 32m within a 400m gold zone; mineralisation is open down-dip

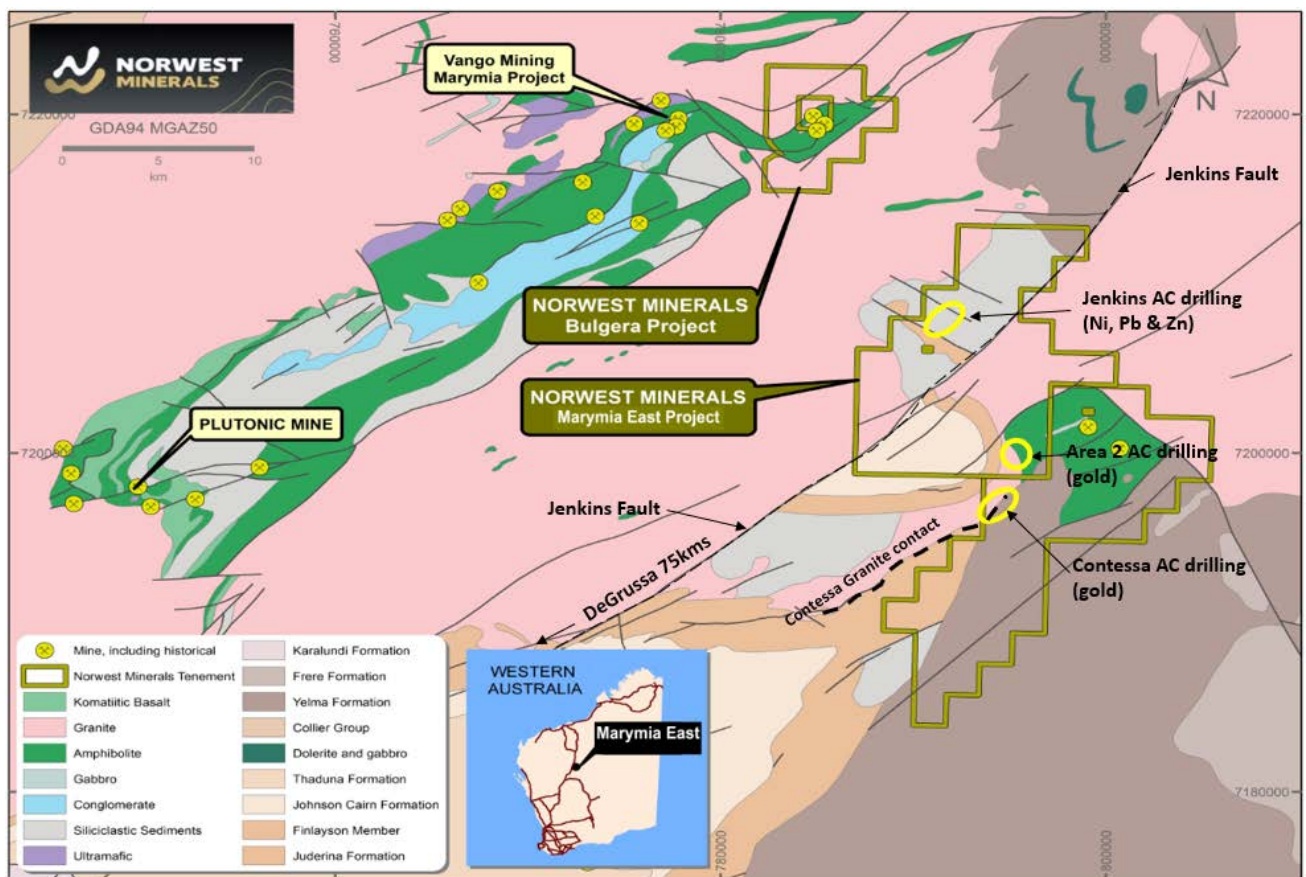


Figure 13 – Marymia East location map with regional geology and follow-up exploration targets.

MARRIOTT NICKEL PROJECT (100%)

The Company is continuing reassessing the economics of the Marriott project due to the rising price of nickel.

³ ASX: NWM – Announcement 3 August 2021, 'Marymia East aircore drilling results'

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

FORWARD LOOKING STATEMENTS

This report includes forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "will", "progress", "anticipate", "intend", "expect", "may", "seek", "towards", "enable" and similar words or expressions containing same.

The forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to the Company, or any of its affiliates or persons acting on its behalf. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Neither the Company nor any other person, gives any representation, warranty, assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. To the maximum extent permitted by law, the Company and each of its advisors, affiliates, related bodies corporate, directors, officers, partners, employees and agents disclaim any responsibility for the accuracy or completeness of any forward-looking statements whether as a result of new information, future events or results or otherwise.

COMPETENT PERSON'S STATEMENTS

Mineral Resource Estimate

The information in this report that relates to mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC) and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr. Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI 43-101. Mr. Hyland consents to the inclusion in this report of the information in the form and context in which it appears.

Exploration

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Charles Schaus (CEO of Norwest Minerals Pty Ltd). Mr. Schaus is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to its activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Schaus consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

COVID-19

In early January 2020, the World Health Organisation (WHO) was notified of the COVID-19 virus and a pandemic was declared by mid-March 2020 after it was confirmed human-to-human transmission can occur. The Company has diligently monitored the status of COVID-19 and the State/Territory and Australian Government's advice around social distancing and travel restrictions. Staff and contractors were kept informed of any updates to procedures to align with current recommendations. Following a risk assessment, Norwest's Perth-based staff worked from home. The Company has endeavoured to mitigate impact on productivity during this time, with all corporate engagements during the quarter continuing via voice and video conferencing technology. The Company continues to progress project development but manages its workstreams to allow it to adapt to any change in market conditions.

Future developments

The Company expects to maintain the present status and level of operations.

Significant changes in the state of affairs

On 12 August 2021 the Company successfully completed the partially underwritten non-renounceable entitlement offer announced on 14 July 2021 and closed on 9 August 2021, raising the full \$5.02 million.

On 10 September 2021 the Company announced the appointment of Mr. Hok Kiang Sia to the Board of Norwest Minerals Limited. Mr. Sia is a professional geologist registered with the Board of Geologists in Malaysia. He has 40 years of hands-on mining and exploration experience in various metal mining projects in Malaysia, Peru, Brazil, Ecuador, Venezuela, Guyana, USA, Canada, Central Africa, Mongolia, Australia, Indonesia, and Cambodia.

Dividends paid or recommended

No dividends were paid during the period ended 31 December 2021 and no recommendation is made as to payments of future dividends.

Matters subsequent to the end of the financial period

No matters or circumstances have arisen since 31 December 2021 that have significantly affected, or may significantly affect:

- (a) The Company's operations in future financial years, or
- (b) The results of those operations in future financial years, or
- (c) The Company's state of affairs in future financial years

Environmental regulation

The Company conducts mining and exploration activities on mineral tenements. The right to conduct these activities is granted, subject to environmental conditions and requirements and as such is governed by a range of environment legislation. As the Company is in the early exploration phase of its exploration projects, the Company is not yet subject to the public reporting requirements of the environmental legislation. The Company aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. To the best of the Directors knowledge, the Company has adequate systems in place to ensure compliance with the requirements of the applicable legislation and is not aware of any material breach of those requirements during the financial year and up to the date of the Directors Report.

**Norwest Minerals Ltd
Directors' Report
Half Year Ended 31 December 2021**

Proceedings on behalf of the company

No person has applied to the Court under Section 237 of the *Corporations Act 2001* ('the Act') for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Act.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 18.

This report is made in accordance with a resolution of directors.



Charles Schaus,
Director/CEO
Perth
16 March 2022

DECLARATION OF INDEPENDENCE OF JARRAD PRUE TO THE DIRECTORS OF NORWEST MINERALS LIMITED

As lead auditor for the review of Norwest Minerals Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'J Prue', is written over a light grey circular watermark that says 'For personal use only'.

Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 16 March 2022

Norwest Minerals Ltd

Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 31 December 2021

	Notes	31 December 2021 \$	31 December 2020 \$
Revenue			
Other income		1,000	76,992
Expenses			
Administration	2	(888,814)	(315,226)
Exploration cost written off		(10,112)	(1,062,408)
Total expenses		<u>(898,926)</u>	<u>(1,377,634)</u>
Loss before income tax		<u>(897,926)</u>	<u>(1,300,642)</u>
Income tax benefit		-	-
Loss after tax		<u>(897,926)</u>	<u>(1,300,642)</u>
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the period		<u>(897,926)</u>	<u>(1,300,642)</u>
Earnings/ (loss) per share			
• Basic and diluted loss per share (dollars)	3	(0.0055)	(0.0137)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd

Statement of Financial Position As at 31 December 2021

	Notes	31 December 2021 \$	30 June 2021 \$
ASSETS			
Current assets			
Cash and cash equivalent		3,164,928	1,091,005
Other receivables		257,514	156,385
Total current assets		3,422,442	1,247,390
Non-current assets			
Exploration and evaluation assets	4	14,016,106	11,999,468
Plant and equipment		1,936	7,709
Total non-current assets		14,018,042	12,007,177
Total assets		17,440,484	13,254,567
LIABILITIES			
Current liabilities			
Trade and other payables	5	782,667	794,420
Total current liabilities		782,667	794,420
Total liabilities		782,667	794,420
Net assets		16,657,817	12,460,147
EQUITY			
Contributed equity	6	21,425,691	16,733,158
Share based payment reserve	7	1,301,985	898,922
Accumulated Losses		(6,069,859)	(5,171,933)
Total equity		16,657,817	12,460,147

The above statement of financial position should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd

Statement of Changes in Equity For the half-year ended 31 December 2021

	Contributed equity \$	Share based payment reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2020	14,676,810	607,168	(3,478,037)	11,805,941
Loss for the period	-	-	(1,300,642)	(1,300,642)
Transactions with owners in their capacity as owners				
Issue of share capital (Note 6)	2,500,000	-	-	2,500,000
Transaction costs from issue of shares	(441,754)	-	-	(441,754)
Share-based payments (Note 7)	-	291,754	-	291,754
Balance at 31 December 2020	16,735,056	898,922	(4,778,679)	12,855,299

	Contributed equity \$	Share based payment reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2021	16,733,158	898,922	(5,171,933)	12,460,147
Loss for the period	-	-	(897,926)	(897,926)
Transactions with owners in their capacity as owners				
Issue of share capital (Note 6)	5,023,697	-	-	5,023,697
Transaction costs from issue of shares	(331,164)	-	-	(331,164)
Share-based payments (Note 7)	-	403,063	-	403,063
Balance at 31 December 2021	21,425,691	1,301,985	(6,069,859)	16,657,817

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd

Statement of Cash Flows For the half-year ended 31 December 2021

	Notes	31 December 2021 \$	31 December 2020 \$
Cash flows from operating activities			
Payments to suppliers		(342,272)	(303,425)
Payments to employees		(215,600)	(124,544)
Interest income		997	4,516
Other income		10,000	-
Government COVID assistance		-	83,064
Net cash outflow from operating activities		<u>(546,875)</u>	<u>(340,389)</u>
Cash flows from investing activities			
Exploration & evaluation		(2,062,472)	(1,133,300)
Proceeds from disposal of tenements		-	220,000
Net cash outflow from investing activities		<u>(2,062,472)</u>	<u>(913,300)</u>
Cash flows from financing activities			
Proceeds from issues of ordinary shares		5,023,697	2,500,000
Transaction costs related to issues of shares, convertible notes or options		(340,427)	(165,000)
Net cash inflow from financing activities		<u>4,683,270</u>	<u>2,335,000</u>
Net increase in cash and cash equivalents		2,073,923	1,081,311
Cash and cash equivalents at the beginning of the financial period		1,091,005	1,515,869
Cash and cash equivalents at the end of period		<u>3,164,928</u>	<u>2,597,180</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Norwest Minerals Ltd
Notes to the Interim Financial Statements
For the Period Ending 31 December 2021

Note 1: Summary of significant accounting policies

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Basis of preparation

Norwest Minerals Ltd ('the Company') is a for-profit entity for the purpose of preparing the financial report. This financial report has been prepared in accordance with the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets.

The functional currency of the Company is measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Australian dollars, which is the entity's functional currency.

(b) Critical accounting estimates and judgements

The preparation of half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial report for the year ended 30 June 2021.

(c) Going concern

For the period ended 31 December 2021, the Company recorded a loss of \$897,926, net cash outflows from operating and investing activities of \$2,609,347 and net working capital of \$2,639,775. Notwithstanding this, the financial report has been prepared on a going concern basis which the Directors consider to be appropriate based upon the available cash assets of \$3,164,928 as at 31 December 2021.

The ability of the Company to continue as a going concern is dependent on securing additional funding through capital raisings to fund its ongoing exploration commitments and working capital.

These conditions indicate a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Norwest Minerals Ltd
Notes to the Interim Financial Statements
For the Period Ending 31 December 2021

The Directors believe there are sufficient funds to meet the Company's working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- the Directors are confident in the Company's ability to raise the capital mentioned above due to historical experience in securing funding for ongoing operational requirements, ongoing communications with funding providers and major shareholders; and
- the Directors are also confident they are able to manage discretionary spending to ensure that cash is available to meet debts as and when they fall due.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

(d) New accounting standards and Interpretation

Standards and Interpretations applicable to 31 December 2021

In the half-year ended 31 December 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2021.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Company accounting policies.

Standards and Interpretations in issue not yet adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2: Expenses

	31 December 2021 \$	31 December 2020 \$
Administration		
General and Administration	74,337	53,370
Employee benefits expense	232,962	107,482
Other Fees and Services	178,452	154,344
Share-based expense (Note 7)	403,063	-
Travel and Accommodation	-	30
	<u>888,814</u>	<u>315,226</u>

Norwest Minerals Ltd
Notes to the Interim Financial Statements
For the Period Ending 31 December 2021

Note 3: Loss per share

	31 December 2021 \$	31 December 2020 \$
Basic loss per share:		
Loss after income tax attributable to the ordinary shareholders of the Company	(897,926)	(1,300,642)
Basic loss per fully paid ordinary share (dollars)	(0.0055)	(0.0137)
Weighted average number of ordinary shares	162,665,503	94,709,906

The calculation of basic loss per share at 31 December 2021 was based on the operating loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the period.

Note 4: Non-current assets – Exploration and evaluation assets

	31 December 2021 \$	30 June 2021 \$
Opening balance	11,999,468	10,451,270
Expenditure incurred for period	2,026,750	2,600,713
Impairment of tenement costs	(10,112)	(1,052,515)
Exploration costs carried forward	<u>14,016,106</u>	<u>11,999,468</u>

Note 5: Trade and Other Payables

	31 December 2021 \$	30 June 2021 \$
Current		
Trade payables	728,599	745,185
Other payables	54,068	49,235
	<u>782,667</u>	<u>794,420</u>

Trade creditor amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Norwest Minerals Ltd
Notes to the Interim Financial Statements
For the Period Ending 31 December 2021

Note 6: Contributed equity

	31 December 2021		30 June 2021	
	\$	No. of shares	\$	No. of shares
Fully paid ordinary shares	21,425,691	180,607,299	16,733,158	108,840,179
Reconciliation of contributed equity				
Balance at beginning of period	16,733,158	108,840,179	14,676,810	83,840,179
Shares issued during the period:				
Share issue	5,023,697	71,767,096	2,500,000	25,000,000
Conversion of options to shares	-	24	-	-
Costs of capital raising	(331,164)	-	(443,652)	-
Balance at end of period	21,425,691	180,607,299	16,733,158	108,840,179

Note 7: Share-Based Payments

The Company recognises the share-based payments expense (in income statement) of \$403,063 during the period.

	Number
Outstanding as at 30 June 2021	9,769,000
Granted during the period	17,500,000
Outstanding as at 31 December 2021	27,269,000
Vested and exercisable as at 31 December 2021	20,269,000

The fair value of the options was calculated using the Black-Scholes pricing model per the table below as the value of the service could not be determined.

Grant Date	Vesting Date	Expiry Date	Exercise Price (\$)	Value per option (\$)	Share Options (Unit)	Total value (\$)	Condition	Share price on grant date (\$)	Volatility	Risk free rate	Vested and exercisable as at 31 December 2021
7 September 2018	29 November 2018	6 September 2023	0.20	0.131	2,384,500	312,369	Service period	0.20	95%	2.17%	2,384,500
7 September 2018	29 November 2019	6 September 2023	0.25	0.123	2,384,500	293,293	Service period	0.20	95%	2.17%	2,384,500
13 November 2020	13 November 2020	20 November 2022	0.15	0.058	5,000,000	290,000	None	0.115	110%	0.10%	5,000,000
10 December 2021	10 December 2021	9 December 2024	0.105	0.0347	1,500,000	52,050	None	0.077	95%	0.20%	1,500,000
10 December 2021	9 December 2022	9 December 2024	0.14	0.02943	1,000,000	29,430	Service period	0.077	95%	0.20%	-
1 November 2021	31 October 2022	31 October 2024	0.14	0.03005	6,000,000	180,300	Service period	0.078	95%	0.20%	-
1 November 2021	1 November 2021	31 October 2024	0.105	0.03539	9,000,000	318,510	None	0.078	95%	0.20%	9,000,000

Norwest Minerals Ltd
Notes to the Interim Financial Statements
For the Period Ending 31 December 2021

Note 8: Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There were no significant change in the nature of related party transactions since 30 June 2021 except for the followings:

Options issued to Directors during the period:

Directors	Units issued	Share-based payments expense	Terms	Exercise Price	Vesting conditions
Michael Tilley	1,000,000	30,050	3 Years Call Options	0.14	12 months from issue date
Charles Schaus	2,000,000	60,100	3 Years Call Options	0.14	12 months from issue date
Yew Fei Chee	1,000,000	30,050	3 Years Call Options	0.14	12 months from issue date
Ching Hong Loong	1,000,000	30,050	3 Years Call Options	0.14	12 months from issue date
Kok Hou Leong	1,000,000	30,050	3 Years Call Options	0.14	12 months from issue date
	<u>6,000,000</u>	<u>180,300</u>			

Directors	Units issued	Share-based payments expense	Terms	Exercise Price	Vesting conditions
Michael Tilley	1,500,000	53,085	3 Years Call Options	0.105	None
Charles Schaus	3,000,000	106,170	3 Years Call Options	0.105	None
Yew Fei Chee	1,500,000	53,085	3 Years Call Options	0.105	None
Ching Hong Loong	1,500,000	53,085	3 Years Call Options	0.105	None
Kok Hou Leong	1,500,000	53,085	3 Years Call Options	0.105	None
	<u>9,000,000</u>	<u>318,510</u>			

Appointment of Director

On 10 September 2021 the Company announced the appointment of Mr. Hok Kiang Sia to the Board of Norwest Minerals Limited. Mr. Sia is a professional geologist registered with the Board of Geologists in Malaysia. Mr Sia will receive a director's fee of \$50,000 per annum inclusive of superannuation if applicable. Mr Sia may be eligible to participate in the Company's Long Term Incentive Plan.

Note 9: Events occurring after the reporting period

The directors are not aware of any matters or circumstances that have arisen since the end of the period that significantly affected or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.

Note 10: Commitments and Contingencies

As at reporting date, there has been no change to the contingent liabilities or contingent assets from 30 June 2021.

Norwest Minerals Ltd

Directors' declaration Half Year Ended 31 December 2021

The directors of the Company declare that:

(a) The financial statements and notes are in accordance with the Corporations Act 2001, including:

- (i) complying with the Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements.
- (ii) giving a true and fair view of the financial position as at 31 December 2021 and the performance for the half year ended 31 December 2021.

(b) At the date of this statement there are reasonable grounds to believe that Norwest Minerals will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Charles Schaus,
Director/CEO
Perth
16 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Norwest Minerals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Norwest Minerals Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the company's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

The BDO logo is displayed above a handwritten signature in blue ink. The signature appears to read 'J Prue'.

Jarrad Prue
Director

Perth, 16 March 2022